



IN-YEAR REPORTING TEMPLATES

State Corporations & SAGAs

20 June 2016

Presented by: Samuel Kirenge





Background of Quarterly Reporting/ Legal Framework

Quarterly Reporting Requirements – Section 83 of the PFMR Act

As per Section 83 of the PFMR Act,

- (1) An accounting officer for a **national government entity shall prepare a report for each quarter** of the financial year in respect of the entity.
- (2) In preparing a quarterly report for a national government entity, the accounting officer shall ensure that the report:

Quarterly Reporting Requirements – Section 83 of the PFMR Act

(a) contains **information on the financial and non-financial performance** of the entity; and

(b) is in a form that **complies with the standards prescribed** and published by the Accounting Standards Board from time to time.

(3) Not later than ***fifteen days after the end of each quarter***, the accounting officer shall submit the quarterly report to the **Cabinet Secretary responsible for the entity** and the National Treasury.

Quarterly Reporting Requirements – Section 83 of the PFMR Act

(4) The Cabinet Secretary responsible for an entity shall forward a copy of the report to the Cabinet Secretary and Controller of Budget.

(5) Not later ***than forty five days*** after the end of each quarter, the National Treasury shall—

(a) ***consolidate the quarterly reports*** and submit them to the National Assembly with copies of the reports to the Controller of Budget, Auditor-General and the Commission on Revenue Allocation; and

(b) publish and publicise the reports.

Quarterly Reporting Requirements – Section 83 of the PFMR Act

(6) In the case of an entity that is a **state corporation, the accounting officer for the corporation shall submit the quarterly report to the Cabinet Secretary** responsible for the corporation who shall, upon approving it, forward a copy to the Cabinet Secretary.

PSASB Approval of Quarterly Reporting Templates

- The Public Sector Accounting Standards Board of Kenya approved the templates for quarterly reporting by National Government Entities on 25 February 2016.
- The templates are effective for the period starting 1 July 2016 and circulars stipulating the implementations have been sent by NT

Key Features in the Template
2016@KSGCAMPUS

Key Features in the Template

- Developed from the ***earlier version that was being used by State Corporations and Government Owned Entities.***
- Elaborate discussions and involvement of Key Stakeholders before concluding on the template.
- The template include financial and non financial information that include the following:

Key Features in the Template

- The template draws a lot from the annual reporting templates to ensure **consistency in reporting.**
- Brief of the **Key entity information.**
- Management discussions and analysis.
- Analysis of amounts included in the quarterly financial statements.

Key Features in the Template

- Project Implemented information
- **Key statements** – Financial Performance, Position, Cash flows, Budget Vs Actual and Notes to the quarterly statement.
- **Transfers from MDAs** – confirming on a quarterly basis how much transferred per quarter comparing with the MDA QFS.
- Detailed analysis of **Cash and Cash Equivalents** as well as Investments.

Key Features in the Template

- Section detailing **shareholding in other entities** as well direct and indirect shareholding in the entity.
- Summary of **receivables as at end of each quarter including a summary of aged analysis.**
- **Borrowings** analysis and statutory obligations as at the end of each quarter.

Contents of the Quarterly Reporting Templates

Template Contents

Key Entity Information & Management

Under this section the entity should summarize key entity information as it appears in the annual financial report. Information such as entity's principal activities, contacts, bankers, board members, board committees, key management should be included here.

Key Features in the Template

Statement of responsibilities

Under this section, the officers responsible for preparing the financial statements should sign and take responsibility for the information included in the quarterly report.

Key Features in the Template

Statement of Financial Performance

Per each quarter the entity should summarize the performance based on the breakdown of the notes. The figures should be populated in the excel notes tab which will automatically transfers the amount to the Statement of Financial Performance on a quarterly basis.

Key Features in the Template

Statement of Financial Position

Per each quarter the entity should summarize the performance based on the breakdown of the notes. The figures should be populated in the excel notes tab which will automatically transfers the amount to the Statement of Financial Position on a quarterly basis. The statement of financial position must balance.

Key Features in the Template

Statement of Cash Flows

This should be completed on a quarterly basis and at the beginning of every quarter, the cash and cash equivalent at the closing of each quarter should be brought forward.

Key Features in the Template

**Statement
of
Comparison of
Budget
and Actual
Amounts**

Based on the budget per quarter, actual figures should be populated such that at the end of each quarter, there will be a comparison of budget cumulative and actual cumulative. Variances above 10% must be explained.

Key Features in the Template

Notes to the Quarterly Financial Statements

The notes are structured in such a way that they will be populated on a quarterly basis to feed in to the statement of financial performance and position. Notes that are not relevant should be deleted and any inclusion of an item not included in the template is acceptable.

Responsibility of Submission of Quarterly Reporting Templates

Entities' Responsibilities

- The board of directors and the chief executives of the respective entities should ensure the compliance with the requirements of this template.
- The chief executives should ensure compliance with the requirements of this template in order to **avoid sanctions provided for in the Public Finance Management Act, 2012.**

Entities' Responsibilities

- The quarterly reports should be submitted to the Office of the **Cabinet Secretary responsible for the entity** and Office of the Director Government Investments and Public Enterprises, The National Treasury with a soft copy forwarded through.

National Treasury Responsibility on Quarterly Reports

National Treasury Responsibilities

The National Treasury shall not later than forty five days after the end of each quarter:

- ✓ *Consolidate the quarterly reports and submit them to the National Assembly with copies of the reports to the Controller of Budget, Auditor-General and the Commission on Revenue Allocation; and*
- ✓ *Publish and publicize the reports.*

Other Important Information on the
Templates – Which entities, Timing etc

Other Important Information to Note

- The template should be completed by ***all National Government Owned Entities.***
- ***Financial and non-financial*** performance of the entity must be included per quarter.
- The template is available in ***excel*** spreadsheet for the financial information.

Other Important Information to Note

- Quarterly reporting should be done not later than ***fifteen days*** after the end of each quarter.
- The financial amounts should be ***rounded*** to nearest shilling.

Other Important Information to Note

- The quarterly report should be ***signed by the responsible officers*** as authorised by the board of directors or equivalent authoritative arm.
- The notes should be ***customized*** to fit the nature of the entity and anything not relevant deleted.

Other Important Information to Note

- The ***comparative*** amounts for all the statements and notes should be as per the ***prior year audited amounts***.

Detailed Presentation of Blank and Populated Templates

Templates



Microsoft Word
2003 Document



Microsoft Word
Document



Microsoft Excel
Worksheet

Deloitte Q&A