



PRESS RELEASE

LAUNCH OF THE 2021 FIRE AWARD

Nairobi - September 22, 2021 - The 19th edition of the Excellence in Financial Reporting (FiRe) Award has today been launched, inviting reporting entities to submit their Financial Reports for assessment for this year's FiRe Award.

Private sector entries are open from today, the 22 September 2021, to 30 October 2021. Public sector entities will be expected to submit their financial reports for assessment from today to 30th October 2021. The FiRe Award is aimed at reviewing financial reporting compliance levels among corporate entities.

This year, the Retirements Benefits Authority (RBA) has joined as a new promoter of the FiRe Award. The other promoters of the Award are the Institute of Certified Public Accountants of Kenya (ICPAK), Public Sector Accounting Standards Board (PSASB), Nairobi Securities Exchange (NSE), and the Capital Markets Authority (CMA). Following RBA's move to join the FiRe Award, all registered Retirement Benefits Schemes can now participate by submitting their latest financial statements for evaluation and award in the "Pension Schemes Category".

This year's event focuses on how the COVID 19 pandemic has affected businesses and livelihoods. The event will also highlight strategies adopted by organisations to remain profitable and deliver services to their clients. The theme of this year's award is "**Promoting Financial Reporting Excellence In Uncertain Global Economy**".

PSASB Chief Executive Officer, Fredrick Riaga, said that FiRe Award is an indispensable event for improving entities' compliance with International Public Sector Accounting Standards (IPSAS) reporting framework for transparency and accountability. He added that the adoption of International Financial Reporting Standards (IFRS) by entities has boosted business efficiencies, enhanced comparability and better communication with stakeholders. "IPSAS and IFRS adoption has largely been positive in reducing investment risks and attracting capital. Disclosure of financial information has also helped in fostering financial prudence and public participation in financial management. This has indeed contributed to the enhancement of accountability and transparency of public funds," Mr. Riaga said.

The CMA Chief Executive Officer, FCPA Wycliffe Shamiah, said, "COVID-19 still poses risks to regulated entities but the relaxation of the containment measures has resulted in positive signs of economic recovery, which is expected to lead to improved profitability for the listed and regulated entities". Mr. Shamiah observed that the capital markets have remained resilient, and is optimistic that the projected economic growth will support a steady recovery of the market".

ICPAK Chief Executive Officer, CPA Edwin Makori, noted that the pandemic has greatly revolutionised accounting in the country. "The pandemic has significantly changed how financial reporting is done. Over the years, our focus has been on the



requirements of the standards. This year, our focus is on the practical challenges of applying the Accounting Standards amidst COVID-19,” said CPA Makori.

The NSE Chief Executive and Chairman of the FIRE Award Executive Committee, Mr Geoffery Odundo, observed that “The heightened turmoil in global financial markets, precipitated by the ongoing pandemic calls for a sound reporting and disclosure framework. This will ensure that investment decisions are based on accurate and timely information and enhance confidence in the capital markets while also lowering barriers to access to capital for issuers.”

RBA Chief Executive Officer Mr. Nzomo Mutuku said that “RBA is delighted to join the FiRe Award promoters to upscale the financial reporting of registered retirement benefits schemes. “We hope that through this partnership, RBA will strengthen its regulatory role and enhance financial disclosure by Retirement Benefit Schemes which control over Kshs.1.2 trillion worth of assets”.

Some of the areas that will be evaluated in this year’s Award include governance, environmental and sustainability reporting, compliance with applicable Accounting Standards and overall presentation of Annual Reports and Financial Statements.

Last year, FiRe Award attracted 244 entities from the public sector and 50 from the private sector, with similar numbers or more expected this year as the public sector deepens participation. The FiRe Award ceremony will be held on 17 December 2021 to recognise the best performing entities.

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BACKGROUND INFORMATION ON THE FIRE AWARD

The Financial Reporting (FiRe) Award is the most prestigious and coveted Award in East Africa for financial reporting. The Award is presented annually, during a colourful, gala evening hosted by the joint promoters - the Public Sector Accounting Standards Board (PSASB), Capital Markets Authority (CMA), the Nairobi Securities Exchange (NSE) and the Institute of Certified Public Accountants of Kenya (ICPAK).

For the last sixteen (16) years, the FiRe Award has been recognized and awarded the best reporting entities in East Africa. The Award aims to promote integrated reporting by enhancing accountability, transparency, and integrity in compliance with appropriate financial reporting framework and other disclosures on governance, social and environmental reporting by private, public and other entities domiciled in East Africa.

THE PROMOTERS

PUBLIC SECTOR ACCOUNTING STANDARDS BOARD (PSASB):



The Public Sector Accounting Standards Board (PSASB) was established under sections 192 to 195 of the Public Finance Management (PFM) Act 2012. The Board is mandated to provide frameworks and set generally accepted accounting standards for the development and management of accounting and financial systems and internal audit procedures by state organs and public entities as spelt out under Section 194 of the PFM Act.

ICPAK: The Institute of Certified Public Accountants of Kenya (ICPAK) is a statutory body that regulates the profession of accountancy in Kenya. The Institute has achieved recognition as a professional body for its contribution in finance and accounting education, governance, professional development, maintenance of high accounting, auditing and ethical standards. As a professional body concerned with protection of public interest, ICPAK is one of the most active thought leaders in governance and economic matters in the country and the region.

NSE: The Nairobi Securities Exchange (NSE) is the principal securities exchange of Kenya. Besides equity securities, the NSE offers a platform for the issuance and trading of debt securities. The NSE is a member of the African Securities Exchanges Association (ASEA) and the East African Securities Exchanges Association (EASEA). It is an affiliate member of the World Federation of Exchanges (WFE), an associate member of the Association of Futures Markets (AFM) and a partner Exchange in the United Nations Sustainable Stock Exchanges Initiative (SSE).

CMA: The Capital Markets Authority (CMA) was set up in 1989 as a statutory agency under the Capital Markets Act Cap 485A. It is charged with the prime responsibility of both regulating and developing an orderly, fair and efficient capital markets in Kenya with the view to promoting market integrity and investor confidence. The regulatory functions of the Authority as provided by the Act and the regulations include; Licensing and supervising all the capital market intermediaries; Ensuring compliance with the legal and regulatory framework by all market participants; Regulating public offers of securities, such as equities and bonds & the issuance of other capital market products such as collective investment schemes; Promoting market development through research on new products and services; reviewing the legal framework to respond to market dynamics; promoting investor education and public awareness; and protecting investors' interest.

RBA: The Authority was established under the Retirement Benefits Act and is mandated to: regulate and supervise the establishment and management of retirement benefits schemes; protect the interests of members and sponsors of retirement benefits sector; promote the development of the retirement benefits sector; Advise the Cabinet Secretary, National Treasury on the national policy to be followed with regard to retirement benefits industry and implement all government policies relating to the retirement benefits industry.

Visit our website: <http://www.fireaward.org>

For more information, please contact the following:



Benuel Bosire
Head of Communication, Public Sector Accounting Standards Board (PSASB)
Email: Benuel.bosire@psasb.go.ke
Mobile: 0721573888

or

Valerie Alusa
Communications Officer, The Institute of Certified Public Accountants of Kenya (ICPAK).
Email: valerie.alusa@icpak.com
Mobile: 0722 376671