



Press Release

Public, Private Sector Urged to Disclose Non-financial Information in their Reports.

Nairobi, 29 August 2023...The public and private sectors in the country have been urged by promoters of the Financial Reporting (FiRe) Award to embrace disclosure of non-financial information as it plays a key role in business sustainability.

The disclosure of non-financial information is essential for building trust amongst the public by responding to their expectations and needs and by communicating with external stakeholders, including investors, on the need for sound decision making.

The coveted FiRe Award is organized by five promoters namely Institute of Certified Public Accountants of Kenya (ICPAK), the Public Sector Accounting Standards Board (PSASB), Nairobi Securities Exchange (NSE), Capital Markets Authority (CMA) and the Retirement Benefits Authority (RBA).

This year's FiRe Award theme is *"utilizing technology and innovation to enhance transparency of sustainability, governance and financial information."* The theme resonates with the critical role that technology plays in ensuring transparency of non-financial information disclosures, which give a wholesome view of organizational performance and its relevance in decision-making.

Speaking during the launch of the 22nd Edition of the FiRe Award, the Chairman of the FiRe Award Executive Committee, who is also the NSE CEO, Mr. Geoffrey Odundo, said that FiRe Award promotes financial reporting excellence, fosters sound corporate governance practices, and enhances corporate investment and environmental reporting in public and private sectors.

The CEO of Public Sector Accounting Standards Board (PSASB), Mr. Fredrick Riaga, said that as the demand for non-financial information disclosure increases, data collection and metrics development become a challenge. To surmount this, public sector entities should leverage on

technology to enhance transparency and sustainability in financial reporting. “Even as PSASB and the National Treasury are making final touches on modalities of transitioning the country from cash to accrual accounting, public sector entities should strike a balance in reporting financial and non-financial information,” Mr. Riaga said.

ICPAK Chief Executive Officer, CPA Dr. Grace Kamau, added that the FiRe Award has 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 disclosure of non-financial reporting will address the growing expectation from stakeholders on transparency and accountability. The changing market dynamics calls for disclosure on long term value creation and future trends. The disclosure of non-financial information will restore trust in business, reinforce the stability and predictability of business performance,” RBA Chief Executive, Mr. Charles Machira observed.

The CMA Chief Executive Officer, Mr. Wyckliffe Shamiah, noted that “the adoption of a wholistic approach to financial reporting to include disclosure of non-financial information is critical due to the growing concerns around governance practices, business sustainability and the contribution of corporate activity to climate change.”

Mr. Shamiah also welcomed the publication of the final standards for Sustainability-Related Financial Information (IFRS S1) and Climate-Related (IFRS S2) Disclosures by the International Sustainability Standards Board.

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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). 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. Visit the website: <http://www.fireaward.org>

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BACKGROUND INFORMATION – ABOUT THE PROMOTERS

INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF KENYA: The Institute of Certified Public Accountants of Kenya (ICPAK) is a statutory body that regulates the profession of accountancy in Kenya. The Institute of Certified Public Accountants of Kenya (ICPAK) is a statutory body of accountants established under by the Accountants Act of 1978, and as repealed under the Accountants Act Number 15 of 2008, mandated to develop and regulate the Accountancy Profession in Kenya. It is also a member of the International Federation of Accountants (IFAC), the global umbrella body for the accountancy profession. For more information, please contact: Mercelline Maroma, Head of PR and Corporate Communications on Email: mercelline.maroma@icpak.com

PUBLIC SECTOR ACCOUNTING STANDARDS BOARD: 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. For more information, please contact: Benuel Bosire, Head of Public Relations and Communications on Email: benuel.bosire@psasb.go.ke

NAIROBI SECURITIES EXCHANGE: 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). For more information, please contact: Boniface Mbogo, Senior Officer, Communications on Email: bmbogo@nse.co.ke

CAPITAL MARKETS AUTHORITY: 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. CMA also regulates the commodity markets and online forex trading. 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. For more information, please contact: Antony Mwangi, Manager Corporate Affairs & International Relations on amwangi@cma.or.ke

RETIREMENT BENEFITS AUTHORITY: The Retirement Benefits Authority (RBA) 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 and Economic Planning on the national policy to be followed with regard to retirement benefits industry and implement all government policies relating to the retirement benefits industry. For more information, please contact: Alex Mugambi, Head of Corporate Communications on Email: amugambi@rba.go.ke