



# 2023

## ANNUAL REPORT

ANNUAL REPORT  
AND FINANCIAL  
STATEMENTS FOR  
THE YEAR ENDED  
31 DECEMBER 2023



# Football Kenya Federation

## Annual Report and Financial Statements For the Year ended 31 December 2023



Benim & Associates LLP  
Certified Public Accountants  
P.O.Box 59792-00200  
Nairobi  
Email: [info@benimandassociates.com](mailto:info@benimandassociates.com)

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The reports and statements set out below comprise the annual report and financial statements presented to the National executive Council:

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## Federation information

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### Registered Office and Principal Place of Business

FKF House  
Kasarani  
P.O.Box 49911-00100  
Nairobi

### National Executive Committee

Nicholas Kithuku Mwendwa	-	President
Doris Petra Mao	-	Vice president
Barry Omondi Otieno	-	Secretary/CEO
Tony Kweya	-	NEC Member Western
Gordon Davies Chege	-	NEC Member Central
Timothy Muriithi Nabea	-	NEC Member Eastern
Gabriel Mghendi	-	NEC Member Coast
Joseph Andere	-	NEC Member Nyanza
David Bunei	-	NEC Member Lower Rift
Benard Lagat	-	NEC Member Upper Rift
Dabar Ahemdqadar Mohame	-	NEC Member North Eastern
Micheal Majua	-	NEC Member Nairobi
Margaret Omondi	-	NEC Women Representative
Chris Ong'ondo Amimo	-	NEC Member-Co-opted
Antony Makau	-	NEC Member-Co-opted

### General Secretary / CEO

Barry Otieno

### Independent Auditor

Benim & Associates LLP  
Certified Public Accountants  
Trance Towers,514  
P.O.Box 59792-00200  
Nairobi, Kenya  
Email:info@benimandassociates.com

### Principal Bankers

Kenya Commercial Bank Limited  
Thika Road Mall Branch  
P.O Box 48400-00100  
Nairobi

NCBA Bank Limited,  
P.O.Box 44599-00100,  
Nairobi, Kenya

Stanbic Bank Kenya Ltd  
P.O.Box 30550-00100  
Nairobi, Kenya

### Federation Legal Advisors

Litoro & Omwebu Advocates  
Tetezi House,1st Floor  
P.O Box 51829-00100  
Nairobi, Kenya

## President's Foreword



*Dear Members'*

Suspension by FIFA took a heavy toll on Kenyan football. The national teams lost opportunities to take part in international assignments. Coaches who were at the time taking part in CAF coaching programs had to wait for long before they were formally accredited. Match officials also missed opportunities to handle FIFA and CAF assignments. Commercial partners moreover terminated our agreements owing to the uncertainty

The appointment of a new Cabinet Secretary for sports, reinstatement of our National Executive Committee and subsequent lifting of the suspension by FIFA marked a crucial step in the resurgence of Kenyan football. I must thank the Ministry of Sports, under the leadership of Hon. Ababu Namwamba, for the support his Ministry has accorded FKF in the past year. The CS, through his ministry, has not only supported our football development programs but also shown goodwill towards FKF's vision.

This FKF Annual General Meeting is special. We convene, for the first time since 2021, to formulate policies that will guide our return to normalcy.

Notably, we have entered into broadcast partnership agreements with Azam TV and the Kenya Broadcasting Corporation for the FKF Premier League. Out of the partnerships, clubs shall benefit from monetary grants from FKF as well as exposure to audiences in and outside the country. We also maintained partnerships with Mozzart Bet for the FKF Cup and Safaricom for the Chapa Dimba Youth Tournament, Kenya's biggest grassroots football competition. These partnerships go a long way in helping the Federation and its members achieve self-sustainability.

We have also intentionally invested in capacity building of our coaches, referees and technical staff. Our Technical Department has trained and accredited over 1000 coaches at the CAF D license, C License and B License levels. The highlight was the training of 60 coaches at the CAF A License level. These programs are aimed at ensuring that players at all levels are handled by qualified personnel. Certification also prepares our coaches for job opportunities both at home and abroad

The FIFA Football for Schools and Women Football Campaign programs also presented unique opportunities for young players under the age of 15 years in different parts of the country. Under the programs, FKF distributed over 10,000 footballs to youth teams across the country. Coaches under this program also benefited from capacity-building sessions in coaching, leadership, and life skills. Young players deserve an opportunity to showcase their potential as they represent the future of our football.

The Kenya National teams also returned to the international stage after a long time out due to suspension. The Men's senior team, Harambee Stars, was engaged in high-profile friendly matches against Iran, Qatar and Russia. This was the first time Kenya played a European nation. Harambee Starlets also returned to action after a two-year absence. The team played in the Women's African Cup of Nations Qualifiers, sadly falling to Botswana in the final qualifying round.

## President's Foreword

Youth National teams, on the other hand, gave opportunities to young players to showcase their potential on the national stage as coaches got a platform to scout future prodigies. The Kenya U18 team reached the final of the CECAFA U18 Boys championships while the Kenya U15 Girls team also reached the Pan African Schools Football Championship CECAFA Zonal qualifier. This is our future.

FIFA's Forward program presents an opportunity for us to avail modern facilities for the stars of the future. FKF has committed its FIFA forward funds towards the construction of a Technical Center. We have since entered into a Memorandum of Understanding with the County Government of Machakos to actualize the project, which will provide a home for our national team and capacity-building activities and programs.

Lastly, Kenya has a unique opportunity to showcase its potential on the continental stage following our successful bid to host the 2027 Africa Cup of Nations. Alongside Uganda and Tanzania, we put up a strong case for East Africa. We remain thankful to CAF and to the Government of Kenya, under the leadership of President William Ruto, for showing their commitment towards this achievable dream.

This AGM is special as it charts a way forward for the upcoming elective process. Your support has been key in enabling the Federation to create opportunities for every footballer. Without you, we could only achieve a little. I thank you football members for supporting my football development agenda and wish you well as we seek to give hope to the future of Kenyan football.

Yours in Football,



Nick Mwendwa,  
FKF President

# Football Kenya Federation

## Annual report and financial statements for the year ended December 31,2023

### National Executive Committee Report

The National Executive Committee submit their report together with the audited financial statements for the year ended 31 December 2023 which disclose the state of affairs of the Federation

### Registration

The Federation is registered as a National Sports Organization under Section 47 of Sports Act of 2013 (Revised Edition 2013)

### Principal activities

The principal activity of the Federation is management and promotion of the game of Football in the Republic of Kenya and is the only recognized affiliate of FIFA,CAF and CECAFA.

### Review of Financial Results and Activities

The annual statements have been prepared in accordance with International Financial Accounting Standards and the requirements of the Sports Act,2013.The accounting policies have been consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the Federation are set out in these annual financial statement.

The Federation's net fund for the year is Kshs 142,337,898

### Lifting of Suspension ban by FIFA

The government through its communication by the Cabinet Secretatry for Sports confirmed having fulfilled conditions as set out by FIFA council and subsequently FIFA lifted its suspension ban on Kenya on 28th November 2022.

### Prepayments

The Federation in the year 2018 ,had paid 123,175,693 for acquisition of Outside broadcasting equipment (OB). However the supplier WTS Limited domiciled in United Kingdom went under administration on the 16th April 2019 as per communication done by the administrators BDO LLP.The delivery of this equipment or recovery of prepayments made is subject to the administration process outcome which was expected to end on 10 April 2021.However official communication recieved from BDO LLP dated 9th April 2021 indicated a notice to move from Administration to dissolution had been initiated.

### National Executive Committee

The National Executive Committee who held office during the year and to the date of this report are set out on page 1.

### Statement of disclosure to the Federation's auditors.

The National Executive Committee in office at the date of this report confirm that;

- a) So far as the National Executive is aware, no relevant audit information of which the Federation's auditor is unaware of ;and
- b) Each of the NEC member has taken all the steps that they ought to have taken so as to be aware of any relevant information and to establish that the Federation's auditor is aware of that information.

### Auditor

Benim & Associates LLP has expressed its willingness to continue in office.

### Approval of Annual Report and Financial Statements

The annual report and financial statements set out on pages 9 to 22, which have been prepared on a going concern basis were approved by the National Executive Committee on February 12th,22 and signed on its behalf by;



\_\_\_\_\_  
(President/NEC Chairman)

Date: 12/2/2024



**Football Kenya Federation**  
**Annual Report and Financial Statements for the year ended December 31,2023**

**Statement of National Executive Committee Responsibilities**

The Sports Act of Kenya requires the National Executive Committee to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Federation as at the end of the financial period and of its fund for that year. It also requires the NEC to ensure that the Federation keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Federation. The NEC are also responsible for safeguarding the assets of the Federation.

The NEC accepts responsibility for the preparation and presentation of these annual report and financial statements in accordance with International Financial Reporting Standard and in the manner required by Kenyan Sports Act 2013. The NEC also accepts responsibility for:

- i) Designing, implementing and maintaining internal controls as it determines necessary to enable the presentation of annual report and financial statements that are free of material misstatement, whether due to fraud or error.
- ii) Selecting suitable accounting policies and applying them consistently; and
- iii) Making accounting estimates and Judgements that are reasonable in the circumstances.

The NEC acknowledges that the disbandment of FKF by the government affected the management of football activities within the country.

Having made an assessment of the Federations' ability to continue its operations in the foreseeable future, the National Executive Committee is not aware of any material uncertainties related to events and conditions that may cast doubt upon the Federations ability to continue as a going concern.

The National Executive Committee acknowledges that the independent audit of the annual report and financial statements does not relieve them of their responsibilities.

The annual report and financial statements set out on pages 9 to 22 which have been prepared on a going concern basis, were approved by the National Executive Committee on February 12<sup>th</sup> 2024 and were signed on its behalf by;

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**President/NEC Chairman**

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**Chairperson-Finance**

Date: 12/2/2024



## Report of independent auditor to the members of Football Kenya Federation For the year ended 31 December 2023

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### Opinion

We have audited the annual report and financial statements of Football Kenya Federation, set out on pages 9 to 22 which comprise the statement of comprehensive income, statement of financial position, statement of movement in funds and statement of cash flows for the year then ended, and notes to the annual report and financial statements, including a summary of significant accounting policies.

In our opinion the annual report and financial statements present fairly, in all material respects, the financial position of Football Kenya Federation at December 31, 2023 and its financial performance and cash flows for the year then ended in accordance with International Financial reporting Standards and the requirements of the Sports Act 2013.

### Basis for opinion

We conducted our audit in accordance with International standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the annual report and financial statement section of our report.

We are independent of the Federation in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the annual report and financial statements in Kenya. We have fulfilled our ethical responsibilities in accordance with IEBA Code and in accordance with other ethical requirements applicable to performing audits in Kenya.

### Emphasis of Matter

#### a) Material Uncertainty related to Property and Equipment

We draw attention to note 14 in the annual report and financial statements which indicates the Federation had paid Kshs 123,175,693 on acquisition of Outside broadcasting equipment (OB) in the year 2018. However the supplier WTS Limited domiciled in United Kingdom went under administration on 16th April 2019 as per communication done by the administrators, BDO LLP. The delivery of this equipment to the federation is subject to the outcome of the administration process which was expected to end on 10 April 2021 as per the latest report by the administrator report BDO LLP UK dated 6th November 2020. Further communication received from BDO LLP UK dated 9th April 2021 indicates a notice to move WTS Limited from Administration to dissolution. However, the financial statements have been prepared on a going concern basis by the NEC. Our opinion is not modified in respect of this matter.

#### b) Creditors

We noted that the Federation had creditors amounting to Kshs 109,134,884 who needed further scrutiny to establish their existence and valuation as at the reporting date. Our audit procedures revealed that the creditors balances in question were not fully reconciled and thus do not portray the true financial position of the federation. Our opinion is not modified in respect of this matter.

### Other Information

The NEC is responsible for the other information. The other information comprises the NECs' Report as required by the Sports Act 2013, which we obtained prior to the date of this report. Our opinion on the Annual Report and Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon. In connection with our audit of the annual report and financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual report and financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion.



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**Report of independent auditor to the members of Football Kenya Federation-(Continued)**  
**For the year ended 31 December 2023**

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**Responsibilities of the National Executive Committee for the Annual Report and Financial Statements**

The NEC is responsible for the preparation and fair presentation of the Annual Financial Statements in accordance with International Financial Reporting Standards and the requirements of the Sports Act, 2013, and for such internal control as the NEC determine is necessary to enable the preparation of annual report and financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual report and financial statements, the NEC is responsible for assessing the Federation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the NEC either intend to liquidate the Federation or to cease operations, or have no realistic alternative but to do so. The NEC is responsible for overseeing the Federation's financial reporting process.

**Auditor's responsibilities for the audit of the Annual Report and Financial Statements**

Our objectives are to obtain reasonable assurance about whether the annual report and 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Annual Financial Statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual report 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 our 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the NEC.
- Conclude on the appropriateness of the NEC's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Federation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual report and financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Federation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual report and financial statements, including the disclosures, and whether the annual report and financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with the NEC regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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**Report of independent auditor to the members of Football Kenya Federation-(Continued)  
For the year ended 31 December 2023**

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**Going concern**

Our responsibilities as auditors were to obtain sufficient, appropriate evidence about the appropriateness of the NEC' use of the going concern assumption in the preparation and presentation of the financial statements and to include whether there is a material uncertainty about the Federation's ability to continue as a going concern.

One of the fundamental accounting concepts is that the financial statements of a Federation are assumed to be prepared on a going basis. The assumption is that the Federation will carry its activities in the same way for the foreseeable future.

We communicate with the NEC regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on other matters prescribed by the Kenyan Sports Act, 2013**

In our opinion, the information given by the National Executive Council on page 4 is consistent with the financial statements

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Everline Apondi Omondi, Practicing certificate No.2396

For and on behalf of Benim and Associates LLP  
Certified Public Accountants of Kenya,  
Nairobi, Kenya.

14th February 2024

## Football Kenya Federation

Annual report and financial statements for the year ended December 31,2023

### Statement of Profit or Loss and Other Comprehensive Income

Figures in Kenyan Shillings	Note(s)	2023	2022
Grants	5	787,184,007	20,575,583
Other receipts ( Non Grant)	6	166,988,621	476,500
<b>Total receipts</b>		<b>954,172,628</b>	<b>21,052,083</b>
<b>Expenses</b>			
Direct expenses	7	(613,584,424)	-
Staff costs	8	(96,777,443)	(61,295,901)
Administrative expenses	9	(74,793,016)	(669,730)
Other operating expenses	10	(25,534,692)	(3,392,292)
<b>Total expenses</b>		<b>(810,689,575)</b>	<b>(65,357,923)</b>
<b>Fund for the year</b>		<b>143,483,053</b>	<b>(44,305,840)</b>
<b>Other Comprehensive income</b>			
Foreign exchange gain/(loss)	11	-	-
<b>Net fund for the year</b>		<b>143,483,053</b>	<b>(44,305,840)</b>

The accounting policies on pages 13 to 16 and the notes from page 17 to 22 form an intergral part of the annual report and financial statements.

## Football Kenya Federation

Annual report and financial statements for the year ended December 31,2023

### Statement of financial position

Figures in Kenyan Shillings	Note(s)	2023	2022
<b>Assets</b>			
<b>Non - current assets</b>			
Property and equipment	12	282,196,625	282,377,452
Intangible asset	13	32,038	45,768
		<u>282,228,663</u>	<u>282,423,220</u>
<b>Current assets</b>			
Receivables and prepayments	14	123,804,839	123,804,839
Cash at bank and in hand	15	77,328,139	19,254,171
		<u>201,132,978</u>	<u>143,059,009</u>
<b>Total assets</b>		<u>483,361,640</u>	<u>425,482,229</u>
<b>Liabilities and Fund</b>			
<b>Current liabilities</b>			
Payables and accruals	16	227,989,769	313,593,411
		<u>227,989,769</u>	<u>313,593,411</u>
<b>Fund</b>			
Revaluation fund		169,394,112	169,394,112
General fund		85,977,760	(57,505,294)
		<u>255,371,872</u>	<u>111,888,818</u>
12/2/2024			
<b>Total liabilities and Fund</b>		<u>483,361,640</u>	<u>425,482,229</u>

The financial statements on pages 9 to 21 were approved by National Executive Committee on

on 12<sup>th</sup>February 2024 and were signed on its behalf by:

  
\_\_\_\_\_  
President/NEC Chairman

  
\_\_\_\_\_  
Chairperson-Finance

The accounting policies on pages 13 to 16 and the notes from page 17 to 22 form an intergral part of annual report and financial statements.

## Football Kenya Federation

Annual report and financial statements for the year ended December 31, 2023

### Statement of movement in funds

Figures in Kenyan Shillings	Note(s)	Revaluation fund	General fund	Total
At 1 January 2023		169,394,112	(57,505,294)	111,888,818
Net fund for the year		-	143,483,053	143,483,053
<b>At 31 December 2023</b>		<b>169,394,112</b>	<b>85,977,760</b>	<b>255,371,872</b>
At 1 January 2022		169,394,112	(13,199,454)	156,194,658
Net fund for the year		-	(44,305,840)	(44,305,840)
<b>At 31 December 2022</b>		<b>169,394,112</b>	<b>(57,505,294)</b>	<b>111,888,818</b>

The accounting policies on pages 13 to 16 and the notes from page 17 to 22 form an intergral part of the annual report and financial statements.

## Football Kenya Federation

Annual report and financial statements for the year ended December 31,2023

### Statement of cash flows

Figures in Kenyan Shillings	Note	2023	2022
<b>Cash flows generated from operating activities</b>			
Fund for the year		143,483,053	(44,305,840)
<b>Adjustments for:</b>			
Depreciation of property, plant and equipment	12	3,552,327	3,068,597
Amortisation	13	13,731	19,615
<b>Operating profit /(loss) before working capital changes</b>		<b>147,049,111</b>	<b>(41,217,628)</b>
<b>Changes in working capital</b>			
(Increase) /decrease in receivables and prepayments	14	-	-
Increase/(Decrease) in payables and accruals	16	(85,603,642)	57,139,690
<b>Net cash generated from operations</b>		<b>61,445,469</b>	<b>15,922,063</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	12	(3,371,500)	-
<b>Cash generated from investing activities</b>		<b>(3,371,500)</b>	<b>-</b>
Net decrease in cash and cash equivalents		58,073,969	15,922,063
Cash and cash equivalent at start of year		19,254,170	3,332,108
<b>Cash and cash equivalents at end of year</b>	15	<b>77,328,139</b>	<b>19,254,170</b>

The accounting policies on pages 13 to 16 and the notes from page 17 to 22 form an integral part of the annual report and financial statements.



## **1. Summary of Significant accounting policies**

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied over the years presented unless otherwise stated.

### **a).Basis of preparation and summary of significant accounting policies**

The financial statements are prepared on a going concern basis in compliance with International Financial Reporting Standards (IFRS) and the Sports ACT 2013 (Revised Edition 2013) of the laws of Kenya. They are presented in Kenya Shillings (Kshs) which is also the functional currency, see note 1(c) below

The financial statements comprise the Statement of Income Statement, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and Notes thereon. Income and expenses are recognised in the Income Statement.

Preparation of financial statements in conformity with International Financial Reporting Standards requires use of estimates and assumptions. It also requires management to exercise judgement in applying accounting policies adopted by the Federation. Although such estimates and assumptions are based on the Federation's best knowledge and information available, actual results may differ from estimates. The judgments and estimates are reviewed at the end of each reporting period, and any revisions to such estimates are recognised in the year in which the revision is made. Areas involving judgements most significant to the financial statements, and sources of estimation that may have a significant risk resulting in a material adjustment within the next financial year, are disclosed in Note 2.

### **Measurement basis**

The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below. For those assets and liabilities measured at fair value, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When measuring the fair value of an asset or a liability, the Federation uses market observable data as far as possible. If the fair value of an asset or a liability is not observable, it is estimated by the Federation using valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs (e.g. by use of market prices for similar items or discounted cash flow analysis).

Inputs used are consistent with the characteristics of the asset/liability that market participants would take in to account. Fair values are categorized into three levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices.)
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)
- Transfers between levels of the fair value hierarchy are recognised by the Institute at the end of the reporting period during which the change occurred.

### **b) New and revised standards that are effective**

The following new and revised standards and interpretations became effective for the first time in the financial year beginning 1 January 2023 and have been adopted by the Federation where relevant to operations.

#### **IFRS 17 Insurance Contracts (issued in May 2017 and amended in June 2020)**

The new standard, effective for annual periods beginning on or after 1st January 2023, establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. The objective is to ensure that entities provide relevant information in a way that faithfully represents those contracts. The Company does not issue insurance contracts.

#### **Amendments to IAS 8 titled Definition of Accounting Estimates (issued in February 2021)**

The amendments, applicable to annual periods beginning on or after 1st January 2023, introduce a definition of 'accounting estimates' and include other amendments to IAS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates.

#### **Amendments to IAS 1 titled Disclosure of Accounting Policies (issued in February 2021)**

The amendments, applicable to annual periods beginning on or after 1st January 2023, require entities to disclose their material accounting policy information rather than their significant accounting policies.

Based on the assessment of the NEC, the adoption of the above standards will not have a significant impact on the Federation's financial statement.

## Football Kenya Federation

Annual report and financial statements for the year ended December 31, 2023

### 1. Summary of Significant Accounting Policies (continued)

#### i) New and revised standards and interpretations in issue but not yet effective

##### Amendments to IAS 1 titled Classification of Liabilities as Current or Non-current (issued in January 2020, amended in October 2022)

The amendments, applicable to annual periods beginning on or after 1st January 2024, clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

##### Amendment to IFRS 16 titled Lease Liability in a Sale and Leaseback (issued in September 2022)

The amendment, applicable to annual periods beginning on or after 1st January 2024, requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss.

##### Amendments to IFRS 9 and IFRS 17 titled Initial application of IFRS 17 and IFRS 9 - Comparative Information (issued in December 2021)

The amendments, applicable on initial application of IFRS 17, add a transition option relating to comparative information about financial assets presented on initial application of IFRS 17.

##### Amendments to IFRS 16 titled Covid-19-Related Rent Concessions Beyond 30th June 2021 (issued in March 2021)

The previous amendment to IFRS 16 permitted the practical expedient to be applied only to reductions in lease payments that did not extend beyond 30th June 2021. This amendment, applicable to annual periods beginning on or after 1st April 2021 allows the practical expedient to be applied to reductions in lease payments that do not extend beyond 30th June 2022.

##### Amendments to IAS 1 titled Non-current Liabilities with Covenants (issued in October 2022)

The amendments, applicable to annual periods beginning on or after 1st January 2024, improve the information an entity provides about liabilities arising from loan arrangements for which an entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement.

The Federation has not applied any of the new or revised Standards and Interpretations that have been published but are not yet effective for the year beginning 1 January 2022, and the NEC does not plan to apply any of them until they become effective.

None of the above is expected to have a significant impact on the Federation's financial statements in the period of initial application.

#### c) Translation of foreign currencies

On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the Federation operates), which is Kenya Shillings.

Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the transaction date. Monetary assets and liabilities at the reporting date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognised on a net basis in the income statement in the year in which they arise.

#### d) Revenue recognition

Revenue represents funding from donors, Subscriptions from football clubs and other related income. Revenue from grants and subscriptions is recognised in the year they are received.

**1. Summary of Significant Accounting Policies (continued)**

**e) Property and equipment**

Land and buildings are shown at fair value based on valuations by external independent valuers, less subsequent depreciation of the buildings. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property and equipment are stated at historical costs less depreciation. Historical costs include expenditure that is directly attributed to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the federation and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance

Increases in carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown as revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against the revaluation reserve, all decreases are charged to statement of comprehensive income. Each year the difference between depreciation based on the revalued carrying amount of the asset ( depreciation charged to statement of comprehensive income ) and depreciation based on the asset's original cost is transferred to revaluation reserve to retained earnings. Land is not depreciated.

The depreciation chart of items of property and equipment have been assessed as follows:

The useful lives of items of equipment have been assessed as follows:

Item	Depreciation method	Rate per annum (%)
Furniture and fittings	Diminishing balance	10.00
Computers and equipments	Diminishing balance	30.00
Buildings	Diminishing balance	2.50

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

**f) Intangible assets - Computer Software**

Computer software licenses are capitalized based on the costs incurred to acquire and bring to use the specific software. These costs are amortized over the assets' estimated useful life of three years.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Federation, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development staff costs and an appropriate portion of relevant overheads.

**g) Cash and cash equivalents**

Cash and cash equivalents include cash in hand and demand and term deposits, with maturities of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts. In the statement of financial position, bank overdrafts are included as borrowings under current liabilities.

**h) Employee benefits**

**Post-employment benefit obligations**

The Federation operates a defined contribution staff retirement benefit scheme for its employees. The scheme is administered by ICEA Lion Kenya and is funded by contributions from both the Federation and the employees. The Federation's contributions to the defined contribution retirement benefit scheme are recognised as expense in the income statement in the year in which they relate.

## Football Kenya Federation

Annual report and financial statements for the year ended December 31,2023

### Notes to the Annual Report And Financial Statements

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#### Retirement benefits costs

The Federation and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The Federation's contributions to the defined contribution scheme are charged to the income statement in the year to which they relate.

#### 2. Significant Judgments and Key Sources of Estimation Uncertainty

In the process of applying the accounting policies adopted by the NEC, the Federation makes certain judgements and estimates that may affect the amounts recognised in the financial statements. Such judgements and estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. However, actual results may differ from those estimates. The judgements and estimates are reviewed at each financial reporting date to ensure that they are still reasonable under the prevailing circumstances based on the information available, and any revisions to such judgements and estimates are recognised in the year in which the revision is made.

Significant judgements in applying the entity's accounting policies.

In the process of applying the Federation's accounting policies, the NEC has made judgements in determining:

- whether there has been a significant increase in credit risk since the initial recognition of financial assets,
- whether assets are impaired,

#### 3. Risk Management Objectives and Policies

##### Financial risk management

The Federation's activities expose it to three main financial risks: credit, liquidity and market risks. Risk Management is carried out by the Finance committee under policies approved by the NEC. The policies focus on the unpredictability of changes in the business environment and seek to minimize the potential adverse effects of such risks on the Federation's performance by setting acceptable levels of risk. The Federation has not hedged against any risks in the current year.

##### Currency risk:-

Currency risk arises on financial instruments that are denominated in foreign currency.

The federation is exposed to risk through transactions in foreign currencies. The federation's exposures give rise to foreign currency gains and losses that are recognized in the Statement of Comprehensive Income. The federation ensures that its net exposure is kept to an acceptable level by careful monitoring of exchange rates and currency hedging.

#### 4.Taxation

##### Income tax

The Federation is exempt from income tax obligation on grants received from sponsors. However a certificate of exemption is not in place.

**Football Kenya Federation**  
**Annual report and financial statements for the year ended December 31,2023**

**Notes to the Annual Report And Financial Statements**

Figures in Kenyan Shillings	2023	2022
<b>5 Receipts</b>		
<b>Grants</b>		
FIFA Receipts	349,552,369	12,325,880
CAF Receipts	72,320,753	8,249,703
CECAFA Receipts	72,450,599	-
Ministry of Sports	292,860,287	-
	<u>787,184,007</u>	<u>20,575,583</u>
<b>6 Other receipts ( Non Grant)</b>		
FKF Sponsorship	98,580,555	-
Safaricom Chapa Dimba	58,367,200	-
Appeals and Fines	496,447	-
Training and Other Sponsorships	5,542,341	-
Participatory Fees	880,000	-
Other receipts	3,122,080	476,500
	<u>166,988,621</u>	<u>476,500</u>
<b>7 Direct expenses</b>		
<b>(i) Men's Football</b>		
Men's Football Accomodation	19,807,232	-
Men's Football transport	51,319,185	-
Men's Football Match Officials Fees	176,965	-
Men's Football Allowances	5,201,005	-
Men's Football event expenses	62,377,441	-
	<u>138,881,828</u>	<u>-</u>
<b>(ii) Women Football</b>		
Women Football event expenses	1,073,123	-
Women Football accomodation	2,972,125	-
Women Football transport	13,192,000	-
Women Football stadium hire	3,860,480	-
Women Football match officials fees	495,280	-
Women Football allowances	11,843,936	-
	<u>33,436,944</u>	<u>-</u>

## Football Kenya Federation

### Annual report and financial statements for the year ended December 31, 2023

#### Notes to the Annual Report And Financial Statements

Figures in Kenyan Shillings	2023	2022
<b>7 Continued</b>		
<b>(iii) Direct expenses</b>		
<b>Youth Football</b>		
Youth Football event expenses	864,800	-
Youth Football stadium hire	116,000	-
Youth Football transport	430,000	-
Youth Football stipend	816,500	-
	<u>2,227,300</u>	<u>-</u>
<b>(iv) Women Youth Football</b>		
Youth Football event expenses	9,256,437	-
Youth Football accomodation	6,499,600	-
Youth Football transport	18,241,356	-
Youth Football stadium hire	243,600	-
Women Football match officials fees	565,887	-
	<u>34,806,880</u>	<u>-</u>
<b>(v) Other direct costs</b>		
FKF Shield Cup	24,009,516	-
CAF expenses	1,843,316	-
Technical Development	96,326,957	-
Leagues and competition	48,537,141	-
CECFAFA expenses	96,591,661	-
Top League	82,553,923	-
Chapa Dimba	54,368,959	-
	<u>404,231,473</u>	<u>-</u>
<b>Total direct costs</b>	<u>613,584,424</u>	<u>-</u>
<b>8 Staff costs</b>		
Salary and wages	96,777,443	61,295,901
	<u>96,777,443</u>	<u>61,295,901</u>

## Football Kenya Federation

### Annual report and financial statements for the year ended December 31, 2023

#### Notes to the Annual Report And Financial Statements

Figures in Kenyan Shillings	2023	2022
<b>9 Administrative expenses</b>		
Telephone ,postage and internet	1,153,930	148,950
Committee expenses	9,611,092	-
General administrative expenses	28,279,122	-
Audit fees	1,000,000	100,000
Printing and stationery	2,528,765	1,800
Legal fees	9,270,000	195,328
Security expenses	1,930,856	106,643
Staff meals and subsistence allowance expenses	12,793,743	38,506
Training expenses	1,458,313	-
Bank charges expenses	1,736,996	78,503
Compensation expenses	5,030,199	-
	<u>74,793,016</u>	<u>669,730</u>
<b>10 Other operating expenses</b>		
Advertisement expenses	986,040	-
Depreciation	3,552,327	3,068,597
Amortisation	13,731	19,615
Transport expenses	8,856,390	304,080
Utilities expenses	642,404	-
Referees testing and Evaluation (PET & FIFA)	11,483,801	-
	<u>25,534,692</u>	<u>3,392,292</u>
<b>11 Foreign exchange</b>		
Foreign exchange gain/(loss)	-	-
	<u>-</u>	<u>-</u>

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Figures in Kenyan Shillings

12 Property and equipment	Land		Buildings		Computers & equipment's		Furniture & Fittings		Total
	Kshs		Kshs		Kshs		Kshs	Kshs	
<b>COST 2023</b>									
Balance as at 01-01-2023	220,000,000	-	73,000,000	-	10,939,432	-	13,493,003	-	317,432,435
Additions	-	-	-	-	3,349,500	-	22,000	-	3,371,500
<b>Balance as at 31-12-2023</b>	<b>220,000,000</b>	<b>-</b>	<b>73,000,000</b>	<b>-</b>	<b>14,288,932</b>	<b>-</b>	<b>13,515,003</b>	<b>-</b>	<b>320,803,935</b>
<b>Depreciation</b>									
Balance as at 01-01-2023	-	-	19,960,724	-	7,919,749	-	7,174,511	-	35,054,983
Charge for the year	-	-	1,325,982	-	1,592,296	-	634,049	-	3,552,327
<b>Balance as at 31-12-2023</b>	<b>-</b>	<b>-</b>	<b>21,286,706</b>	<b>-</b>	<b>9,512,045</b>	<b>-</b>	<b>7,808,560</b>	<b>-</b>	<b>38,607,310</b>
<b>Net Book Value</b>									
<b>Balance as at 31-12-2023</b>	<b>220,000,000</b>	<b>-</b>	<b>51,713,294</b>	<b>-</b>	<b>4,776,887</b>	<b>-</b>	<b>5,706,443</b>	<b>-</b>	<b>282,196,625</b>
<b>COST 2022</b>									
Balance as at 01-01-2022	220,000,000	-	73,000,000	-	10,939,432	-	13,493,003	-	317,432,435
Additions	-	-	-	-	-	-	-	-	-
<b>Balance as at 31-12-2022</b>	<b>220,000,000</b>	<b>-</b>	<b>73,000,000</b>	<b>-</b>	<b>10,939,432</b>	<b>-</b>	<b>13,493,003</b>	<b>-</b>	<b>317,432,435</b>
<b>Depreciation</b>									
Balance as at 01-01-2022	-	-	18,600,743	-	6,913,188	-	6,472,456	-	31,986,386
Charge for the year	-	-	1,359,981	-	1,006,561	-	702,055	-	3,068,597
<b>Balance as at 31-12-2022</b>	<b>-</b>	<b>-</b>	<b>19,960,724</b>	<b>-</b>	<b>7,919,749</b>	<b>-</b>	<b>7,174,511</b>	<b>-</b>	<b>35,054,983</b>
<b>Net Book Value</b>									
<b>Balance as at 31-12-2022</b>	<b>220,000,000</b>	<b>-</b>	<b>53,039,276</b>	<b>-</b>	<b>3,019,683</b>	<b>-</b>	<b>6,318,493</b>	<b>-</b>	<b>282,377,452</b>



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**Notes to the Annual Report And Financial Statements**

Figures in Kenyan Shillings	2023	2022
<b>13 Intangible asset</b>		
<b>Software costs</b>		
At 1 January 2023	349,255	349,255
Additions	-	-
<b>At 31 December 2023</b>	<b>349,255</b>	<b>349,255</b>
<b>Amortization</b>		
At 1 January 2023	303,487	283,871
Charge for the year	13,731	19,615
<b>At 31 December 2023</b>	<b>317,217</b>	<b>303,487</b>
<b>Carrying amount at end of year</b>		
<b>At 31 December 2023</b>	<b>32,038</b>	<b>45,768</b>

The annual amortisation rate used is 30 %.

<b>14 Receivables and prepayments</b>		
Deposits and prepayments	123,208,193	123,208,193
Other receivables	596,646	596,646
<b>At 31 December</b>	<b>123,804,839</b>	<b>123,804,839</b>

Included in the prepayments is Kshs 123,175,693 paid to WTS Limited for outside broadcasting equipment which had not been delivered as at the end of the year 31 December 2022.

The carrying value of receivables approximates fair value

<b>15 Cash and cash equivalents</b>		
For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:		
Cash and current account balances		
Cash and Cash equivalents	77,328,139	19,254,171
	<b>77,328,139</b>	<b>19,254,171</b>

<b>16 Trade and other payables</b>		
Payables b/f	83,159,014	109,134,884
Additions during the year	82,563,615	121,484,856
Accrued audit fees	1,800,000	100,000
Other payables	60,467,140	82,873,671
	<b>227,989,769</b>	<b>313,593,411</b>

The carrying value of payables and accruals approximates fair value

17 Events after reporting period

17(a) Contingent Liabilities

Outside broadcasting equipment (OB)

The Federation in the year 2018 ,had paid 123,175,693 for acquisition of Outside broadcasting equipment (OB). However the supplier WTS Limited domiciled in United Kingdom went under administration on the 16th April 2019 as per communication done by the administrators BDO LLP. Based on the administration report dated 9th April 2021 the administrator indicated that there had been insufficient realisations to enable a distribution to be made to the preferential creditors.





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