

REPUBLIC OF KENYA



*Enhancing Accountability*

## REPORT

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: <sup>Tue</sup> 09 OCT 2020 DAY

TABLED BY: *Leader of Majority*

GENERAL DEBATE: *Plans and*

**THE AUDITOR-GENERAL**

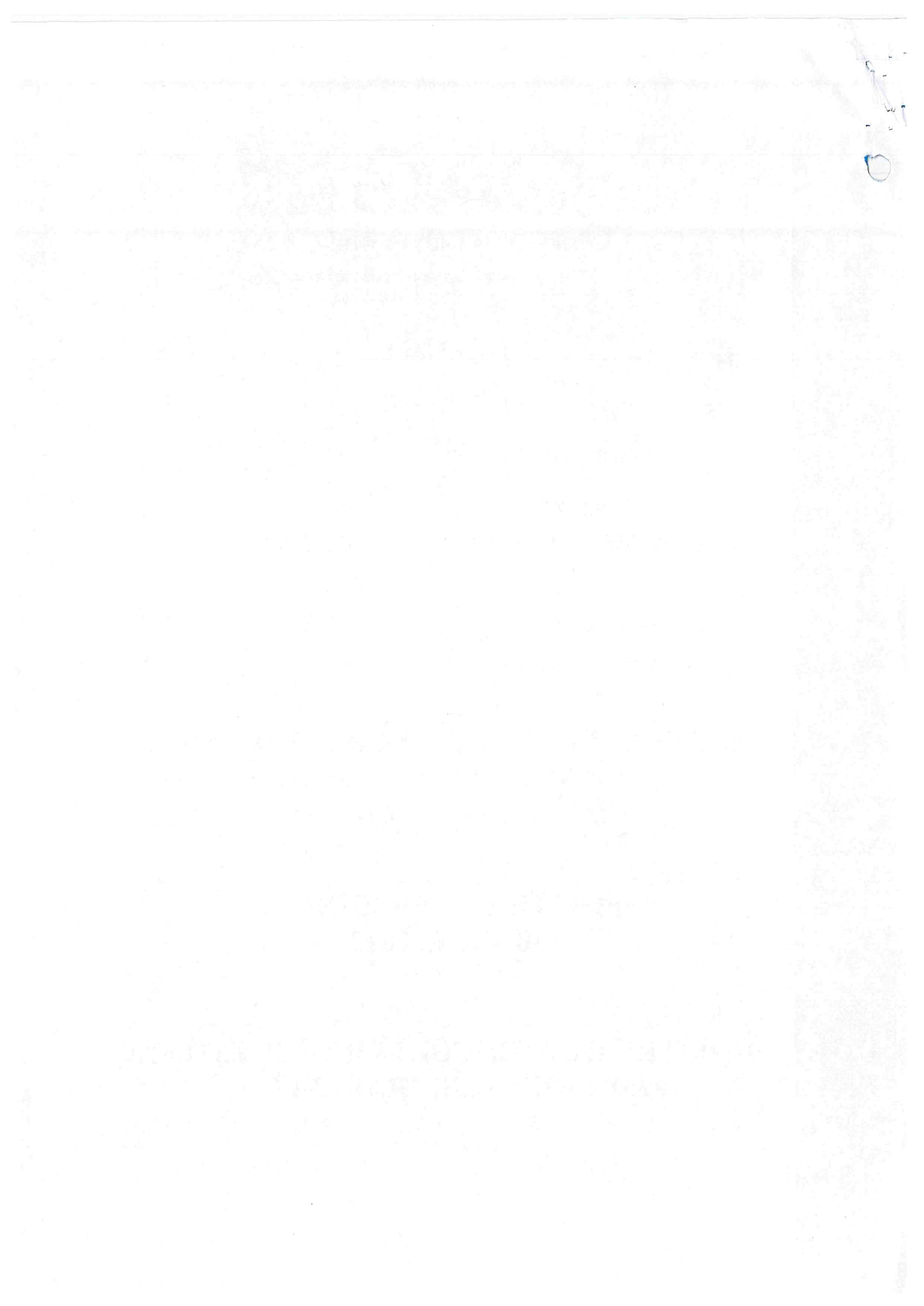
**ON**

**AGRICULTURAL SECTOR DEVELOPMENT  
SUPPORT PROGRAMME II  
(SIDA GRANT NO.51110109)**

**FOR THE YEAR ENDED  
30 JUNE, 2019**

**MINISTRY OF AGRICULTURE, LIVESTOCK  
FISHERIES AND IRRIGATION**





Revised Template 30/6/2017



**MINISTRY OF AGRICULTURE, LIVESTOCK, FISHERIES AND  
IRRIGATION**

**Programme Name: AGRICULTURAL SECTOR DEVELOPMENT SUPPORT  
PROGRAMME II (ASDSP II)**

**Implementing Entity: SIDA CONTRIBUTION**

**PROGRAMME GRANT NUMBER: 51110109**

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**REVISED REPORT AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30<sup>TH</sup> JUNE 2019**

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**Prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector  
Accounting Standards (IPSAS)**



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**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

**Revised Reports and Financial Statements For the Financial Year Ended 30<sup>TH</sup> June, 2019**

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# **AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

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## **1.0 PROGRAMME INFORMATION AND OVERALL PERFORMANCE**

### **1.1 Name and registered office**

Ministry of Agriculture is the implementing Agency located at Kilimo House, Cathedral Road Nairobi.

P. O. Box 30028-00100, Nairobi.

**Name:** The Programme 'official Name: **AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II (ASDSP II)**

**Objective:** The key objective of the Programme is: to develop Sustainable Priority Value Chains for Improved Income and Food and Nutrition Security

**Address:** The Programme headquarters offices are at, NAIROBI County, Kenya.

The address of its registered office is:

**ASDSP HILL PLAZA BUILDING, 6<sup>TH</sup> FLOOR**

**NGONG ROAD**

**P.O.BOX 30028 - 00100**

**NAIROBI**

**TEL: 254-20-2714867,**

**EMAIL: pc@asdsp.co.ke**

The Programme also has offices/branches as follows:

- At all the Forty Seven Counties ( 47) country wide

**Contacts:** The following are the Programme contacts

Telephone: (254) -20-2714867,

E-mail: [pc@asdsp.co.ke](mailto:pc@asdsp.co.ke)

Website: [www.asdsp.co.ke](http://www.asdsp.co.ke) /[www.kilimo.house.go.ke](http://www.kilimo.house.go.ke)

### **1.2 Programme Information**

|                        |  |
|------------------------|--|
| Programme Start Date:  | The programme start date is 01-07-2017                 |
| Programme End Date:    | The programme end date is 30-06-2022                   |
| Programme Coordinator: | The programme coordinator is Mr Josphat G. Muhunyu     |
| Programme Sponsor:     | The programme sponsor is Swedish Government under Sida |

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### **1.3 Programme Overview**

|  |  |
|--|--|
| Line Ministry/State Department of the Programme              | The programme is under the supervision of the Ministry of Agriculture Livestock, Fisheries & Irrigation ( State Department For Crops Development).   |
| Programme number   | 51110109   |
| Strategic goals of the Programme                             | <ul style="list-style-type: none"> <li>i) increasing productivity of priority value chains;-</li> <li>ii) strengthening entrepreneurial skills of Value Chain Actors(VCAs) ;</li> <li>iii) improving access to markets by VCAs and <ul style="list-style-type: none"> <li>• strengthening structures and capacities for coordination in the Agricultural Sector</li> </ul> </li> </ul>   |
| Achievement of strategic goals                               | <p>The Programme management aims to achieve the goals through the following means:</p> <ul style="list-style-type: none"> <li>(i) building the technical capacity of all VCAs in sustainable pre- and post-production management</li> <li>(ii) improving Entrepreneurial skills of service providers for VCAs</li> <li>(iii) supporting market access linkages ,market information and financial services by VCAs</li> <li>(iv) establishing and capacity building of the structures for consultation and coordination (at national and county levels) in the agricultural sector</li> </ul>   |
| Other important background information of the Programme      | <p>ASDSP II follows ASDSP I which concluded in June 2017.is the First intergovernmental sector programme designed to be implemented by the two levels of government. Supports to 3 value chains in each of the 47 counties. ASDSP II is expected to graduate one million Value chain actors (majority being small scale in nature and poor) from poverty to middle income level. The programme does not directly implement but support innovative activities that build the capacity of the existing service providers. ASDSP11 provides grants to service providers and VCAs especially to women and youth to increase their participation in the Value chain development</p> |
| Current situation that the Programme was formed to intervene | <ul style="list-style-type: none"> <li>(i) Low productivity along the entire value chain,</li> <li>(ii) Inadequate entrepreneurial skill among the VCAs along the entire VC including service providers,</li> <li>(iii) Low access to markets by VCAs</li> <li>(iv) Weak and inadequate structures and capacities for consultation and coordination within the Sector.</li> </ul>  |
| Programme duration   | The Programme started on 1st July 2017 to 30 <sup>Th</sup> June, 2022  |



#### **1.4 Bankers**

The following are the bankers for the current year:

**Bank: Kenya Commercial bank**

**Branch: Upper hill Branch**

- i) **Account No: 1229965076- SIDA – DONOR FUND**
- ii) **Account No: 1229967206 SIDA – GOK FUND**

#### **1.5 Auditors**

The Programme is audited by Kenya Auditor General as per the law.

##### **1.5.1 Legal Advisors**

The Programme receives support on legal matters from the State Counsel - State Department For Crops Development.

#### **1.6 Roles and Responsibilities**

This list includes the Programme Coordinator and all the key stakeholders who are involved involved with the Programme, their role, their positions, and their contact information.

|    |                   |  |
|----|-------------------|--|
| 1  | Josphat Muhunyu   | National Programme Coordinator                         |
| 2  | Rosemary Magambo  | Monitoring and Evaluation and communication Specialist |
| 3  | Monica Olala      | Business development Specialist                        |
| 4  | Benjamin Ndegwa   | Environmental Resilience officer                       |
| 5  | Mareen Bwana      | Partnership Specialist                                 |
| 6  | Rosemary Mwanza   | Value Chain development Specialist                     |
| 7  | Fresiah Mwambia   | Gender & Social Inclusion Specialist                   |
| 8  | Aggrey Adul       | Communication Officer                                  |
| 9  | Bernard Mwangangi | Business development Officer                           |
| 10 | John Ayere        | ICT Officer  |
| 11 | David Ndorongo    | Programme Accountant                                   |
| 12 | Charles Kanyaa    | Accounts Assistant                                     |
| 13 | Charity Nyambura  | Secretary  |
| 14 | Jane Wanjiru      | Procurement Officer                                    |
| 15 | Penina Abade      | Support Staff  |
| 16 | Stephen Omwamba   | Driver   |
| 17 | Dickson Maina     | Driver   |
| 18 | Ephantous Munyoki | Driver   |
| 19 | Abdi Wario        | Driver   |

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**1.7 Funding summary**

The Programme is for duration of 5 years from 2017 to 2022 . it is co- financed to budget of Ksh 3.6 Billion from Government of Sweden and Ksh 2,092, 500,000 by government of Kenya. Below is the funding summary:

**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

| Source of funds  | Donor Commitment-    |                      | Amount received to date – (30 <sup>th</sup> June, 2019) |                    | Undrawn balance to date (30 <sup>th</sup> June, 2019) |                      |
|--|----------------------|----------------------|---|--------------------|---|----------------------|
|  | Donor currency EUROS | KShs                 | Donor currency EUROS                                    | KShs               | Donor currency EUROS                                  | KShs                 |
|  | (A)                  | (A')                 | (B)   | (B')               | (A)-(B)   | (A')-(B')            |
| <b>GRANT SUMMARY</b>                                       |                      |                      |   |                    |   |                      |
| Swedish Government under SIDA                              | 35,590,254           | 3,600,000,000        | 4,740,000   | 545,484,583        | 30,850,254  | 3,054,515,417        |
| <b>Total Grants</b>  | <b>35,590,254</b>    | <b>3,600,000,000</b> | <b>4,740,000</b>  | <b>545,484,583</b> | <b>30,850,254</b>                                     | <b>3,054,515,417</b> |
| <b>Counter Part funds</b>                                  |                      |                      |   |                    |   |                      |
| Counter Part funds Government of Kenya - MOAL& F)          | -                    | 800,000,000          | -   | 40,200,000         | -   | 759,800,000          |
| Counter Part funds Government of Kenya - County Goverments | -                    | 1,292,500,000        | -   | 305,766,153        | -   | 986,733,847          |
| <b>Total</b>   | <b>-</b>             | <b>2,092,500,000</b> | <b>-</b>  | <b>345,966,153</b> | <b>-</b>  | <b>1,746,533,847</b> |
| <b>Total Funding Summary</b>                               | <b>35,590,254</b>    | <b>1,507,500,000</b> | <b>4,740,000</b>  | <b>199,518,430</b> | <b>30,850,254</b>                                     | <b>1,307,981,570</b> |

**Note:** The funds were remitted in Euros and this report has maintained Ksh 124 as the exchange rate to the Euro for the amount received.



**1.8 Summary of Overall Programme Performance:**

- Budget performance against actual amounts for current year and the cumulative to-date, the programme had an absorption rate of 32 % , Actual Expenditure V/s Available budget in relation to the Funds disbursed for the year under review,
- Physical progress based on outputs, outcomes and impacts since Programme commencement,

**1.1 Programme Goal and Objectives**

The overall goal of ASDSP II is to contribute to the ‘Transformation of crop, livestock and fisheries production into commercially oriented enterprises that ensure sustainable food and nutrition security’. This will be achieved through: i) environmentally resilient VCD, ii) stimulating economic environments that contributes to stabilization, resilience and economic empowerment for women and youth in value chain development and iii) effective sector transformation at the national, intergovernmental, cross-county and county levels.

In order to achieve its goal, the programme will support realization of the following 4 outcomes:

Outcome 1: Productivity of priority value chains increased

Outcome 2: Entrepreneurial skills of priority value chain actors strengthened

Outcome 3: Access to markets by priority value chain actors improved

Outcome 4: Structures and capacities for consultation, cooperation and coordination in the sector strengthened

**1.2 Target groups**

The programme targets are the 17,000 value chain organizations with a membership of roughly 500,000 individual value chain actors. These are spread among the 29 value chains that were prioritized by the 47 counties during ASDSP I. The programme is expected to graduate about 50% of the 500,000 VCAs to middle level income level mainly through capacity enhancement of service providers and value chain actors.

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### **a) Summary of Programme Outputs**

#### **Output 1.1: Capacity Knowledge enhancement of existing service providers on identified opportunities enhanced**

The purpose of this output is to build capacity of existing public or private sector service providers on the identified opportunities along priority value chains. During the period under review, the key start up activity under this output area was the development of the Strategic Integrated Value Chain Action Plan (SIVCAP) document for each of the prioritized value chains. The document is considered to be strategic and integrated because; implementation is over the five year programme period and; it incorporates the 4 programme outcomes areas as well as women and youth concerns respectively.

The planned activities for the year were as follows:

- i. Identify opportunities that that have potential to raise the productivity of the entire value chain.
- ii. Develop SIVCAP to address the opportunities identified
- iii. Develop modules to train the SPS
- iv. Build capacity of service providers trained on identified VC gaps to address the identified opportunities along priority value chains
- v. Support implementation of the Strategic Integrated Value Chain Action Plan (SIVCAP) in collaboration with other stakeholders
- vi. Vet and fund VCAs proposals (extended concepts) to address the to address the identified opportunities

#### **Achievements**

At the national level, two key milestones to support programme implementation at the counties. These were;

- i. Finalization of guidelines on Identification of opportunities and innovations and, Grant mechanism
- ii. Training of 47 counties teams on the following:
  - Identification of opportunities and innovation for the prioritized value chains and,
  - Operationalization of Grant mechanism
- iii. A draft capacity needs assessment tool and training model was developed

At the county level, the key start up activity for the programme was the development of SIVCAPs. To this end, 37 counties were able to develop their SIVCAPs for the 3 value chains. This was done through consultative workshops that involved PVC Mapping, PVC situational analysis, identification of gaps and high impact opportunities and innovations as well as service providers. However due to time limitations occasioned by the closure of financial year a majority of counties were unable to proceed with the other planned activities.

It should be noted that by the end of the reporting period, 13 counties were unable to access their funds. This ultimately affected programme implementation especially the start-up activities in these counties.



**Output 1.2: Value chain Innovations with high prospects for women and youth empowerment supported**

The aim of this output area is to support the operationalization of innovative ideas, approaches, technological packages and supportive enterprises for promising value chains. Innovators will be supported with emphasis to ensure that women and youth participate and benefit from grant mechanism.

The planned activities for the year under review were as follows;

- i. Undertake study to assess implementation status of ASDSP 1 Gender and Social Inclusion Action Plan (GSIAPs)
- ii. Identify innovative ideas, approaches, and new technologies for prioritized value chains.
- iii. Support fora and linkages to promote the identified innovations
- iv. Support adoption/adaptation of identified technologies and innovations along the PVCs through vetting and funding of the innovation proposals
- v. Support activities to deepen gender and social inclusion in VCD in the counties

**Achievements:**

- i. The terms of reference for the GSIAP review study was revised and finalized with TA support and the study rolled out in 23 counties. Data analysis and report writing for the study will be concluded in the 2019/20 Financial Year.

Due to the late disbursement of funds to the counties the other activities that were envisaged under this output area could not be undertaken during the reporting period and will be undertaken in FY 2019/20.

**Output 1.3 Environmental resilience for increased productivity among prioritized value chains strengthened**

The aim of this output area is to ensure that all actions that target increased productivity in the programme prioritized value chains are responsive to the changing and varying climatic elements and, will either maintain or enhance the productive capacity of the resource base.

Planned activities during the year under review were as follows:

- i. Develop an inventory of potential CSA and GG technologies
- ii. Establish and operationalize Climate Smart Agriculture Thematic Working Groups (CSA TWGs)
- iii. Support with other partners participatory Scenario Planning (PSPs ) to plan, develop and disseminate to the VCAs seasonal weather advisories
- iv. Support staff training on GIS and remote sensing
- v. Develop networks and linkages of VCAs with stakeholders to enhance advocacy and improve outreach on CSA and GG technologies
- vi. Support VCAs to implement the CSA technologies identified along the PVC nodes through the extended concepts/innovation grants

**Achievements**

Various milestones were achieved at the national level as follows;

- i. Terms of reference terms for the establishment and operationalization of CSA TWG were developed
- ii. Participation in the national forecast for the March April May (MAM) long rain season
- iii. The environmental resilience officer at the National level participated in the national forecast for the March April May (MAM) long rain season



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- iv. A team from University of Nairobi was facilitated and developed value chain suitability maps and resource maps using ARC GIS software for the 47 counties. The key parameters documented in the maps were temperature, soil PH and rainfall (Figure 1 ). The maps will aid the counties in designing suitable interventions during the SIVCAP development process while the resource maps (road networks, location of markets, distribution of rivers etc) will aid the counties in spatial planning process.  
For instance, Figure 1 above , shows the spatial distribution of temperatures in Kakamega County as ranging from below 18 to 36°C while optimal temperatures for chicken production range between 18 – 23° C. Given that chickens are spread all over the county, interventions on housing and nutrition management might be different based on temperatures within a locality. For example, for nutrition based interventions, and where temperatures are over 30°C, the chickens will tend to have depressed appetites and therefore, there is a need for a higher energy content in the feed ration to ensure optimal chicken performance.
- v. The technical wing of the National Programme Secretariat and other officers from the state departments (8 females, 9 men) successfully underwent a 3 week training on Environmental Impact Assessment at the Kenya School of Agriculture, Nyeri.
- vi. Counties were able to develop Value chain organizations resource maps for their prioritized value chains. ( refer to example in Figure 2) . The maps show the spatial distribution and type of VCOs in the counties.
- vii. Due to late disbursement of funds, weather advisories were developed only for the May April May (MAM). This was mainly done in collaboration with the Kenya Meteorological Department as the key partner. Dissemination of the same was done through barazas, field days, local FM radios and various social media. For instance in Kajiado County, a *Whatsapp* group was used to disseminate the weather advisories to value chain actors and other stakeholders.

#### Outcome 2: Enhanced entrepreneurship of priority value chain actors

Entrepreneurship is seen by the program as an engine for growth and job creation through value chain development. Even though ASDSP II aims at increasing the numbers of VCAs implementing viable business plans as an indicator for enhanced entrepreneurship of priority Value Chain Actors, many challenges continue to impede potential entrepreneurs (VCAs) and service providers from reaching their full potential. The main objective of this outcome is to enhance entrepreneurial skills for VCAs including service providers

The focus of the period under review was:

- i. To facilitate the development and review of entrepreneurship foundational documents – entrepreneurship strategy, training package and guidelines and incubation documents,
- ii. To review the entrepreneur landscape along the priority value chain to assess the VCAs potentialities and needs to inform the type of intervention to be given,
- iii. To facilitate capacity development to PVCAs including service providers on best practice business models

#### **Achievements**

- i. Guidelines on entrepreneurship were revised
- ii. Induction plan and materials for entrepreneurship guidelines were developed
- iii. Terms of reference for the entrepreneurship strategy developed



- iv. ASDSP business development specialist was sponsored for ITC – ILO training of trainers on start and improves your business (SIYB) certification track. The skills acquired in this training are useful in the implementation of ASDSP II.

Besides, the numbers of business plans developed are 4,552 with 1,257 being implemented. The challenges indicated for the non – implementations of this outcome are:

- i. The relationships between the program outcomes area implying the gains made in one output becomes a foundation for the next output. Therefore, delay in the implementation of certain activities may impacts negatively on other outcome areas,
- ii. Poor access to funds and delay in disbursement has been cited by most counties as impediment to the implementation of outcome three activities.

**Outcome 3: Access to markets by priority VCAs improved**

The primary driver of priority value chains development is enhanced access to the agricultural markets to enable a pull effect on productivity. However, the sector lacks fundamental capacities to facilitate market led agriculture development. This is demonstrated by the push-strategy and practice that has dominated agriculture sector for decades where value chain actors are encouraged to produce to the market and not for the market, unlike the pull-strategy where the market is the driver and motivation to produce thus enhancing competitiveness of the PVCs. During the period under review, the programme set out to improve access to markets by priority value chain actors (PVCAs) as follows:

- i. Improve market access linkage for PVCAs,
- ii. Improve access to Market Information by PVCAs and,
- iii. Improve access to financial services by PVCAs.

**Output 3.1 Market linkages between VCAs for priority VCs improved**

The focus for the year was to review ASDSP I value chain actors' database with a view to:

- i. Establishing the location, status and number of PVCAs by gender including associated organizations for planning and decision making purposes,
- ii. Defining the suitability of the priority value chains where they are currently being supported to inform decision making,
- iii. Facilitating initiatives to improve market relationships between PVCAs and consumers

Some of the achievements include:

- i. PVCAs database updated: The Value chain actors disaggregated by gender are as follows: 204,044 Adult Men, 190,437 Adult women and 71,917 Youth. The number of value chain groups aggregated at baseline are 10,530 with a total membership of 464,682 actors against a target of 1,000, 000 during program implementation period.
- ii. The program supported the development of county specific suitability maps for each priority value chain. The data will inform decision making in terms of the type and level of investment to be put in each value chain.
- iii. The National Program Secretariat were also trained on market lead planning. These skills acquired during the training are invaluable in supporting the CPS and stakeholders as they develop the Strategic and Integrated Value Chain Action Plan (SIVCAP), a key foundation plan for ASDSP II implementation.

**Challenges**



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- i. Access to funds and delay in disbursement has been cited by most counties as impediment to the implementation of outcome three activities.

#### **Output 3.2: Access to market information by VCAs improved**

The aim of this output area, is to support initiatives by market service providers to provide real time market information to VCAs based on their needs. This was to be achieved through following activities:

- i. Develop data bases of organizations that serve the marketing needs of VCA
- ii. Develop E-marketing platform (national)
- iii. Support Rapid Market appraisal
- iv. Support setting up market information centers and fora such as NAFIS, Bulletins and, Whatsapp
- v. Roll out the findings of the PVC market research carried out in phase 1; and
- vi. Establish potential partners to support agro-value chain market research

#### **Achievements:**

- i. At the county level, all counties conducted field visit to validate county VCO and membership bio data which enabled the NPS to update the national database of value chain organizations.

#### **Outcome 4: Structures and capacities for consultation and coordination in the sector strengthened.**

This outcome aims at strengthening not only structures for Programme coordination but also the multi sector layered coordination structures. This outcome was realized through the following outputs

- i. Initiatives for establishment of the structures for consultation and coordination supported;
- ii. Capacities of the established structures for consultation and coordination enhanced;
- iii. Participation of stakeholders in consultation and coordination structures enhanced; and
- iv. Sector policies, strategies, regulations and plans prepared, launched and rolled out

#### **Output 4.1 Initiatives for establishment of the structures for consultation and coordination supported**

The aim of this output is to establish functional structures for consultation, cooperation and coordination at the national, intergovernmental and county levels. In the establishment of these structures, the programme is tasked to ensure that the inclusion of private sector, civil society and other stakeholders such as women and youth is considered.

The structures to be supported include the intergovernmental cooperation and consultation institutions, JASCCM; the county coordinating institutions (CoG, CECM Caucus, County Steering Group (CSG), County Steering Technical Committee (CSTC) and County Coordinating Operational Secretariat (CCOS)); and the ASDSP II coordinating institutions (National Programme Secretariat (NPS) and County Programme Secretariat (CPS) and any other structure(s) that is aligned to JASCCM.

#### **Planned activities**

- i. Review and gap analysis of the existing structures for consultation, cooperation and coordination and develop actions on the identified gaps
- ii. Develop operational instruments for the established structures (TORs, Strategic plans, Guidelines, appointment letters
- iii. Support operationalization of new and existing structures
- iv. Sensitize structures and sector stakeholders on the programme implementation mechanisms and guidelines



- v. Launch the ASDSP II

**Achievements**

- i. The NPS facilitated a meeting for all project coordinators in the state department of Agriculture to plan for harmonization of interventions. The key output from the meeting was the identification of the Programme launch, Sector M & E, Baseline survey as potential areas for collaboration between ASDSP, NARIGP and KCSAP.
- ii. Inputs sector working group of JASSCOM (Joint Agriculture Sector Steering Committee) recommended the establishment of a county agriculture sector steering committee (CASSCOM) in the counties which is aimed at ensuring projects and programmes efficiency and accountability at the county levels - a few counties have established CASSCOM
- iii. The Ministerial Executive Committee (MEC) was Supported to develop its framework document. In addition, there was a recommendation by the programme to seek for clarity of roles between MEC and Agriculture Transformation Office ( ATO)
- iv. Supported quarterly meetings for the 4 sector working groups i.e. Projects, Programmes and inputs, M&E and communication, Policy and Extension & Research
- v. Sensitization of County departmental heads, County Programme Steering Committee and County Assembly Agriculture Committees on programme guidelines and implementation by the counties that had access to funds
- vi. The programme launch will be undertaken in FY 2019/20

**4.2: Capacities of the established structures for consultation and coordination enhanced**

The purpose of this output is to strengthen capacities of the established structures for consultation, cooperation and coordination so that they can perform their roles effectively. Planned activities for the year under review were as follows:

- i. Review capacity needs assessment for county level structures
- ii. Facilitate management, steering and coordination/consultation meetings
- iii. Support capacity building of the programme staff and collaborators in the VCD emerging issues and innovations along the programme outcome areas
- iv. Support with partners capacity building of the VCPs
- v. Support technical assistances services to provide technical services as per the TAs approved dossier
- vi. Carry out customer satisfaction surveys to determine the level of satisfaction of the VCAs with the established performance of structures established

**Achievements**

- i. Approximately 500 staff and stakeholders namely Chief Executive Committee Members and Chief Officers (Agriculture and Livestock), County Public services Boards, County Programme Secretariats (CPS) were sensitized on the programme implementation mechanisms and guidelines.
- ii. Counties that had access to their funds their sensitized County Assembly Agriculture Committees and the VCPs on the programme guidelines and implementation.
- iii. ASDSP II guidelines were reviewed namely; Series 1: How to Identify Opportunities and Promote Innovation; Series 2: How to Enhance Entrepreneurial Skills; Series 3: Grants mechanism; Series 4: Structures for consultation, cooperation & coordination; Series 5: Finance and procurement and the Programme Implementation Framework (PIF)



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- iv. Audit firm and the technical assistances (TA) services for ASDSP II were procured through the government tendering procedures and Price Waterhouse coopers (PWC) and NIRAS are now providing the audit and technical services as per the approved dossiers

#### **4.3. Participation of stakeholders in consultation and coordination structures enhanced**

Under this output, the Programme, through NPS, CPS and JASSCOM will engage various partners/stakeholders to gain technical and financial support. This will be achieved through the following planned activities.

- i. Update inventory of and map key stakeholders relevant to ASDSP II
- ii. Develop a framework for stakeholder consultations
- iii. Support development and signing of MoUs/contracts or letters of Agreement with partners
- iv. Support stakeholders consultative meetings

#### **Achievements**

- i. An update of and mapping of key stakeholders was undertaken ( see Annex)
- ii. Relevant to ASDSP II both at county and national levels have been identified and will be actively engaged when SIVCAPs are ready in the next financial year. The annex attached gives summary of some of the potential national stakeholders that will engage with ASDSP II.
- iii. Terms of reference and guidelines for the operationalization of CASSCOM were developed by JASCOM
- iv. Two Bilateral review missions were held during the year under review with stakeholders to assess the performance of the programme in relation to the Results Framework. The major resolutions resulting from the meetings were;
  - Finalization of the Baseline and GISIAP studies BY September 2019 as per the specific agreement
  - Undertaking of rolling audit for activities financed during the 2017/18 and 2018/19 financial years by PWC
  - Need for documentation of success stories in the field is very necessary as this will lead to enhancement of VCAs networks
- v. The programme participated in the Agritech Africa International Exhibition & Conference on Agriculture Technology, Dairy Livestock, Poultry & Grain Industry. The exhibition provided a platform for networking and exchange of knowledge in new agricultural technologies and innovations. Three counties exhibited some of their innovations within the stand. E.g . Nyamira exhibited banana wine and dried and packaged local vegetables
- vi. Sensitization of Departmental heads, County Programme Steering committee and County Assembly Agriculture Committees and the VCPs on the programme were undertaken in Kwale, Mombasa, Meru , Kirinyaga an West pokot counties

#### **Output 4.4: Sector policies, strategies, regulations and plans prepared and launched**

The narrow Agricultural Sector comprising of the State Departments for Crop Development, Livestock, Fisheries and the Blue Economy, Irrigation and Agricultural Research has developed a number of policies including the Agricultural Policy; National Oceans and Fisheries Policy; and the National Livestock Policy.

#### **Planned activities**

- i. Establish an updated inventory of all policies, strategies, regulations and plans
- ii. Support capacity building of sector staff on policy brief, policy, strategies, plan and regulations development
- iii. Prepare policy briefs
- iv. Sensitize VCAs on the existing sector policies and legislations
- v. Support rolling out of at least one policy, strategy, regulation or plan relevant to the programme

**Achievements**

- i. Support was given to the development of guidelines for the transformation of root and tuber crops
- ii. The programme supported the finalization of MOALFI Strategic Plan (2018 – 2022)
- iii. In partnership with GIZ, the programme supported the capacity building of five counties (Busia, Bungoma, Siaya, Isiolo and Marsabit ) on the policy domestication process
- iv. The programme supported four coordinators from 4 potato growing counties i.e. Nyeri, Nyandarua, Bomet and Elgeyo Marakwet to attend and participate in the National potato conference where Irish potato 2019 Regulations and Irish potato varieties catalogue were launched.

**4.5 Monitoring and evaluation and communication**

The programme will invest in a robust monitoring and evaluation system to ensure timely implementation of planned activities, achievement of results and absorption of budgeted funds.

Planned activities were as follows:

- i. Undertake a baseline survey for the programme
- ii. Revision of web based MIS for M&E
- iii. Undertake quarterly follow up visits
- iv. Two Bilateral review missions
- v. Revision of programme website
- vi. Development of semi annual and annual reports
- vii. Development of IEC materials

**Achievements**

The following milestones were achieved during the reporting period.

- i. Development of TOR and draft inception report for the programme baseline survey
- ii. IEC materials namely ASDSP II programme brochures were developed
- iii. One bilateral mission review meeting was held, in which resolutions were agreed upon.



## **AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

### ***Revised Reports and Financial Statements For the Financial Year Ended 30<sup>th</sup> June, 2019***

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#### **CHALLENGES**

- Limited inter-county coordination
- Delay in GOK release of funds.
- Delay of county partners committed resources for the implimentation of the programme.
- Challenges arising from the devolution process

#### **WAY FORWARD**

- 1) Interface with software and hardware
- 2) Support to inter-county platforms
- 3) Timely Release of GOK counter fund
- 4) Review the the partnership MOUs

#### **– Comment on value-for-money achievements,**

The programme endeavour to deliver value for money outputs

#### **1.9 Summary of Programme Compliance:**

##### **The programme is compliant**

- Include significant cases of non-compliance with applicable laws and regulations, and essential external financing agreements/covenants,
- Include consequences suffered on account of non-compliance or likely to be suffered
- Indicate mitigation measures taken or planned to be taken to alleviate the adverse effects of actual or potential consequences of non-compliance

**2.0 STATEMENT OF PROGRAMME MANAGEMENT RESPONSIBILITIES**

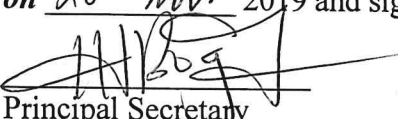
The *Principal Secretary* State Department For Crops Development., Ministry of Agriculture, Livestock, Fisheries and Irrigation and the Programme Coordinator ***Agricultural Sector Development Support Programme II (ASDSP II)*** are responsible for the preparation and presentation of the Programme’s financial statements, which give a true and fair view of the state of affairs of the Programme for and as at the end of the financial year(period) ended on June 30, 2019. This responsibility includes: (i) maintaining adequate financial management arrangement 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 Programme ; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Programme ; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The *Principal Secretary* State Department For Crops Development, Ministry of Agriculture, Livestock Fisheries and Irrigation and the Programme Coordinator ***Agricultural Sector Development Support Programme II (ASDSP II)*** accept responsibility for the Programme ’s financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

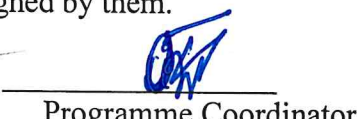
The *Principal Secretary* State Department For Crops Development,, Ministry of Agriculture, Livestock, Fisheries and Irrigation and the Programme Coordinator ***Agricultural Sector Development Support Programme II (ASDSP II)*** are of the opinion that the Programme’s financial statements give a true and fair view of the state of Programme ’s transactions during the financial year/period ended June 30, 2019, and of the Programme ’s financial position as at that date. The *Principal Secretary* State Department For Crops Development, Ministry of Agriculture, Livestock, Fisheries and Irrigation and the Programme Coordinator ***Agricultural Sector Development Support Programme II (ASDSP II)*** further confirm the completeness of the accounting records maintained for the Programme, which have been relied upon in the preparation of the Programme financial statements as well as the adequacy of the systems of internal financial control. The *Principal Secretary* State Department For Crops Development, Ministry of Agriculture, Livestock Fisheries and Irrigation and the Programme Coordinator ***Agricultural Sector Development Support Programme II (ASDSP II)*** confirm that the Programme has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Programme funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

**Approval of the Programme financial statements**


The Programme financial statements were approved by The *Principal Secretary* State Department For Crops Development, Ministry of Agriculture, Livestock, Fisheries and Irrigation and the Programme Coordinator ***Agricultural Sector Development Support Programme II (ASDSP II)*** on 28<sup>TH</sup> NOV. 2019 and signed by them.

  
Principal Secretary

Name: Prof. Hamadi I. Boga

  
Programme Coordinator

Name: Josphat G. Muhunyu

  
Programme Accountant:

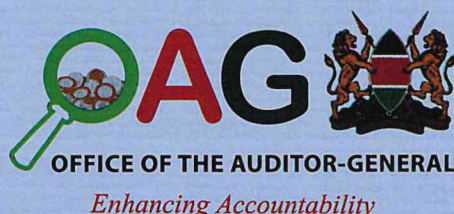
Name: David K.Ndorongo  
ICPAK Member Number:





# REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



**HEADQUARTERS**  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II (SIDA GRANT NO.51110109) FOR THE YEAR ENDED 30 JUNE, 2019 – MINISTRY OF AGRICULTURE, LIVESTOCK FISHERIES AND IRRIGATION**

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### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Opinion**

I have audited the accompanying financial statements of Agricultural Sector Development Support Programme II (ASDSP II) (SIDA Grant No.51110109) set out on pages 18 to 36, which comprise the statement of financial assets as at 30 June, 2019, statement of receipts and payments, statement of cash flows and the statement of comparative 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, the financial statements present fairly, in all material respects, the financial position of Agricultural Sector Development Support Programme II as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with Article 13 of the Financing Agreement between the Government of Kenya and the Government of Sweden dated 7 December, 2017 and the Public Finance Management Act, 2012.

In addition, the special account statement presented fairly, transactions for the year, and the closing balance has not been reconciled with the books of account.

#### **Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of ASDSP II 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 opinion.

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*Report of the Auditor-General on Agricultural Sector Development Support Programme II (SIDA Grant No.51110109) for the year ended 30 June, 2019 – Ministry of Agriculture, Livestock Fisheries and Irrigation*



## **Emphasis of Matter**

### **Unreconciled Special Account Statement**

As disclosed under Note 8.4 to the financial statements, the statement of receipts and payments reflects proceeds from domestic and foreign grants controlled by the Programme of Kshs.545,484,583 . However, the special account statement reflects a figure of Kshs.546,117,761 as having been withdrawn and disbursed during the year resulting to unreconciled variance of Kshs.633,178. The Management should endeavour to reconcile the Project financial statements with the Special Account balances.

### **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. There were no key audit matters to report in the year under review.

## **Other Matter**

### **Budget Control and Performance**

The statement of comparative budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.1,457,737,478 and Kshs.941,450,736 respectively resulting to an under-funding of Kshs.516,286,742 or 35% of the budget. Similarly, the Programme spent Kshs.469,490,561 or 50% of the receipts of Kshs.941,450,736. The underfunding could have adversely affected the planned activities and could have impacted negatively on service delivery to the public.

## **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 matter 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**

#### **Failure to Open a Designated Programme Bank Account**

All receipts and payments in respect of the Programme were instead being handled directly through the Ministry's account. The Management did not open the bank account to credit all receipts and make all payments relating to the Programme during the year under review.



Consequently, transactions recorded in these financial statements are those that were disclosed by the Ministry.

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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

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 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 those charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash 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 overall governance.

In preparing the financial statements, Management is responsible for assessing the Programme's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless Management is aware of intention to liquidate the Programme or to 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.

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the Programme 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 overall governance and risk management are in place, 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 overall 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 non-compliance. 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 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 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 Programme'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 Programme 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 Programme 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.

  
**Nancy Gathungu**  
**AUDITOR-GENERAL**

**Nairobi**

**17 September, 2020**



**4.0 STATEMENT OF RECEIPTS AND PAYMENTS**

|   | Note  | FY 2018/2019                                   |   | FY 2017/2018                                   |                                | Cumulative to Date   |
|---|-------|--|---|--|--------------------------------|----------------------|
|   |       | Receipts and payments controlled by the entity | Receipts and Payments made by third parties | Receipts and payments controlled by the entity | Payments made by third parties |                      |
|   |       | Kshs   | Kshs  | Kshs   | Kshs                           | Kshs                 |
| Receipts from Government of Kenya         | 8.3   | 395,966,153                                    |   | 5,407,093                                      | -                              | 401,373,246          |
| Proceeds from Domestic and Foreign Grants | 8.4   | 545,484,583                                    | -   | 99,560,443                                     | -                              | 645,045,026          |
| Miscellaneous Receipts                    | 8.6   | -  | -   | 2,100  | -                              | 2,100                |
| <b>TOTAL REVENUES</b>                     |       | <b>941,450,736</b>                             | <b>-</b>                                    | <b>104,969,636</b>                             | <b>-</b>                       | <b>1,046,420,372</b> |
| <b>PAYMENTS</b>                           |       |  |   |  |                                |                      |
| Purchase of goods and services - NPS      | 8.8 a | 276,378,785                                    | -   | 67,023,392                                     | -                              | 343,402,177          |
| Acquisition of Non-financial Assets       | 8.10  | 650,804  | -   | -  | -                              | 650,804              |
| Other grants and transfers and payments   | 8.12  | 192,460,972                                    | -   | -  | -                              | 192,460,972          |
| <b>TOTAL PAYMENTS</b>                     |       | <b>469,490,561</b>                             | <b>-</b>                                    | <b>67,023,392</b>                              | <b>-</b>                       | <b>536,513,953</b>   |
| <b>SURPLUS/DEFICIT</b>                    |       | <b>471,960,175</b>                             | <b>-</b>                                    | <b>37,946,244</b>                              | <b>-</b>                       | <b>509,906,419</b>   |

The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.



Principal Secretary  
Name: Prof. Hamadi I. Boga



Programme Coordinator  
Name: Josphat G. Muhunyu



Programme Accountant:  
Name: David K. Ndorongo  
ICPAK Member Number:

Annual Report and Financial Statement for the Period Ending June 30, 1919

Office of the Controller, State of California, Sacramento, California

| Particulars     | 1918         | 1917         |
|-----------------|--------------|--------------|
| Balance forward | 100,000.00   | 100,000.00   |
| Receipts        | 200,000.00   | 200,000.00   |
| Disbursements   | (150,000.00) | (150,000.00) |
| Balance on hand | 150,000.00   | 150,000.00   |

The following table shows the receipts and disbursements for the period ending June 30, 1919, and compares them with the corresponding figures for the same period in 1918.

| Particulars     | 1919       | 1918       |
|-----------------|------------|------------|
| Receipts        | 200,000.00 | 200,000.00 |
| Disbursements   | 150,000.00 | 150,000.00 |
| Balance on hand | 150,000.00 | 150,000.00 |

The receipts for the period ending June 30, 1919, were \$200,000.00, which is the same as the receipts for the same period in 1918. The disbursements for the period ending June 30, 1919, were \$150,000.00, which is the same as the disbursements for the same period in 1918.

The balance on hand at the end of the period ending June 30, 1919, was \$150,000.00, which is the same as the balance on hand at the end of the same period in 1918.

The following table shows the receipts and disbursements for the period ending June 30, 1919, and compares them with the corresponding figures for the same period in 1918.

| Particulars     | 1919       | 1918       |
|-----------------|------------|------------|
| Receipts        | 200,000.00 | 200,000.00 |
| Disbursements   | 150,000.00 | 150,000.00 |
| Balance on hand | 150,000.00 | 150,000.00 |

The receipts for the period ending June 30, 1919, were \$200,000.00, which is the same as the receipts for the same period in 1918. The disbursements for the period ending June 30, 1919, were \$150,000.00, which is the same as the disbursements for the same period in 1918.

The balance on hand at the end of the period ending June 30, 1919, was \$150,000.00, which is the same as the balance on hand at the end of the same period in 1918.



5.0 STATEMENT OF FINANCIAL ASSETS

|  | Note  | FY 2018/19<br>Kshs | FY 2017/18<br>Kshs |
|--|-------|--------------------|--------------------|
| Bank Balances                          | 8.13A | 509,451,160        | 37,946,244         |
| <b>Total Cash and Cash equivalents</b> |       | <b>509,451,160</b> | <b>37,946,244</b>  |
| Outstanding Imprests & Advances        | 8.13D | 455,259            | -                  |
| <b>TOTAL FINANCIAL ASSETS</b>          |       | <b>509,906,419</b> | <b>37,946,244</b>  |
| Fund balance b/fwd                     | 8.14  | 37,946,244         | -                  |
| Surplus / (deficit) for the year       |       | 471,960,175        | 37,946,244         |
| <b>NET FINANCIAL POSITION</b>          |       | <b>509,906,419</b> | <b>37,946,244</b>  |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 28<sup>th</sup> Nov. 2019 and signed by:



Principal Secretary  
Name: Prof. Hamadi I. Boga



Programme Coordinator  
Name: Josphat G. Muhunyu



Programme Accountant:  
Name: David K. Ndorongo  
ICPAK Member Number:

Receipt Report and Financial Statements for the Period from 1967 to 1970

1967-1970

1967-1970

1967-1970

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**6. STATEMENT OF CASHFLOW**

|  | Note  | 2018- 2019<br>Kshs   | 2017- 2018<br>Kshs  |
|--|-------|----------------------|---------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>               |       |                      |                     |
| <b>Receipts for operating income</b>                     |       |                      |                     |
| Receipts from Government of Kenya                        | 8.3   | 395,966,153          | 5,407,093           |
| Proceeds from Domestic and Foreign Grants                | 8.4   | 545,484,583          | 99,560,443          |
| Miscellaneous Receipts                                   | 8.6   | -                    | 2,100               |
|  |       | <b>941,450,736</b>   | <b>104,969,636</b>  |
| <b>Payments for operating expenses</b>                   |       |                      |                     |
| Use of goods and services - Nps                          | 8.8 a | (276,378,785)        | (67,023,392)        |
| Other Grants and Other Payments                          | 8.12  | (192,460,972)        | -                   |
|  |       | <b>(468,839,757)</b> | <b>(67,023,392)</b> |
| <b>Net cashflow from operating activities</b>            |       | <b>472,610,979</b>   | <b>37,946,244</b>   |
| <b>CASHFLOW FROM INVESTING ACTIVITIES</b>                |       |                      |                     |
| Acquisition of Non-financial Assets                      | 8.10  | (650,804)            | -                   |
| <b>Net cash flows from Investing Activities</b>          |       | <b>-</b>             | <b>-</b>            |
| <b>CASHFLOW FROM BORROWING ACTIVITIES</b>                |       |                      |                     |
| <b>Net cash flow from financing activities</b>           |       | <b>-</b>             | <b>-</b>            |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>          |       | <b>471,960,175</b>   | <b>37,946,244</b>   |
| <b>Cash and cash equivalent at BEGINNING of the year</b> |       | <b>37,946,244</b>    | <b>-</b>            |
| <b>Cash and cash equivalent at END of the year</b>       |       | <b>509,906,419</b>   | <b>37,946,244</b>   |

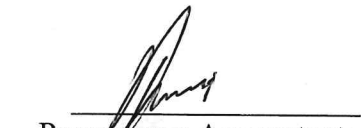
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 28<sup>th</sup> NOV. 2019 and signed by:



Principal Secretary  
Name: Prof. Hamadi I. Boga



Programme Coordinator  
Name: Josphat G. Muhonyu



Programme Accountant:  
Name: David K. Ndorongo  
ICPAK Member Number:

6.15 FINANCIAL STATEMENTS

| 2017-2018 | 2018-2019 | 2019      |   |
|-----------|-----------|-----------|---|
| US\$      | US\$      | US\$      |   |
| 1,234,567 | 1,345,678 | 1,456,789 | CASH FROM OPERATING ACTIVITIES          |
| 123,456   | 134,567   | 145,678   | Interest on investments                 |
| 234,567   | 245,678   | 256,789   | Dividends from investments              |
| 345,678   | 356,789   | 367,890   | Proceeds from disposal of investments   |
| 456,789   | 467,890   | 478,901   | Net change in cash and cash equivalents |
| 567,890   | 578,901   | 589,012   |   |
| 678,901   | 689,012   | 690,123   |   |
| 789,012   | 790,123   | 791,234   |   |
| 890,123   | 891,234   | 892,345   |   |
| 901,234   | 902,345   | 903,456   |   |
| 1,012,345 | 1,013,456 | 1,014,567 |   |
| 1,123,456 | 1,124,567 | 1,125,678 |   |
| 1,234,567 | 1,235,678 | 1,236,789 |   |
| 1,345,678 | 1,346,789 | 1,347,890 |   |
| 1,456,789 | 1,457,890 | 1,458,901 |   |
| 1,567,890 | 1,568,901 | 1,569,012 |   |
| 1,678,901 | 1,679,012 | 1,679,123 |   |
| 1,789,012 | 1,789,123 | 1,789,234 |   |
| 1,890,123 | 1,890,234 | 1,890,345 |   |
| 1,901,234 | 1,901,345 | 1,901,456 |   |
| 1,912,345 | 1,912,456 | 1,912,567 |   |
| 1,923,456 | 1,923,567 | 1,923,678 |   |
| 1,934,567 | 1,934,678 | 1,934,789 |   |
| 1,945,678 | 1,945,789 | 1,945,890 |   |
| 1,956,789 | 1,956,890 | 1,956,901 |   |
| 1,967,890 | 1,967,901 | 1,967,912 |   |
| 1,978,901 | 1,978,912 | 1,978,923 |   |
| 1,989,012 | 1,989,023 | 1,989,034 |   |
| 1,990,123 | 1,990,134 | 1,990,145 |   |
| 1,991,234 | 1,991,245 | 1,991,256 |   |
| 1,992,345 | 1,992,356 | 1,992,367 |   |
| 1,993,456 | 1,993,467 | 1,993,478 |   |
| 1,994,567 | 1,994,578 | 1,994,589 |   |
| 1,995,678 | 1,995,689 | 1,995,690 |   |
| 1,996,789 | 1,996,790 | 1,996,791 |   |
| 1,997,890 | 1,997,891 | 1,997,892 |   |
| 1,998,901 | 1,998,902 | 1,998,903 |   |
| 1,999,012 | 1,999,013 | 1,999,014 |   |
| 2,000,123 | 2,000,124 | 2,000,125 |   |

The following table shows the reconciliation of the cash and cash equivalents reported in the financial statements to the cash and cash equivalents reported in the consolidated financial statements. The reconciliation is as follows:

At the beginning of the period, the cash and cash equivalents reported in the financial statements were US\$ 1,234,567, which is reconciled to the cash and cash equivalents reported in the consolidated financial statements of US\$ 1,345,678. This difference is due to the following items:

- Interest on investments: US\$ 123,456
- Dividends from investments: US\$ 234,567
- Proceeds from disposal of investments: US\$ 345,678
- Net change in cash and cash equivalents: US\$ 456,789

The cash and cash equivalents reported in the financial statements for the period ended 30 June 2019 were US\$ 1,456,789, which is reconciled to the cash and cash equivalents reported in the consolidated financial statements of US\$ 1,456,789. This difference is due to the following items:

- Interest on investments: US\$ 145,678
- Dividends from investments: US\$ 256,789
- Proceeds from disposal of investments: US\$ 367,890
- Net change in cash and cash equivalents: US\$ 478,901

The cash and cash equivalents reported in the financial statements for the period ended 30 June 2018 were US\$ 1,567,890, which is reconciled to the cash and cash equivalents reported in the consolidated financial statements of US\$ 1,567,890. This difference is due to the following items:

- Interest on investments: US\$ 156,789
- Dividends from investments: US\$ 278,901
- Proceeds from disposal of investments: US\$ 389,012
- Net change in cash and cash equivalents: US\$ 500,123




**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II (ASDSP II)**


**Revised Reports and Financial Statements For the Financial Year Ended 30<sup>th</sup> June, 2019**

**7.0 STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS**

| Consolidated                                | Original Budget      | Adjustments         | Final Budget         | Actual on Comparable Basis | Utilisation Variance | % of Utilisation |
|---|----------------------|---------------------|----------------------|----------------------------|----------------------|------------------|
|   | a                    | b                   | c=a+b                | d                          | e=c-d                | f=d/c %          |
| <b>Receipts/Payments Item</b>               |                      |                     |                      |                            |                      |                  |
| <b>Receipts</b>                             |                      |                     |                      |                            |                      |                  |
| Receipts from Government of Kenya- MOAL&F   | 160,000,000          | 69,800,000          | 90,200,000           | 90,200,000                 | -                    | 100%             |
| Receipts from Government of Kenya- Counties | 258,500,000          | -                   | 258,500,000          | 305,766,153                | (47,266,153)         | 118%             |
| Proceeds from Domestic and Foreign Grants   | 720,000,000          | -                   | 1,109,037,478        | 545,484,583                | 563,552,895          | 49%              |
| <b>Total Receipts</b>                       | <b>1,138,500,000</b> | <b>(69,800,000)</b> | <b>1,457,737,478</b> | <b>941,450,736</b>         | <b>516,286,742</b>   | <b>65%</b>       |
| <b>Payments</b>                             |                      |                     |                      |                            |                      |                  |
| Use of goods and services - NPS             | 429,000,000          | -                   | 429,000,000          | 276,378,785                | 152,621,215          | 64%              |
| Acquisition of Non-financial Assets         | 1,000,000            | -                   | 1,000,000            | 650,804                    | 349,196              | 65%              |
| Transfers to Other Government Entities      | 708,500,000          |                     | 1,027,737,478        | 192,460,972                | 835,276,506          | 19%              |
| <b>Total Payments</b>                       | <b>1,138,500,000</b> | <b>-</b>            | <b>1,457,737,478</b> | <b>469,490,561</b>         | <b>988,246,917</b>   | <b>32%</b>       |

  
 Principal Secretary  
**Name: Prof. Hamadi I. Boga**

  
 Programme Coordinator  
**Name: Josphat G. Muhunyu**

  
 Programme Accountant:  
**Name: David K. Ndorongo**  
 ICPAK Member Number:

General orders and financial statements for the period from 1st June 1919

General orders and financial statements for the period from 1st June 1919

General orders and financial statements for the period from 1st June 1919

General orders and financial statements for the period from 1st June 1919

General orders and financial statements for the period from 1st June 1919

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General orders and financial statements for the period from 1st June 1919

General orders and financial statements for the period from 1st June 1919



## **8.0 NOTES TO THE FINANCIAL STATEMENTS**

The principal accounting policies adopted in the preparation of these financial statements are set out below:

### **8.1. Basis of Preparation**

#### **8.1.1. Statement of compliance and basis of preparation**

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

The accounting policies adopted have been consistently applied to all the years presented.

#### **8.1.2. Reporting entity**

The financial statements are for the Programme ASDSP under National Government of Kenya. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 .

#### **8.1.3. Reporting currency**

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Programme and all values are rounded to the nearest Kenya Shilling.

### **8.2. Significant Accounting Policies**

#### **a) Recognition of receipts**

The Programme recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Government.

- **Transfers from the Exchequer**

Transfer from Exchequer is be recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

- **External Assistance**

External assistance is received through grants and loans from multilateral and bilateral development partners.

## **AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME ( ASDSP)**

### **Reports and Financial Statements For the Two Months – May and June 2018**

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#### **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **Donations and grants**

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

##### **Proceeds from borrowing**

Borrowing includes Treasury bill, treasury bonds, corporate bonds, sovereign bonds and external loans acquired by the Programme or any other debt the Programme may take on will be treated on cash basis and recognized as a receipt during the year they were received.

##### **Undrawn external assistance**

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for the Programme currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the Programme is anticipated to continue to completion. An analysis of the Programme 's undrawn external assistance is shown in the funding summary

##### **• Other receipts**

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognised in the financial statements the time associated cash is received.

#### **b) Recognition of payments**

The Programme recognises all payments when the event occurs and the related cash has actually been paid out by the Programme .

##### **• Compensation of employees**

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

##### **• Use of goods and services**

Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. If not paid for during the period where goods/services are consumed, they shall be disclosed as pending bills.

##### **• Interest on borrowing**

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.



## **AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II (ASDSP II)**

### ***Revised Reports and Financial Statements For the Financial Year Ended 30<sup>th</sup> June, 2019***

- **Repayment of borrowing (principal amount)**

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the consolidated financial statements.

- **Acquisition of fixed assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

- c) **In-kind donations**

In-kind contributions are donations that are made to the Programme in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Programme includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

- d) **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.

## **AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

### **Revised Reports and Financial Statements For the Financial Year Ended 30<sup>th</sup> June, 2019**

#### **Restriction on cash**

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third part deposits

#### **e) Accounts receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year is treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

#### **f) Pending bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Programme at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

#### **g) Budget**

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis (except for accounts receivable - outstanding imprest and clearance accounts and accounts payable - deposits, which are accounted for on an accrual basis), and for the same period as the financial statements. The Programme's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Programme s are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers and are eliminated upon consolidation.

A high-level assessment of the Programme's actual performance against the comparable budget for the financial year/period under review has been included in an annex to these financial statements.



**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

***Revised Reports and Financial Statements For the Financial Year Ended 30<sup>th</sup> June, 2019***

**h) Third party payments**

Included in the receipts and payments, are payments made on its behalf by to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties column in the statement of receipts and payments.

During the year Kshs NIL billion being loan disbursements were received in form of direct payments from third parties.

**i) Exchange rate differences**

The accounting records are maintained in the functional currency of the primary economic environment in which the Programme operates, Kenya Shillings. Transactions in foreign currencies during the year/period are converted into the functional currency using the exchange rates prevailing at the dates of the transactions. Any foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of receipts and payments.

**j) Comparative figures**

Where necessary comparative figures for the previous financial year/period have been amended or reconfigured to conform to the required changes in financial statement presentation.

**k) Subsequent events**

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2019.

**l) Errors**

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

**Revised Reports and Financial Statements For the Financial Year Ended 30<sup>th</sup> June, 2019**

**8.3 RECEIPTS FROM GOVERNMENT OF KENYA**

|   | 2018/19            | 2017/18   | Cumulative to Date | Cumulative Prior Year |
|---|--------------------|-----------|--------------------|-----------------------|
|   | KShs               | KShs      | KShs               | KShs                  |
| <b>Counterpart funding through State Department For Crops Development , Ministry of Agriculture , livestock &amp; Fisheries</b> |                    |           |                    |                       |
| Counterpart funds Quarter 1   | 20,100,000         | -         | 20,100,000         |                       |
| Counterpart funds Quarter 3   | 20,100,000         | -         | 20,100,000         |                       |
| Counterpart funds Quarter 4 ( Cash in Transit)  | 50,000,000         | 5,407,093 | 55,407,093         | 5,407,093             |
| <b>Other transfers from government entities</b>   | 305,766,153        |           | 305,766,153        |                       |
|   | <b>395,966,153</b> | <b>=</b>  | <b>401,373,246</b> | <b>5,407,093</b>      |



**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II (ASDSP II)**

*Revised Reports and Financial Statements For the Financial Year Ended 30<sup>th</sup> June, 2019*

**8.4 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS**

| Name of Donor  | Date received | Amount received in donor currency | Grants received in cash | Grants received as direct payment* | Grants received in kind | Total amount in KShs |                   |
|--|---------------|-----------------------------------|-------------------------|------------------------------------|-------------------------|----------------------|-------------------|
|  |               |                                   |                         |                                    |                         | FY 2018/19           | FY 2017/2018      |
| <b>SWEDISH GOVERNMENT (SIDA)</b>                                   |               |                                   |                         |                                    |                         |                      |                   |
| 1st Disbursement   | 30/08/2018    | 0                                 | 179,880,238             | KShs                               | KShs                    | 179,880,238          | 99,560,443        |
| 2 <sup>nd</sup> Disbursement                                       | 26/11/2018    | -                                 | 365,604,345             |                                    |                         | 365,604,345          |                   |
| 3 <sup>rd</sup> Disbursement – Cash In Transit                     |               |                                   |                         |                                    |                         |                      |                   |
| <b>Grants Received from Bilateral Donors (Foreign Governments)</b> |               |                                   |                         |                                    |                         |                      |                   |
| Government of SWEDEN - Swedish Kronor                              | -             |                                   | 545,484,583             |                                    | -                       | 545,484,583          |                   |
| <b>Total</b>   |               | -                                 | <b>545,484,583</b>      |                                    | <b>-</b>                | <b>545,484,583</b>   | <b>99,560,443</b> |

**8.6 MISCELLANEOUS RECEIPTS**

|   | Receipts controlled by the entity in Cash | Receipts controlled by third parties | TOTAL RECEIPTS |              | Cumulative to-date | Cumulative Prior Year |
|---|---|--------------------------------------|----------------|--------------|--------------------|-----------------------|
|   |   |                                      | FY 2018/19     | FY 2017/18   |                    |                       |
|   | KShs                                      | KShs                                 | KShs           | KShs         | KShs               | KShs                  |
| Other receipts not classified elsewhere | -   |                                      | -              | 2,100        | 2,100              | 2,100                 |
| <b>Total</b>                            | <b>-</b>                                  | <b>-</b>                             | <b>-</b>       | <b>2,100</b> | <b>2,100</b>       | <b>2,100-</b>         |

**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

**Revised Reports and Financial Statements For the Financial Year Ended 30<sup>th</sup> June, 2019**

**8.8 a USE OF GOODS AND SERVICES – National Programme Secretariat - NPS  
USE OF GOODS AND SERVICES - NPS**

|  | Payments made by the Entity in Cash | Payments made by third parties | Total Payments     |                   | FY 2017/18         | Cumulative to-date | Cumulative Prior Year |
|--|-------------------------------------|--------------------------------|--------------------|-------------------|--------------------|--------------------|-----------------------|
|  |                                     |                                | Shs                | KSh               |                    |                    |                       |
|  | KS                                  | Shs                            | s                  | K                 |                    |                    |                       |
| Communication, supplies and services                         | 1,144,284                           |                                | 1,144,284          | 1,125,160         | 2,269,444          | 1,125,160          |                       |
| Domestic travel and subsistence                              | 5,833,142                           |                                | 5,833,142          | 39,950            | 5,873,092          | 39,950             |                       |
| Foreign travel and subsistence                               | 468,750                             |                                | 468,750            | -                 | 468,750            | -                  |                       |
| Printing, advertising and information supplies & services    | 752,318                             |                                | 752,318            | 473,160           | 1,225,478          | 473,160            |                       |
| Rentals of produced assets ( Rentals)                        | 770,040                             |                                | 770,040            | 264,000           | 1,034,040          | 264,000            |                       |
| Training expenses  | 109,239,767                         |                                | 109,239,767        | 617,072           | 109,856,839        | 617,072            |                       |
| Hospitality supplies and services                            | 451,350                             |                                | 451,350            | 35,750            | 487,100            | 35,750             |                       |
| Insurance costs  | 473,220                             |                                | 473,220            | 709,729           | 1,182,949          | 709,729            |                       |
| Office and general supplies and services                     | 1,661,659                           |                                | 1,661,659          | 580,838           | 2,242,497          | 580,838            |                       |
| Other operating expenses/feasibility Studies                 | 124,905,894                         |                                | 124,905,894        | 46,157,901        | 171,063,795        | 46,157,901         |                       |
| Routine maintenance – vehicles and other transport equipment | 2,158,363                           |                                | 2,158,363          | 3,623,582         | 5,781,945          | 3,623,582          |                       |
| Consultancy services: – Technical and professional services  | 28,519,998                          |                                | 28,519,998         | 13,396,250        | 41,916,248         | 13,396,250         |                       |
| <b>Total</b>   | <b>276,378,785</b>                  | <b>=</b>                       | <b>276,378,785</b> | <b>67,023,392</b> | <b>343,402,177</b> | <b>67,023,392</b>  |                       |

**Note:** (Other operating expenses include Bank charges Ksh 369,708 and Feasibility Ksh 124,536,186)



**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

*Revised Reports and Financial Statements For the Financial Year Ended 30<sup>th</sup> June, 2019*

**8.10 ACQUISITION OF NON-FINANCIAL ASSETS**

|  | Payments made by the Entity in Cash | Payments made by third parties | Total Payments |            | Cumulative to-date | Cumulative Prior Year |
|--|-------------------------------------|--------------------------------|----------------|------------|--------------------|-----------------------|
|  |                                     |                                | FY 2018/19     | FY 2017/18 |                    |                       |
|  | KShs                                | KShs                           | KShs           | KShs       | KShs               | KShs                  |
| Purchase of office furniture & general equipment | 650,804                             |                                | 650,804        | -          | 650,804            | -                     |
| <b>Total</b>                                     | <b>650,804</b>                      |                                | <b>650,804</b> | <b>-</b>   | <b>650,804</b>     | <b>-</b>              |

Represent : Acquired 4 Laptops and 2 Printers

**8.12 OTHER GRANTS TRANSFERS, AND OTHER PAYMENTS**

|                        | Payments made by the Entity in Cash | Payments made by third parties | Total Payments     |            | Cumulative to-date | Cumulative Prior Year |
|------------------------|-------------------------------------|--------------------------------|--------------------|------------|--------------------|-----------------------|
|                        |                                     |                                | FY 2018/19         | FY 2017/18 |                    |                       |
|                        | KShs                                | KShs                           | KShs               | KShs       | KShs               | KShs                  |
| Miscellaneous payments | 192,460,972                         |                                | 192,460,972        | -          | -                  | -                     |
| <b>Total</b>           | <b>192,460,972</b>                  | <b>=</b>                       | <b>192,460,972</b> | <b>=</b>   | <b>=</b>           | <b>=</b>              |

**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

*Revised Reports and Financial Statements For the Financial Year Ended 30<sup>th</sup> June, 2019*

**8.13 CASH AND CASH EQUIVALENTS CARRIED FORWARD**

| CASH AND CASH EQUIVALENTS C/FWD                | FY 2018/19                | FY 2017/18               |
|--|---------------------------|--------------------------|
|  | KShs                      | KShs                     |
| Bank accounts (Note 13A)                       | 509,451,160               | 37,946,244               |
| Outstanding imprests and advances (Note 8.13D) | 455,259                   | -                        |
| <b>Total</b>                                   | <b><u>509,906,419</u></b> | <b><u>37,946,244</u></b> |

| 8.13 A Bank Accounts                     | FY 2017/18                | FY 2016/17               |
|--|---------------------------|--------------------------|
| Local Currency Accounts                  |                           |                          |
| Kenya Commercial Bank 1229965076 - Donor | 159,358                   | 37,894,779               |
| Kenya Commercial Bank 1229967206 GOK     | 60,800,566                | 51,465                   |
| <b>Others (specified as below)</b>       |                           |                          |
| 44 counties – Donor funds                | 279,720,836               |                          |
| 44 counties – Gok funds                  | 168,770,400               |                          |
| <b>Total local currency balances</b>     | <b><u>509,451,160</u></b> | <b><u>37,946,244</u></b> |
| <b>Total bank account balances</b>       | <b><u>509,451,160</u></b> | <b><u>37,946,244</u></b> |

The Programme has Two Programme accounts ( Donor & GOK Funds) held at KCB , CAPITAL HILL , and Forty Seven counties accounts spread within the Programme implementation area and one foreign currency ( EUROS) designated accounts managed by the National Treasury.



**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II (ASDSP II)**

**Revised Reports and Financial Statements For the Financial Year Ended 30<sup>th</sup> June, 2019**

**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

**Reconciliation Between the Programme Accounts and the  
Special/Designated Account**

|              | <b>PARTICULARS</b>  | <b>EUROS (Equivalent)</b> |
|--------------|---|---------------------------|
| <b>Date</b>  | <b>Balance b/f – 01-07-2018</b>   | <b>6,321,042</b>          |
| Fy 2018/2019 | Amount disbursed to Special Account   | 2,330,633                 |
|              | <b>Total</b>  | <b>8,651,675</b>          |
|              | <b>Represented by:</b>  |                           |
|              | <b>Amount withdrawn as below:</b>   |                           |
| 30/08/2018   | Amount disbursed to Ministry of Agriculture, livestock & Fisheries – State department for crops development then to ASDSP Programme Account | 1,570,000                 |
| 26/11/2018   | Amount disbursed to Ministry of Agriculture, livestock & Fisheries – State department for crops development then to ASDSP Programme Account | 3,170,000                 |
|              | <b>Total</b>  | <b>4,740,000</b>          |
|              | <b>Balance as per special Account 30/06/2019</b>  | <b>3,911,675</b>          |

**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

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**8.13D Outstanding Imprests and Advances**

| <i>Name of Officer or Institution</i> | <i>Amount Taken</i> | <i>Due Date of Surrender</i> | <i>Amount Surrendered</i> | <i>Balance 2019</i> | <i>Balance 2018</i> |
|---------------------------------------|---------------------|------------------------------|---------------------------|---------------------|---------------------|
|                                       | Kshs                |                              | Kshs                      | Kshs                | Kshs                |
|                                       | <i>a</i>            |                              | <i>b</i>                  | <i>c=a-b</i>        |                     |
| <i>Gok funds Account</i>              | -                   |                              |                           | 415,808             | -                   |
| <i>Donor funds Account</i>            |                     |                              |                           | 39,451              |                     |
| <b>Total</b>                          | -                   |                              | -                         | <b>455,259</b>      | -                   |

**8.14 FUND BALANCE BROUGHT FORWARD**

| <b>CASH AND CASH EQUIVALENTS B/FWD</b> | <b>FY 2018/19</b> | <b>FY 2017/18</b> |
|--|-------------------|-------------------|
|  | <b>KShs</b>       | <b>KShs</b>       |
| Bank accounts                          | 37,946,244        | -                 |
| <b>Total</b>                           | <b>37,976,244</b> | <b>-</b>          |



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**9.0 OTHER IMPORTANT DISCLOSURES**

| <b>9.1: PENDING ACCOUNTS PAYABLE (See Annex 2A)</b> | <b>FY 2018/19</b> | <b>FY 2017/2018</b> |
|---|-------------------|---------------------|
|   | <b>Kshs</b>       | <b>Kshs</b>         |
| Supply of services                                  | 24,485,219        |                     |
| <b>total</b>  | <b>24,485,219</b> | <b>-</b>            |

| <b>9.2: PENDING STAFF PAYABLES (See Annex 2B)</b> | <b>FY 2018/19</b> | <b>FY 2017/2018</b> |
|---|-------------------|---------------------|
|   | <b>Kshs</b>       | <b>Kshs</b>         |
| Donor Claims                                      | -                 | 1,050               |
| GOK Claims  | -                 | 1,050               |
|   | <b>-</b>          | <b>2,100.00</b>     |

**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

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**10.0 NON CURRENT ASSET MOVEMENT**

| Asset class                                     | Opening Cost<br>(KShs)<br>2018/19 | *Purchases/Addi<br>tions in the Year<br>(KShs)<br>2018/19 | **Disposals<br>in the Year<br>(KShs)<br>2018/19 | Closing Cost<br>(KShs)<br>2019 |
|---|-----------------------------------|---|---|--------------------------------|
|   | (a)                               | (b)   | (c)   | (d)= (a)+ (b)-<br>(c)          |
| Land  | -                                 | -   | -   | -                              |
| Buildings and structures                        | 480,385                           | -   | -   | 480,385                        |
| Transport equipment                             | 244,479,621                       | -   | -   | 244,479,621                    |
| Office equipment, furniture and fittings        | 2,085,700                         | -   | -   | 2,085,700                      |
| ICT Equipment, Software and Other ICT<br>Assets | 67,272,003                        | 650,804   | -   | 67,922,807                     |
| <b>Total</b>                                    | <b>314,317,709</b>                | <b>650,804</b>  | <b>-</b>  | <b>314,968,513</b>             |

**Note: Acquired 4 Laptops and 2 Printers all other Assets were inherited from ASDSP I, Programme that ended in September, 2017**



**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

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**11. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

| Reference No. on the external audit Report | Issue / Observations from Auditor        | Observations Management comments       | Focal Point person to resolve the issue (Name and designation)       | Status (Resolved / Not Resolved) | Timeframe (Put a date when you expect the issue to be resolved) |
|--|--|--|--|----------------------------------|---|
| Fy 2017/2018                               | Fy year 2017/2018 had unqualified report | No issues were raised , a clean report | Josphat G. Muhunyu – DDA – National Programme Coordinator – ASDSP II | No Issue                         | Completed   |

**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.

  
 Principal Secretary



Programme Coordinator

**Name: Josphat G. Muhunyu**

**Name: Prof. Hamadi I. Boga**





**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II (ASDSP II)**

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**ANNEX 1 - VARIANCE EXPLANATIONS - COMPARATIVE BUDGET AND ACTUAL AMOUNTS**

|   | Final Budget         | Actual on Comparable Basis | Utilisation Variance | % of Utilisation | Comments on Variance |
|---|----------------------|----------------------------|----------------------|------------------|----------------------|
|   | c=a+b                | d                          | e=c-d                | f=d/c %          |                      |
| <b>Receipts</b>                             |                      |                            |                      |                  |                      |
| Receipts from Government of Kenya           | 90,200,000           | 90,200,000                 | -                    | 100%             |                      |
| Receipts from Government of Kenya- Counties | 258,500,000          | 305,766,153                | (47,266,153)         | 118%             |                      |
| Proceeds from Domestic and Foreign Grants   | 1,109,037,478        | 545,484,583                | 563,552,895          | 49%              | NI                   |
| <b>Total Receipts</b>                       | <b>1,457,737,478</b> | <b>941,450,736</b>         | <b>516,286,742</b>   | <b>65%</b>       | <b>N2</b>            |
| <b>Payments</b>                             |                      |                            |                      |                  |                      |
| Use of goods and services - Nps             | 429,000,000          | 276,378,785                | 152,621,215          | 64%              | N3                   |
| Acquisition of Non-financial Assets         | 1,000,000            | 650,804                    | 349,196              | 65%              | N5                   |
| Transfers to Other Government Entities      | 1,027,737,478        | 192,460,972                | 835,276,506          | 19%              | N6                   |
| <b>Total Payments</b>                       | <b>1,457,737,478</b> | <b>469,490,561</b>         | <b>988,246,917</b>   | <b>32%</b>       | <b>N7</b>            |

**Explain Variance less than 90% & above 100%**

Generally the programme was affected by delay in disbursement of funds to the counties for their failure to meet the counter part /trigger condition

" NOTE1 . The National Treasury delayed second half disbursement Fy 2018/2019

" NOTE2 . The County Governments delayed to disburse their counterpart hence, affecting Implementation

" NOTE 3 -6. Delay in disbursement of funds to the counties for their failure to meet the counter part /trigger conditions

" NOTE 7 . Represent the net effect of Revenue v/s Expenditure during the year . The Activities to be carried over to Fy 2019/2020

**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II (ASDSP II)**

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**ANNEX 2A - ANALYSIS OF PENDING BILLS**

| Supplier of Goods or Services | Original Amount | Date Contracted | Amount Paid T-o-Date | Outstanding Balance 2019 | Outstanding Balance 2018 |
|-------------------------------|-----------------|-----------------|----------------------|--------------------------|--------------------------|
|                               | a               | b               | c                    | d=a-c                    |                          |
| MTN Business                  |                 |                 |                      | 368,880                  |                          |
| Akarim Agencies               |                 |                 |                      | 120,750                  |                          |
| Price Water coopers           |                 |                 |                      | 9,113,646                |                          |
| Niras Natura                  |                 |                 |                      | 12,720,646               |                          |
| Toyota Kenya                  |                 |                 |                      | 400,000                  |                          |
| Heller petroleum Ltd          |                 |                 |                      | 20,000                   |                          |
| Fratech Motors                |                 |                 |                      | 107,711                  |                          |
| Mombasa Beach Hotel           |                 |                 |                      | 197,000                  |                          |
| Nine One One                  |                 |                 |                      | 33,408                   |                          |
| Programme Coordinator – Jas   |                 |                 |                      | 1,012,915                |                          |
| Lenah Kinyamu                 |                 |                 |                      | 99,620                   |                          |
| Winfred Wangechi              |                 |                 |                      | 68,920                   |                          |
| Rose Ndana                    |                 |                 |                      | 68,920                   |                          |
| Kalro - Hqrs                  |                 |                 |                      | 152,000                  |                          |
| <b>Sub-Total</b>              | -               |                 | -                    | <b>24,485,219</b>        | -                        |
| <b>Grand Total</b>            | -               |                 | -                    | <b>24,485,219</b>        | -                        |



ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

| Asset class                                  | Opening Cost       | *Purchases/Additions in the Year | **Disposals in the Year | Closing Cost       |
|--|--------------------|----------------------------------|-------------------------|--------------------|
|  | (KShs)             | (KShs)                           | (KShs)                  | (KShs)             |
|  | 2018/19            | 2018/19                          | 2018/19                 | 2019               |
|  | (a)                | (b)                              | (c)                     | (d)= (a)+(b)-(c)   |
| Buildings and structures                     | 480,385            | -                                |                         | 480,385            |
| Transport equipment                          | 244,479,621        | -                                |                         | 244,479,621        |
| Office equipment, furniture and fittings     | 2,085,700          | -                                |                         | 2,085,700          |
| ICT Equipment, Software and Other ICT Assets | 67,272,003         | 650,804                          |                         | 67,922,807         |
| <b>Total</b>                                 | <b>314,317,709</b> | <b>650,804</b>                   | <b>-</b>                | <b>314,968,513</b> |

Note: Acquired 4 Laptops and 2 Printers all other Assets were inherited from ASDSP I, Programme that ended in September, 2017

TABLE 2 - SUMMARY OF ASSETS

| Category               | 2018             | 2017             |
|------------------------|------------------|------------------|
| Buildings and fixtures | 1,234,567        | 1,123,456        |
| Plant and machinery    | 567,890          | 456,789          |
| Office equipment       | 123,456          | 112,345          |
| Motor vehicles         | 234,567          | 223,456          |
| Intangible assets      | 345,678          | 334,567          |
| Other assets           | 456,789          | 445,678          |
| <b>Total</b>           | <b>3,962,847</b> | <b>3,695,679</b> |

Notes: 1. Depreciation is provided on a straight-line basis over the estimated useful life of the assets.

**AGRICULTURAL SECTOR DEVELOPMENT SUPPORT PROGRAMME II ( ASDSP II)**

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**ANNEXES**

**1.1 ASDSP II -CONSOLIDATED Trial balance for the FY -2018 - 2019**

**DONOR & GOK FUNDS NATIONAL PROGRAMME SECRETARIAT (NPS) & COUNTIES CONTRIBUTIONS**

| <b>Item</b>    | <b>Description</b>   | <b>Dr</b>          | <b>Cr</b>   |
|----------------|--|--------------------|-------------|
|                | Donor Exchequer Received   | -                  | 179,880,238 |
|                | Donor Exchequer Received   | -                  | 365,604,345 |
|                | GOK Exchequer Received   | -                  | 20,100,000  |
|                | GOK Exchequer Received   | -                  | 20,100,000  |
|                | Gok Cash in transit  | -                  | 50,000,000  |
|                | GOK County Contribution  |                    | 305,766,153 |
| <b>2211100</b> | <b>Office &amp; General Supplies</b>                                 | <b>1,661,659</b>   | -           |
| 2211101        | Stationery & General running   | 885,638            | -           |
| 2211102        | Computer Supplies  | 692,021            | -           |
| 2211103        | Cleaning Material  | 84,000             | -           |
| <b>2210200</b> | <b>Communication , supplies &amp; services</b>                       | <b>1,144,284</b>   | -           |
| 2210201        | Phone Fax Mobile   | 671,500            | -           |
| 2210202        | Internet Email   | 472,784            | -           |
| <b>2210300</b> | <b>Domestic Travel &amp; Subsistence.</b>                            | <b>5,833,142</b>   | -           |
| 2210301        | Air Bus Train fares  | 1,617,932          | -           |
| 2210302        | Accomodation, Meals  | 2,777,150          | -           |
| 2210303        | Subsistence allowance  | 1,438,060          | -           |
| <b>2210400</b> | <b>Foreign Travel &amp; Subsist.</b>                                 | <b>468,750</b>     | -           |
| 2210401        | Foreign Trav Air Bus Train   | 468,750            | -           |
| <b>2210500</b> | <b>Printing, Advertising and information supplies &amp; servives</b> | <b>752,318</b>     | -           |
| 2210502        | Publishing & Printing  | 591,398            | -           |
| 2210503        | Subscription Periodicals   | 55,920             | -           |
| 2210504        | Advertising & Awareness  | 105,000            | -           |
| <b>2210700</b> | <b>Training Expenses</b>   | <b>109,239,767</b> | -           |
| 2210701        | Travel, Accomodation, Fees   | 109,239,767        | -           |
| <b>2210800</b> | <b>Hospitality supplies and services</b>                             | <b>451,350</b>     | -           |
| 2210801        | Catering services  | 325,050            | -           |
| 2210802        | Boards Committees  | 126,300            | -           |
| <b>2210900</b> | <b>Insurance costs</b>   | <b>473,220</b>     | -           |
| 2210904        | Vehicle Insurance  | 473,220            | -           |
| <b>2211300</b> | <b>Consultancy services - Technical and professional services</b>    | <b>28,519,998</b>  | -           |
| 2211310        | Consultants / Prof. Services   | 26,029,357         | -           |
| 2211311        | Technical Services   | 2,490,641          | -           |



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|                |   |                    |                    |
|----------------|---|--------------------|--------------------|
| <b>2220200</b> | <b>Routine Maint.- Other Assets</b>                                 | <b>89,000</b>      | <b>-</b>           |
| 2220210        | Maint Computer, Phone, Software                                     | 89,000             | -                  |
| <b>2220300</b> | <b>Rentals</b>  | <b>770,040</b>     | <b>-</b>           |
| 2220305        | Office Rents  | 770,040            | -                  |
| <b>2220100</b> | <b>Routine maintenance - vehicle and other transport equipment</b>  | <b>2,069,363</b>   | <b>-</b>           |
| 2211201        | Fuel, Oil for Transport   | 300,000            | -                  |
| 2220101        | Vehicle Maintenance   | 1,468,672          | -                  |
| 3110801        | Overhaul Vehicles   | 300,691            | -                  |
|                | <b>Other operating expenses - Bank charges/ Feasibility Studies</b> | <b>124,905,894</b> | <b>-</b>           |
| 2211301        | Bank Charges  | 369,708            | -                  |
| <b>3111400</b> | <b>Feasibility Studies</b>  | <b>124,536,186</b> | <b>-</b>           |
| 3111401        | Feasibility Studies ASDS Coordination                               | 95,616,196         | -                  |
| 311140P        | Feasibility PHASE 2   | 27,368,110         | -                  |
| 311140<br>M    | Feasibility Studies IMPACT  | 1,395,880          | -                  |
| 3111401        | Feasibility PHASE 2   | 156,000            | -                  |
| 2630203        | Transfer to other levels of Governments - Donor                     | 55,465,219         | -                  |
| 2630203        | County Expenditure - Counter part                                   | 136,995,753        | -                  |
|                | <b>ACQUISITION OF NON-FINANCIAL ASSETS</b>                          | <b>650,804</b>     | <b>-</b>           |
| 3111111        | Purchase of ICT Networking and Comm. Equipt                         | 650,804            | -                  |
|                | <b>Imprest</b>  | <b>455,259</b>     | <b>-</b>           |
|                | <b>CASH AT BANK</b>   | <b>60,959,924</b>  | <b>-</b>           |
|                | Cash held in the counties - Donor funds                             | 279,720,836        |                    |
|                | Cash held in the counties - counter part funds                      | 168,770,400        | -                  |
|                | <b>Accumulated Fund</b>   | <b>-</b>           | <b>37,946,244</b>  |
|                | <b>Total</b>  | <b>979,396,980</b> | <b>979,396,980</b> |

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**1.2 ASDSP II DONOR & GOK FUNDS NATIONAL PROGRAMME SECRETARIAT ( NPS) & COUNTIES CONTRIBUTIONS CONSOLIDATED BUDGET 2018-2019**

| <b>Item</b>    | <b>Description</b>   | <b>DONOR</b>       | <b>GOK</b>        | <b>TOTAL</b>       |
|----------------|--|--------------------|-------------------|--------------------|
| <b>2211100</b> | <b>Office &amp; General Supplies</b>                                 | <b>1,840,000</b>   | <b>837,500</b>    | <b>2,677,500</b>   |
| 2211009        | Education & Library Supplies   | 120,000            | -                 | 120,000            |
| 2211101        | Stationery & General running   | 1,000,000          | 237,500           | 1,237,500          |
| 2211102        | Computer Supplies  | 650,000            | 500,000           | 1,150,000          |
| 2211103        | Cleaning Material  | 70,000             | 100,000           | 170,000            |
| <b>2210200</b> | <b>Communication , supplies &amp; services</b>                       | <b>815,000</b>     | <b>1,150,000</b>  | <b>1,965,000</b>   |
| 2210201        | Phone Fax Mobile   | 250,000            | 950,000           | 1,200,000          |
| 2210202        | Internet Email   | 500,000            | 150,000           | 650,000            |
| 2210203        | Courier & Postal   | 65,000             | 50,000            | 115,000            |
| <b>2210300</b> | <b>Domestic Travel &amp; Subsist.</b>                                | <b>14,800,000</b>  | <b>3,300,000</b>  | <b>18,100,000</b>  |
| 2210301        | Air Bus Train fares  | 2,800,000          | 500,000           | 3,300,000          |
| 2210302        | Accomodation, Meals  | 4,500,000          | 1,800,000         | 6,300,000          |
| 2210303        | Subsistence allowance  | 7,500,000          | 1,000,000         | 8,500,000          |
| <b>2210400</b> | <b>Foreign Travel &amp; Subsist.</b>                                 | <b>2,850,000</b>   | <b>3,750,000</b>  | <b>6,600,000</b>   |
| 2210401        | Foreign Trav Air Bus Train   | 500,000            | 1,000,000         | 1,500,000          |
| 2210402        | Foreign Accomodat Meals  | 500,000            | 500,000           | 1,000,000          |
| 2210403        | Foreign Trav DSA & Subsist.  | 1,500,000          | 2,000,000         | 3,500,000          |
| 2210404        | Sundry Items   | 350,000            | 250,000           | 600,000            |
| <b>2210500</b> | <b>Printing, Advertising and information supplies &amp; servives</b> | <b>12,900,000</b>  | <b>1,600,000</b>  | <b>14,500,000</b>  |
| 2210502        | Publishing & Printing  | 6,500,000          | 500,000           | 7,000,000          |
| 2210503        | Subscription Periodicals   | 600,000            | 100,000           | 700,000            |
| 2210504        | Advertising & Awareness  | 4,000,000          | 500,000           | 4,500,000          |
| 2210505        | Trade shows and exhibitions  | 1,800,000          | 500,000           | 2,300,000          |
| <b>2220300</b> | <b>Rentals</b>   | <b>-</b>           | <b>1,000,000</b>  | <b>1,000,000</b>   |
| 2220305        | Rentals  | -                  | 1,000,000         | 1,000,000          |
| <b>2210700</b> | <b>Training Expenses</b>   | <b>110,675,000</b> | <b>10,700,000</b> | <b>121,375,000</b> |
| 2210701        | Travel, Accomodation, Fees   | 102,000,000        | 9,500,000         | 111,500,000        |
| 2210702        | Pay Instructors  | 675,000            | -                 | 675,000            |
| 2210703        | Print Training Material  | 600,000            | 200,000           | 800,000            |
| 2210704        | Hire Facilities  | 900,000            | 300,000           | 1,200,000          |
| 2210708        | Trainers Allowances  | 1,200,000          | 200,000           | 1,400,000          |
| 2210710        | Training Accomodat Allow   | 5,300,000          | 500,000           | 5,800,000          |
| <b>2210800</b> | <b>Hospitality supplies &amp; services</b>                           | <b>1,050,000</b>   | <b>425,000</b>    | <b>1,475,000</b>   |
| 2210801        | Catering services  | 400,000            | 212,500           | 612,500            |
| 2210802        | Boards Committees  | 650,000            | 212,500           | 862,500            |
| <b>2210900</b> | <b>Insurance</b>   | <b>1,000,000</b>   |                   | <b>1,000,000</b>   |
| 2210904        | Vehicle Insurance  | 1,000,000          | -                 | 1,000,000          |
| <b>2211300</b> | <b>Consultancy services - Technical and professional services</b>    | <b>87,300,000</b>  | <b>600,000</b>    | <b>87,900,000</b>  |
| 2211310        | Consultants / Prof. Services   | 42,500,000         | 300,000           | 42,800,000         |



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|----------------|--|----------------------|--------------------|----------------------|
| 2211311        | Technical Services   | 44,800,000           | 300,000            | <b>45,100,000</b>    |
| <b>2220200</b> | <b>Routine Maint. Other Assets</b>   | <b>385,500</b>       | <b>150,000</b>     | <b>535,500</b>       |
| 2220201        | Plant,machinery & Equipment  | 100,000              |                    | <b>100,000</b>       |
| 2220202        | Office Furniture and Equipmt   | 85,500               | 50,000             | <b>135,500</b>       |
| 2220210        | Computer, Phone, Software  | 200,000              | 100,000            | <b>300,000</b>       |
| <b>2220100</b> | <b><u>Routine maintenance - vehicle and other transport equipment</u></b>  | <b>3,800,000</b>     | <b>800,000</b>     | <b>4,600,000</b>     |
| 2211201        | Fuel, Oil for Transport  | 600,000              | 300,000            | <b>900,000</b>       |
| 2220101        | Vehicle Maintenance  | 1,800,000            | 500,000            | <b>2,300,000</b>     |
| 3110801        | Overhaul Vehicles  | 1,400,000            | -                  | <b>1,400,000</b>     |
| <b>2211300</b> | <b><u>Other operating expenses - Bank charges/ Feasibility Studies</u></b> | <b>869,521,978</b>   | <b>65,787,500</b>  | <b>935,309,478</b>   |
|                | <b><u>Bank Charges</u></b>   | <b>400,000</b>       | <b>100,000</b>     | <b>500,000</b>       |
| 2211301        | Bank Charges   | 400,000              | 100,000            | <b>500,000</b>       |
| <b>3111400</b> | <b><u>Feasibility Studies</u></b>  | <b>869,121,978</b>   | <b>65,687,500</b>  | <b>934,809,478</b>   |
| 3111401        | Feasibility Studies ASDS Coordination                                      | 99,485,214           | 10,000,000         | <b>109,485,214</b>   |
| 311140P        | Feasibility PHASE 2  | 24,000,000           | 4,687,500          | <b>28,687,500</b>    |
| 311140M        | Feasibility Studies IMPACT   | 1,000,000            | 800,000            | <b>1,800,000</b>     |
| 3111401        | Feasibility PHASE 2  | -                    | 200,000            | <b>200,000</b>       |
| 2630203        | Transfer to other levels of Governments                                    | 744,636,764          | 50,000,000         | <b>794,636,764</b>   |
|                | <b>ACQUISITION OF NON-FINANCIAL ASSETS</b>                                 | <b>2,100,000</b>     | <b>100,000</b>     | <b>2,200,000</b>     |
| 3111001        | Office Furniture   | -                    | 100,000            | <b>100,000</b>       |
| 3111002        | Comm. Hardware, IT, Compt.   | 1,250,000            |                    | <b>1,250,000</b>     |
| 3111111        | ICT Networking & communication   | 500,000              |                    | <b>500,000</b>       |
| 3111112        | Software   | 350,000              |                    | <b>350,000</b>       |
|                | <b>Grand Total</b>   | <b>1,109,037,478</b> | <b>90,200,000</b>  | <b>1,199,237,478</b> |
|                | County Contribution  |                      |                    |                      |
| 2630203        | Transfer to other levels of Governments                                    | -                    | 258,500,000        | <b>258,500,000</b>   |
|                | <b>Grand Total</b>   | <b>1,109,037,478</b> | <b>348,700,000</b> | <b>1,457,737,478</b> |



1.3 Reconciliation Between the Programme Accounts and the Special/Designated Account

|                 | <b>PARTICULARS</b>   | <b>EUROS (Equivalent)</b> |
|-----------------|--|---------------------------|
| <b>Date</b>     | <b>Balance b/f - 01-07-2018</b>  | <b>6,321,042</b>          |
| Fy<br>2018/2019 | Amount disbursed to Special Account  | 2,330,633                 |
|                 |  |                           |
|                 | <b>Total</b>   | <b>8,651,675</b>          |
|                 |  |                           |
|                 | <b>Represented by:</b>   |                           |
|                 | <b>Amount withdrawn as below:</b>  |                           |
| 30/08/2018      | Amount disbursed to Ministry of Agriculture, livestock & Fisheries - State department of Crops development then to ASDSP Programme Account | 1,570,000                 |
| 26/11/2018      | Amount disbursed to Ministry of Agriculture, livestock & Fisheries - State department of Crops development then to ASDSP Programme Account | 3,170,000                 |
|                 | <b>Total</b>   | <b>4,740,000</b>          |
|                 | <b>Balance as per special Account 30/06/2019</b>   | <b>3,911,675</b>          |

