


REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

*Handwritten signature and date: 30/11*

 <b>OF</b> THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 21 MAR 2023	DAY:
<b>THE AUDITOR-GENERAL</b>	
TABLED BY:	HON. SILVANI ODIKA
CLERK-AT-THE-TABLE:	MAJORITY PARTY WHIP
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**ON**

**KENYA TSETSE AND TRYPANOSOMIASIS  
ERADICATION COUNCIL**

**FOR THE YEAR ENDED  
30 JUNE, 2021**





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**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL  
YEAR ENDING  
30<sup>th</sup> JUNE, 2021**

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

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
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**1. KEY ENTITY INFORMATION AND MANAGEMENT**

**(a) Background information**

Kenya Tsetse and Trypanosomiasis Eradication Council (KENTTEC) is a State Corporation established under Legal Notice No. 77 of July 2012 whose mandate is to coordinate all Tsetse and Trypanosomiasis eradication activities. The Council is the successor of Pan-African Tsetse and Trypanosomiasis Eradication Campaign (PATTEC) in Kenya. The continental campaign (PATTEC) was formed following the declaration of African Heads of State and Governments in 2000 in Lome, Togo (Decision AHG/156 (XXXVI) of the 36<sup>th</sup> Assembly of Heads of State and Government) to free Africa from tsetse and trypanosomiasis constraint.

The Council is domiciled in Kenya and has five regional offices. The South Coast regional office which is composed of Mombasa, Taita/Taveta and Kwale counties. North Coast regional office covering Tana River, Lamu and Kilifi counties. Western regional office covering Busia and Bungoma counties. Nyanza regional office covering Homa Bay, Siaya, Kisumu and Migori counties and the Lake Bogoria regional office covering Baringo, Narok, Kajiado, Nakuru counties.

In Kenya, 38 out of 47 Counties are tsetse infested. Nearly 11 million people are at risk of contracting human sleeping sickness outbreak in the Lake Victoria basin and the Mara- Serengeti ecosystem. Tourism accounts for 11% of foreign exchange earnings; this sector is negatively affected by tsetse and trypanosomiasis. A reported case of sleeping sickness in 2012 resulted in travel advisories, low tourist numbers leading to a loss in tourism revenue.

The economic losses attributable to Tsetse and Trypanosomiasis are attributable to: - cost of human and animal treatment, death of infected human and animals, abortions, loss of milk, loss of draught power and inability to plough in certain areas, inaccessibility to grazing grounds, low market value for affected animals, loss of foreign exchange through imports of drugs/pesticides and lost opportunity to export livestock and livestock products. The live weight gain and milk production of livestock in the infested areas is estimated at 20% less, compared to those in tsetse free production systems. This translates to a potential annual loss of about twenty billion shillings (Kshs. 20 billion)

To safeguard the PATTEC achievements, the government established the Kenya Tsetse and Trypanosomiasis Eradication Council (KENTTEC) through Legal Notice No. 77 of July 2012 under the State Corporations Act (Cap 446) whose mandate is to mobilise resources, coordinate eradication

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of tsetse in the country, set standards and mitigate the socio-economic constraints brought by T&T infestation. Kenya has maintained a zero report of sleeping sickness. Tsetse densities in targeted areas like Mwea, Faza and Bogoria are very low and this has allowed high productivity in dairy and crop production.

**(b) Principal Activities**

The functions of the Council as stipulated in the Legal Notice are as follows: -

- Advise the Government on the policy on Tsetse and Trypanosomiasis eradication in Kenya.
- Recommend standards and guidelines for Tsetse and Trypanosomiasis eradication;
- Determine and advise the Government on national goals, priorities and strategies for Tsetse and Trypanosomiasis eradication;
- Co-ordinate activities of Government departments, agencies and other stakeholders at the national and county levels in matters related to Tsetse and Trypanosomiasis eradication;
- Promote collaboration among stakeholders on Tsetse and Trypanosomiasis eradication;
- Act as the lead agency on Tsetse and Trypanosomiasis eradication activities in Kenya;
- Act as the Government agency for Tsetse and Trypanosomiasis eradication, and advise the Government in its negotiations and other engagements with foreign countries and international organizations in Tsetse and Trypanosomiasis eradication;
- Negotiate, source and mobilize resources for the Tsetse and Trypanosomiasis eradication;
- Ensure effective and efficient use of resources provided by the Government and other financiers or donors for tsetse and trypanosomiasis eradication;
- Establish and maintain an appropriate Tsetse and Trypanosomiasis knowledge, information and communication system and database based on contemporary science and technology;
- Co-ordinate, guide and facilitate research and the use of technology and development of science for the purposes of eradication of Tsetse and Trypanosomiasis;
- Promote and facilitate activities in all relevant sectors including land use management and sustainable livelihoods to sustain Tsetse and Trypanosomiasis eradication in Kenya;
- Promote public and private sector partnership for sustainable Tsetse and Trypanosomiasis eradication; and
- Perform such other function as may be assigned to it by the Minister

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**(c) Key Management**

KENTTEC's day-to-day management is under the following key offices:

- Board of Directors
- Chief Executive Office
- Monitoring and Evaluation
- Planning and Administration
- Technical Operations-Parasitology and Entomology
- Human Resource Management
- Communication Office
- Accounts and Finance
- Supply Chain Management
- Regional/County Coordination Offices

**(d) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2021 and who had a direct fiduciary responsibility were: -

<b>Designation</b>	<b>Name</b>
Chief Executive Officer	Dr. Pamela Olet, PhD
Monitoring and Evaluation officer	Dr. Seth Onyango
Planning and Administration Officer	Mr. Cyrus Muiru
Head of Technical Services	Mr. Daniel Ochieng Gamba
Human Resource Officer	Mrs. Shalleen Mutua
Communication Officer	Ms. Florence Okello
Head of Accounts and Finance	Mr. Edmund O. Wafula
Office Administrator	Mr. Agnes Mungai
GIS Expert	Mrs. Nancy Ngare Miron
Head of Procurement	Mr. James O. Juma
Regional Coordinator South Coast Region	Mr. Johana Cheptoo
Regional Coordinator Western Region	Mrs. Agnes O. Ikolot
Regional Coordinator Meru Mwea Region	Mr. Isaiah Kiteto
Regional Coordinator Lake Bogoria Region	Mr. Mrs Sylvia Muthama
Regional Coordinator Lake Victoria Region	Mr. Bernard Chemweno
Regional Coordinator North Coast Region	Mr. Nicomedus Masila

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**(e) Fiduciary Oversight Arrangements**

The Board has approved the delegation of certain authorities to Board Committees where applicable and to the management.

The Audit, Human Resource and Strategy, Finance and Administration and Technical Committees are instrumental in monitoring Council operations, conduct of business, systems and internal controls.

**Audit Committee:**

The members of this Committee are all non-executive directors and professionals. The Committee meets on a quarterly basis and any other time as need may arise, with the internal Auditor as the secretary. During the period, the committee held three meetings.

**Finance and Administration Committee:**

The Committee's responsibility is to assist the Board in addressing issues pertaining to Financial Management the Council.

**Human Resource and Strategy Committee:**

During the financial year 2020/2021 an additional board committee was constituted. The Human Resource and Strategy committee was put in place to handle the human resource issues and strategic direction of the Council, which had been hitherto handled by the Human Resource Finance and Administration Committee.

**Internal Control**

The effectiveness of the Council's internal control is monitored on a regular basis by the Internal Audit function. The internal audit function reviews the Council's compliance with the laid down policies and procedures as well as assessing the effectiveness of Internal control structures. The Internal audit function, focuses their attention to areas the Council could be exposed to great risks. The Internal Audit function reports to the Audit committee of the Board.

The Council ensures that it adheres to its operational procedures and controls to facilitate initiative measures that will safeguard assets and accurate financial reporting.

**Parliamentary Committee activities:**

The Council had not received the Audit report for 2019/2020 due to the delay at the Auditor General's office.



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**(f) Council's Headquarters**

Kenya Tsetse and Trypanosomiasis Eradication Council (KENTTEC)  
Crescent Business Centre Building 3<sup>rd</sup> Floor, Block C  
P.O. Box 66290-00800  
WESTLANDS  
PARKLANDS ROAD  
NAIROBI, KENYA

**(g) Council's Contacts**

Kenya Tsetse and Trypanosomiasis Eradication Council (KENTTEC)  
Crescent Business Centre Building 3<sup>rd</sup> Floor, Block C  
Telephone : ( 254) 020 2513131/2  
E-mail: info@kenttec.go.ke  
Website: www.kenttec.go.ke

**(h) Council's Bankers**

Co-operative Bank of Kenya,  
Parliament Road Branch,  
P.O. Box 5772,  
Square 00200  
Nairobi, Kenya.

**(i) Independent Auditors**


Auditor General,  
Kenya National Audit Office,  
Anniversary,  
Nairobi, Kenya.  
Towers, University Way  
P.O. Box 30084  
GOP 00100  
Nairobi, Kenya.

**(j) Principal Legal Adviser**

The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

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**2.THE BOARD OF DIRECTORS**

	<b>PROFILE</b>
<p><b>CHAIRMAN</b></p> 	<p><b>Dr. Robert Onsare Monda-</b> The current KENTTEC Board Chairman. Dr. Monda has a wealth of experience in Public Policy and Management. He is the former Member of Parliament for Nyaribari Chache Constituency (2007-2013) and the chairman of Departmental Committee of Health in the National Assembly and also served as a member in the following committees of the National Assembly: - Departmental Committee of Agriculture, Liaison and House Business. He took lead in the development of Kenya Medical Supplies Authority Act and the Cancer Prevention and Control Bill.</p> <p>Prior to joining KENTTEC, Dr. Monda was the Board Chairman for the Kenya National Accreditation Services (KENAS). Dr. Monda joined the Public Service as a Veterinary Officer and has worked in Ntonyiri, Ogembo, Keumbu, Kisii, Gucha and Nakuru. He rose from a Veterinary Officer in charge of a division, to Deputy District Veterinary Officer in the former Nakuru District. He also headed Research in the Kenya Wild Life Services (KWS).</p> <p>He holds a Bachelors degree in Veterinary Medicine from the University of Nairobi, a diploma in Community Based Development and a Certificate in Senior Management Course from Kenya Institute of Management (KIM).</p>

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**Dr. Pamela Olet-** The KENTTEC Chief Executive Officer-Prior to this she was the National Co-ordinator for the Pan-African Tsetse and Trypanosomiasis Eradication Campaign (PATTEC-Kenya). Dr. Pamela Olet holds a PhD in entomology and a Masters degree in Business Management. Dr. Olet has spent all her career time in studying and eradication of tsetse and trypanosomiasis, her efforts were recognized through a Presidential award (Moran of Burning Spear- MBS) she received in 2011.



**Mr. Erastus Wanjohi Wahome-**He represents the Cabinet Secretary of The National Treasury and Planning on the KENTTEC Board. Mr. Wahome is a Senior Deputy Director at the Department of Financial and Sectoral Affairs at the National Treasury. He holds a Masters Degree and post graduate Diploma in Economics from Monach University Australia. He also holds a Bachelors degree (Economics) from the University of Nairobi. He is an experienced Economist with a wealth of experience in linking planning to budgeting, policy prioritization, resource mobilization and expenditure control. He has worked closely with the EAC, COMESA and the African Union on regional integration issues. During his tenure at the Board of the National Environmental Authority (NEMA) the authority introduced the new policy on stoppage of use of plastic bags which is a national success. He is also skilled in strategic leadership.

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**Dr. David M. Mwangangi-** He represents the Director of Veterinary Services on the Board-Dr. David Mumo Mwangangi is a Veterinary Surgeon currently serving as Head of Diagnostic Services and Efficacy Trial Centres (DSET) Division in the Directorate of Veterinary Services, State Department for Livestock in the Ministry of Agriculture, Livestock, Fisheries and Cooperatives. He holds Bachelor of Veterinary Medicine and Master of Science Degrees, both from the University of Nairobi. He also underwent a one-year Post-graduate training on Field and Laboratory Diagnosis of Trypanosomiasis, at the Free University of Berlin in addition to many other professional courses. He has published 5 papers in peer reviewed journals in the field of Animal physiology and Trypanosomiasis. He has more than 29 years' experience of continuous service in the public sector, 20 of which have been in the main stream civil service and 9 in Veterinary research (Kenya Trypanosomiasis Research Institute/Kenya Agricultural Research Institute) on transfer of service.

Prior to becoming the Head of Diagnostics, he served as Deputy Officer in charge of Central Veterinary Laboratories, Kabete (June 2010-July2014), Officer in charge of Mariakani Regional Veterinary Investigation Laboratory (RVIL) August 2014-July 2016 and Officer in charge of Karatina RVIL, from August 2016 – September 2018. He has been heading the DSET Division since October 2018 to date. His hobbies include meeting new friends, travelling and watching wildlife.

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**Mrs. Roselyne Auma Kasati** - She represents the Director General Ministry of Health on the Board having replaced Dr John M. Wekesa. She is a Medical Entomologist and Parasitologist with a wealth of experience in vector control. Currently she is based at the Division of Vector Borne and Neglected Tropical Diseases. She has previously worked at the Preventive and Promotive Health and Communicable Diseases Departments.

She also participated in the Guinea Worm Eradication Program to achieve certification of Kenya as a GWD free country in 2018. She participates in the efficacy evaluation of Pest Control Products of Public Health use at Vector Borne Disease Control unit.

She holds a Masters degree in Medical Parasitology and Entomology from Jomo Kenyatta University of Agriculture and Technology, Kenya and a Bachelors degree in Science (Botany and Zoology) from Panjab University, Chandigarh, India. She has a certificate in Strategic Leadership from the Kenya School of Government.

Mrs. Kasati is the National Human African Trypanosomiasis Focal Point person for World Health Organization (WHO) in Kenya and is currently coordinating the activities towards the elimination of HAT as a public Health problem

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**Dr. Samuel Kasiki**-He represents the Kenya Wildlife Services (KWS) on the KENTTEC board. KWS is a major stakeholder in KENTTEC because of the conservation areas which are habitats for tsetse and the wild animals which are reservoirs of the trypanosome parasites. Dr. Kasiki presence in the board will further enhance the good collaborative working relationship between the two organizations. Dr. Kasiki holds a PhD in Ecology and a Masters Degree in Conservation Biology from University of Kent, UK and Bachelors degree in Science (Botany and Zoology) from University of Nairobi. He also holds an MBA.



**Dr. Joseph M. Macharia**- He represents the Principal Secretary State Department Agricultural Research on the KENTTEC Board. Dr. Macharia is a Deputy Director of Veterinary Services with over 30 years' experience in Veterinary management. He holds a Master of Science in Veterinary Microbiology, 2001, University of Nairobi, Kenya. Bachelor of Veterinary Medicine, 1987, School of Veterinary Medicine, University of Nairobi, Kenya. He has a Certificate in Emerging Infectious Disease Epidemiology, College of Public Health, University of Iowa, Iowa City, and USA. He brings to the Board a wealth of experience having served in various capacities at the Directorate of veterinary services.

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	<p><b>Mr. Evans Makokha</b>-He represents the Director of Livestock Production on the KENTTEC Board. He is a Deputy Director of Livestock production (DDL P) in charge of Non-ruminants in the Directorate of Livestock Production and also a desk officer for EAC affairs. He holds a Masters Degree in Animal Science from Wageningen university The Netherlands and Bachelor of Science in Animal Production from Egerton University. He has a wide experience in management and coordination of livestock development programs. He worked in Transmara, Ijara wajir south and Mandera east sub counties before coming to the headquarter. He is also a member of the Animal Production Society of Kenya (APSK)</p>
	<p><b>Mr. Harrison Gichira</b>- Mr. Harrison Mureithi Gichira joined the KENTTEC Board in 2019. Mr. Gichira brings on board a wealth of managerial experience gathered from the education sector where he has worked over 38 years. Gichira was the Executive Secretary; Kenya National Union of Teachers (KNUT) Kirinyaga branch and a member of the KNUT National Executive Council representing Central Province. Previously Gichira has worked as a teacher, Head Teacher and TAC Tutor and a Chairman of the giant Muhigia Teachers SACCO currently Ollin SACCO. He holds a Bachelors degree in Justice and Security second class Honors Upper Division from Mount Kenya University and P1 training from Egoji Teachers Training College.</p>

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**Mr. Koin Papa Lompo**-Mr. Koin Lompo Papaa joined the Board in 2019. Mr. Papaa brings on board a wealth of managerial experience gathered from the legal sector where he has worked over a decade. He holds a Bachelors degree in Law 2<sup>nd</sup> Class honours (upper division). He is an advocate of the High Court of Kenya.



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**3.MANAGEMENT TEAM**

<b>PICTURE</b>	<b>Responsibility</b>
	<p><b>Chief Executive Officer-Dr.Pamela Olet (MBS)</b> is the KENTTEC CEO, prior to this she was the National Coordinator for the Pan-African Tsetse and Trypanosomiasis Eradication Campaign (PATTEC-Kenya). Dr. Pamela Olet holds a PhD in entomology and a Masters Degree in Business Management. Dr. Olet has spent all her career time in studying and eradication of Tsetse and Trypanosomiasis, her efforts were recognized through a presidential award she received in 2011.</p>
	<p><b>Monitoring and Evaluation Officer-Dr. Seth Onyango</b> has over 24 years' experience in the Livestock Sector both at field implementation, planning and policy levels. He is currently stationed at the KENTTEC headquarters and is in-charge of Monitoring and Evaluation of the Council's activities. Dr. Onyango holds a PhD and a Masters Degree in Agricultural Economics.</p>

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**Entomologist-Mr. Daniel Gamba** is the Council's Entomologist and heads the Technical Department. He previously worked with the PATTEC Project since its inception in 2005. His duties include consolidation and coordination of the technical work plans and guidelines for the control, suppression and eradication of tsetse and trypanosomiasis. Mr. Gamba has a wealth of experience in tsetse research gathered during his collaborative work with KETRI, ICIPE, DFID and IFAD. He holds a Bachelors and a Masters Degree in Zoology all from the University of Nairobi.



**Planning and Administration Officer-Mr. Cyrus Muiru** is a Principal Economist in charge of Planning and Administration in KENTTEC. He also been incharge of the Human Resource Department of the Council. Prior to joining KENTTEC in June 2013, Mr. Muiru had worked as the Personal Assistant to six consecutive Permanent Secretaries in the Ministry of Livestock Development from 2006 to 2013. He holds a Masters degree in Economics from the University of Nairobi, a Bachelors degree in Economics from Kenyatta University, a Post Graduate Diploma in Human Resource Management from the Institute of Personnel Management, a Certificate in Project Planning and Implementation from Eastern and Southern Africa Management Institute (ESAMI). He also has Senior Management Course and Strategic Leadership Development Programme course from the Kenya School of Government.

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**Accounts and Finance-Mr. Edmund Wafula** is an Assistant Accountant General and is in charge of all the financial operations of the Council. He has previously worked with the Ministry of Cooperative Development and Agriculture and Livestock Development as an Accountant in various sections, Pan African Tsetse and Trypanosomiasis Eradication Campaign (PATTEC) African Development Bank funded project where he was the Accountant in charge. He holds a Masters degree in Business Administration, Finance Option from Kenyatta University and Bachelors degree in Commerce (Finance Option) from Catholic University of Eastern Africa and he is a member of the Institute of Certified Public Accountants of Kenya (ICPAK). He has over 30 years' experience in Public Service.



**GIS and Data Base Management-Mrs. Nancy Miron** is in charge of the KENTTEC's GIS and Data base Management office and has previously worked as the Regional Coordinator KENTTEC Meru/ Mwea Region. She holds a Bachelors degree in Biological Sciences from Moi University and a Master of Science Degree in Environmental Information System from Jomo Kenyatta University of Agriculture and Technology (JKUAT). Mrs. Miron has a wealth of experience in Vector management, GIS and Database management from her working with the ministry and collaborative works with local and internal organizations.

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**Regional Co-ordinator Coast-Mr. Johana Cheptoo** is the KENTTEC Regional Coordinator for Coast Region. His duties include coordinating implementation of Tsetse and Trypanosomiasis eradication in Coast Region. Mr Cheptoo has been involved in Zoological functions on administration, designing, coordinating, implementation and evaluation of programmes of insect pest of veterinary importance in Nyanza region where Specific functions entailed; surveillance, suppression and eradication of insect pest; suppression and eradication of tsetse and trypanosomiasis in all infested areas; control of vectors of Rift Valley Fever and other emerging pests; undertaking research in liaison with research institutions; identification of macro and micro ecosystems for emergence of insect pests; development and maintenance of vector bio geographical information systems; maintenance of insect pest data base; advocacy on Human African Trypanosomiasis and Animal trypanosomiasis; trials and adoption of insect pest control and eradication technologies and liaising with other stakeholders on ecological impact of pest control technologies; management of budget and resource mobilization; development and interpretation of policy objectives; implementation of relevant strategic plans towards the national vision. Mr. Johana Cheptoo holds a Bachelor of Science degree Basic sciences (Zoology and Chemistry major) from Maseno University.

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**Mr. Nicodemus Masila** is the KENTTEC's Regional Coordinator for the newly established North coast region. His role involves coordination of Tsetse and Trypanosomiasis surveillance, control and research support activities in the region that covers Kilifi, Tana river and Lamu counties. Prior to his current role, he was the senior zoologist in charge of Kwale county for a decade.

He is an early-career One Health scientist, an offshore PhD (Medical studies) candidate and Australia-awards alumni who holds a Master of Environmental Health degree (with distinction) from Flinders University, Australia and a Bachelor of science degree in Zoology from Moi University, Kenya. Additionally, he is a Certified Development Project Manager (CDPM-PM4DEV) and NEMA-registered Environmental Impact Assessment and Audit Associate Expert.

His expertise is in developing and implementing collaborative, transdisciplinary and multisectoral strategies for managing pests/diseases of veterinary and public health significance using a One Health approach.



**Regional Co-ordinator Lake Bogoria-Mrs. Sylvia Muthama** is the KENTTEC's Regional Coordinator for Lake Bogoria region. She Coordinates all the tsetse and trypanosomiasis eradication activities in the Lake Bogoria/Mara Region. She has over Ten years' experience in Zoology.

Mrs. Muthama holds a Bachelors and Masters Degree in Zoology.

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**Regional Co-ordinator Meru Mwea-Mr. Isaiah Ndaburu Kiteto** is the KENTTEC's Regional Coordinator for Meru/ Mwea region. His duties and responsibilities involve coordination of KENTTEC's activities of Tsetse and Trypanosomiasis eradication in the region that covers thirteen (13) counties in Eastern, North Eastern and Central Kenya. Before assuming his position, he was the Zoologist in charge of PATTEC/ KENTTEC activities in Tharaka in Tharaka-Nithi county for 6 years.




He holds a Bachelor of Science degree from Jomo Kenyatta University of Agriculture and Technology (JKUAT) having majored in Biochemistry with a minor in Zoology and a Master of Science degree in Tropical Animal Health (MSTAH) from the Institute of Tropical Medicine, Antwerp, Belgium.



**Regional Co-ordinator L. Victoria Mr. Bernard Kipkemboi Chemweno** is the KENTTEC's Regional Coordinator for Lake Victoria Region. His duties and responsibilities involve coordination of KENTTEC's activities of Tsetse and Trypanosomiasis eradication in the region that covers four (4) infested counties in Nyanza, Western part of Kenya. Previously, he was the Regional Coordinator, Western Region for 3 years; Zoologist in charge of PATTEC/ KENTTEC activities in Lamu county for 3 years.

He holds a Bachelor of Science degree from Moi University having majored in Zoology with a minor in Botany and a member of Entomological Society of Kenya (ESK).

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	<p><b>Regional Co-ordinator Western Region-Mrs. Agnes Ikolot Otwani</b> is the Regional Coordinator for Western Region carved from the larger Lake Victoria Basin Region. Her duties and responsibilities involve coordination of tsetse and trypanosomiasis eradication activities in Nyanza region. She has formerly worked as the zoologist in-charge of PATTEC activities in Teso North and Teso South Sub counties for four years and as the zoologist in-charge of KENTTEC activities in Busia County for two years.</p> <p>She holds a Bachelor of Science degree from Makerere University with a Zoology major and Botany minor. She is currently writing her thesis for a Master of Science in Applied Parasitology at Kenyatta University. She has gained a lot of experience from working in the field and attending short courses in Geospatial analysis of disease vectors and use of GIS and Population genetics to identify isolated tsetse populations.</p>
	<p><b>Procurement Officer-Mr. James Owuor</b> is in charge of the Council's Supply Chain Management. Mr. Owuor worked with Ministry of Livestock Development in administration, personnel, accounts and procurement departments; before joining PATTEC and then KENTTEC. Mr. Owuor holds an advanced certificate in supplies management and a Diploma in Purchasing and Supplies Management.</p>
	<p><b>Office Administrator-Ms Agnes Mungai</b> is the Secretary to the CEO. She has previously worked at the Ministry of Livestock Development Headquarters as a Senior Secretary and also worked with PATTEC Project. She holds a Diploma in Public Relations from the University of Nairobi, A Certificate in Secretarial Studies from Nyeri Technical Training Institute. She is also trained in GIS, Data Capture and Analysis from ILRI, in addition to Secretarial Management course, Executive Secretarial Course all from Kenya School of Government (KSG) and Management Development for Executive Assistant (ESAMI).</p>

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#### **4. CHAIRMAN'S STATEMENT**

##### **Introduction**

I am pleased to present our Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2021.

During the year there have not been significant changes within the Council, apart from the unique ability of the organization to continue adapting to the operating environment that remains volatile and challenging especially with the COVID 19 restrictions which require us to respond in a manner that reflects our qualities and experience.

Kenya Tsetse and Trypanosomiasis eradication council (KENTTEC), was established by the government of Kenya through a Legal Notice no. 77 of July 2012 as the successor of the Pan African Tsetse and Trypanosomiasis Eradication Campaign (PATTEC) in Kenya. PATTEC was formed following Heads of states and government declaration in Lome, Togo in July 2000, AHG/Dec.156 (XXXVI) to free the African continent from the devastating effects of tsetse flies and Trypanosomiasis.

Tsetse transmitted Trypanosomiasis is among the greatest constraint in rural development and the major cause of poverty in many Countries & counties in Kenya. In Kenya, the total tsetse infested area is about 138,000 Km<sup>2</sup>, which translates to 38 out of 47 counties. The infestation denies Kenya 60% of its rangelands which would be used for production. According to World Health Organization, 60 Million people are at risk of infection with sleeping sickness spread by tsetse flies. As per the World Bank (2008) per capita indicator, 22 out of the 25 poorest countries are tsetse infested with a high prevalence of Trypanosomiasis. Tsetse infestation is a major cause of poverty hence the name "poverty insect"

I am glad to report that good progress has been made to enhance our focus on our core objectives of Tsetse and Trypanosomiasis eradication and Sustainable Land management, through improved performance and focus on efficient utilization of resources.

In the last three years, the Government has continued to commit financial resources for the eradication of Tsetse and Trypanosomiasis Kshs.318 Million in 2018/2019, Kshs.222 Million 2019/2020 and Kshs.222 Million during last FY 2020/2021. This has enabled us to successfully carry out our core mandate of suppressing tsetse fly in the four regions namely Meru National Park, Lake Victoria, Lake Bogoria basin and Coastal region (Faza Island).

Since the inauguration of KENTTEC, the Council has greatly reduced the tsetse fly populations and disease prevalence in 5 belts in Kenya contributing significantly to the improvement of food security by increasing acreage under crop agriculture and introduction of improved animal breeds. The council has continued to support various groups composed of women and youth to access microfinance institutions after improvement of their livestock. Promotion of technology adoption is a key area KENTTEC has been promoting for the improvement of livestock breeds enhancing milk and beef production when the vector & disease are greatly reduced.

##### **Strategy**

The Board has continued to monitor the implementation of its Strategic Plan for the period 2018-2023. The FY 2020/2021 work plan was extracted from this five-year strategic plan. The deliverables that were set out in the work plan and performance contract for FY 2020/2021 were however not wholly achieved because of the reduction of budgeted grants from the National government that affected most government agencies due to the COVID19 pandemic. Nevertheless, the Board carried out monitoring and evaluation of utilization of the grants from the Ministry and collaborative projects from The National Treasury- European Commission support through Regional Integration Support Mechanism



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under the COMESA Adjustment Facility (CAF). The internal capacity continues to be strengthened to ensure effective delivery of the Board's mandate.

**Corporate Governance**

Strong Corporate Governance is integral to the Board's long-term success and is essential in delivering KENTTEC's strategy. The various board committees continue to play a vital role in supporting the board in discharging its duties. The Statement of Corporate Governance, included in this report, details the measures that the Board has undertaken to ensure a robust corporate governance environment. The report is in line with Mwongozo guidelines on State Corporations governance of 2015. It should be noted that the board wasn't fully constituted due to non-appointment of two (2) independent members to represent professional organizations. Nevertheless, it had the required quorate to transact its business.

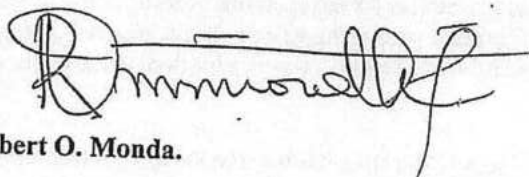
**Future Outlook**

The Board is actively engaged in activities aimed at increasing and sustaining the Council to meet the ever-increasing farmers' needs. The Board remains committed to deepening relationships with its stakeholders and key partners. Further, the Board shall endeavour to develop its people, innovative and cost-effective methods of eradicating Tsetse and Trypanosomiasis.

**Acknowledgement**

On behalf of KENTTEC directors and staff, I express my sincere gratitude to the Government of Kenya, Ministry of Agriculture Livestock and Fisheries, The National Treasury and Planning (RIIP), taxpayers and other stakeholders for their continued support.

Signed



**Dr. Robert O. Monda.**

**Chairman Board of Directors**

Date... 2/2/22

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**5.REPORT OF THE CHIEF EXECUTIVE OFFICER**

The continental campaign (PATTEC) was formed following the African Heads of State and Governments in 2000 in Lome, Togo declaration (Decision AHG/156 (XXXVI) of the 36<sup>th</sup> Assembly of Heads of State and Government) to free Africa from Tsetse and Trypanosomiasis constraint.

The PATTEC initiative is coordinated by commission for Agriculture and Rural development of the African Union, Addis Ababa Ethiopia to implement the plan of action. Kenya is among the first group of 6 countries that started PATTEC implementation together with Uganda and Ethiopia in east Africa, Mali, Ghana and Burkina Faso in West Africa. In Kenya PATTEC was launched in 2005 with the goal of contributing to improved food security and poverty reduction in the tsetse infested areas and it has since become KENTTEC. The objective was to create sustainable tsetse-and- Trypanosomiasis-free areas by integrating suppression, control and eradication approaches while ensuring the reclaimed areas are sustainably, equitably and economically exploited.

In recognition of the programme as key to food security and poverty eradication, and to safeguard the PATTEC achievements, the government established the Kenya Tsetse and Trypanosomiasis Eradication Council (KENTTEC) through Legal Notice No. 77 of July 2012 under the State Corporations Act (Cap 446). The mandate is to mobilize resources, coordinate eradication of tsetse in the country, set standards and mitigate the socio-economic constraints brought by T&T infestation. There are enormous achievements which must be sustained.

Kenya has maintained a zero report of sleeping sickness which involves sustained surveillance of humans and animals to protect the gains. Tsetse densities in targeted areas like Mwea, Faza, Bogoria, Meru etc. are very low to allow and has boosted high productivity in dairy and crop production, thereby reducing poverty.

In the National Livestock Policy (2008), Tsetse and Trypanosomiasis eradication is identified as a priority for maximum livestock production. In addition, freeing large Tsetse and Trypanosomiasis infested areas is crucial in the achievement of the Vision 2030 Disease Free Zones flagship project and promotion of tourism through opening up of national parks to visitors. Tsetse eradication will contribute to the realization of the Sustainable Development Goals including eradication of extreme poverty, hunger and diseases and is in line with Heads of States Decision.

The government has been committed to the implementation of the Council's activities and has consistently provided funds in the last three financial years as evidenced by Kshs. 139.5 Million in 2017/2018, Kshs.318 Million during 2018/2019FY and Kshs.222 Million in 2019/2020.The funding enhanced the operations during these periods and thus the Council was able to achieve most its targets. The funds allocated helped to mitigate against the following:

- Cost of human and animal treatment,
- Death of infected human and animals,
- Loss of milk in cattle,
- Loss of animal draught power, inability to plough in certain areas,
- Inaccessibility to grazing grounds,
- Low market value for affected animals,

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- Loss of foreign exchange through imports of drugs/pesticides and lost opportunity to export livestock, livestock products and Protect human health.

During the Financial Year 2020/2021, KENTTEC presented a budget of Ksh.292 Million to enable her carry out planned activities of Tsetse and Trypanosomiasis Eradication in the tsetse belts. However, the Council was allocated Kshs.222 Million which was a reduction of Kshs.70 Million.

At the end of the financial year, the Council had received a total of Kshs.244.738 Million as a grant, of which Kshs.222 Million was from the State Department of Crops and Agricultural Research inclusive of Kshs.150Million for development activities, 72 Million for recurrent, Kshs.20 Million from The National Treasury- European Commission support through Regional Integration Support Mechanism under the COMESA Adjustment Facility (CAF) and Kshs 2,738,016 from the International Centre for Insect Physiology and Ecology (ICIPE) for collaborative T&T eradication activities.

During the financial year the Council reported a surplus of Kshs.2, 605, 116 as compared to the last years' deficit of Kshs.9, 847,079. The improvement was due the capital investment of Kshs. 13,578,668 during the period which had a positive impact to the Council's bottom line.

The employee cost for the period was Kshs.21, 584,642 as compared to Kshs.23, 293,250 which was as a result reduction of staff on Short Term Contract.

Due to the travel restrictions of the COVID 19 pandemic and the reduction of the budget during the fourth quarter amount spent on Domestic Travel and Subsistence cost was kshs.34, 422,973 as compared to Kshs. 38, 440,097 during the previous period. This was due to the scaling down of field Tsetse eradication activities.

Contracted Services had a total expenditure of Kshs.2, 500,000 an amount incurred on payment of consultancy works for the installation of Tsetse targets in the Nyanza region Ruma National Park Homabay County.

The cost of Specialised Materials for Tsetse control for the period was Kshs.109, 839,250 as compared to Kshs. 112, 777,655 for the previous period. This is attributed the reduction in the Development Budget during the period.

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**6. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2020/2021**

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the national government entity's performance against predetermined objectives.

The Kenya Tsetse and Trypanosomiasis Eradication Council (KENTTEC) has six (6) strategic objectives within the current Strategic Plan for the FY 2018- FY 2022. These strategic objectives are as follows:

1. To eradicate Tsetse and Trypanosomiasis in Kenya
2. To develop and implement policy, institutional and legal enabling environment
3. To coordinate collaboration and partnerships of stakeholders in T&T eradication
4. To support research and develop knowledge management system on Tsetse and Trypanosomiasis eradication
5. To strengthen Institutional Capacity and Resource Mobilization
6. To enhance Leadership and Integrity.

KENTTEC develops its annual work plans based on the above six strategic objectives. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Council achieved its performance targets set for the FY 2020/2021 period for its six strategic objectives, as indicated in the diagram below:

<b>Strategic Objective/Theme/Issues</b>	<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
To eradicate Tsetse and Trypanosomiasis in Kenya	To create sustainable Tsetse and Trypanosomiasis Free Areas	Number of counties under tsetse control and sustained	Adopt, Promote and upscale the uptake of T&T eradication technologies	22 counties out of 28 in the 5 tsetse belts controlled and sustained
		T&T Maps updated	Updating of T&T Maps	National atlas being updated
		surveillance system	Develop and implement T&T surveillance system	surveillance system to be developed in the next FY

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To develop and implement policy, institutional and legal enabling environment	To develop policy, institutional and legal framework	Joined tsetse control proposals	Develop, advocate and implement T&T regional policy, institutional and legal framework in collaboration with stakeholders	Joined tsetse control project proposals developed and submitted to EAC
		Tsetse eradication Bill	Develop, advocate and implement T&T national policy, institutional and legal framework in collaboration with stakeholders	Tsetse eradication Bill developed and submitted to Parliament
		Number of counties supported	Support Development and implementation of T&T policy, institutional and legal framework in counties	22 counties supported and capacity build on Tsetse management
To coordinate collaboration and partnerships of stakeholders in T&T eradication	To develop capacity for stakeholders in T&T eradication	Number of training plans	Develop and implement training programs for stakeholders in T&T eradication	Training module for counties developed
		Number of stakeholders mobilized and trained	Sensitize and mobilize stakeholders on T&T eradication	22 counties sensitized and mobilized.
		Number of Counties supported in proposal development	Support stakeholders to mobilize resources for T&T eradication	Supported Busia County in project proposal development

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To support research and develop knowledge management system on Tsetse and Trypanosomiasis eradication	To develop knowledge management system for T&T strategies	Up to date databases	Establish databases and repositories for data and knowledge on T&T	2 data base developed and maintained
		Number of papers published	b) Package, digitize and disseminate knowledge on T&T	5 papers developed and published
		Number of IEC materials developed	Develop and implement T&T dissemination pathways	IEC materials and spraying guidelines developed
		Number of training workshops on emerging ICT	Develop and implement digital platforms for sharing T&T information among stakeholders	One training workshop on emerging ICT held
To strengthen Institutional Capacity and Resource Mobilization	To enhance human Resource Capacity	Number of TNA survey	Improve employee planning and staff development for optimal workforce requirements and succession	3 TNA surveys carried out
		Number of staff recruited	Recruitment of staff	27 staff recruited
		Number of HR instruments developed	Develop and implement human resource policies and documentations	Human Resource manual, Organization structure and career progression guidelines finalized

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		Staff medical scheme in place	Establish and implement an integrated Human Resource Information Management System (HRIS)	Medical cover for Board members procured
To enhance Leadership and Integrity	To strengthen corporate governance and promote national values	Number of Board evaluation carried out	Strengthen corporate governance	Annual Board evaluation carried out
		Number of meetings held	Promote national cohesion and values	Held consultative meetings with County Government to strengthen inter and intra county relations
		Number of sensitization workshops	Sensitization and training of staff on governance	Annual sensitization workshops held

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## **7. CORPORATE GOVERNANCE STATEMENT**

### **Introduction**

The Kenya Tsetse and Trypanosomiasis Eradication Council is committed to the highest standards of corporate governance as set out in the State Corporations Act Cap 446 and the Public Finance Management Act, 2012 and by itself in conformity to best Practices. The Board of Directors is responsible for the long-term strategic direction and provision of services of value to the public whilst being accountable to legal compliance and maintenance of the highest corporate governance standards and business ethics.

### **The Board of Directors**

The Board is constituted as per the legal notice No.77 of July 2012 and is responsible for drawing and implementing strategies for the success of the Council, establishing and maintaining a system of internal controls so that the objectives of the organization are met.

There is a Board charter that guides the day-to-day running of the business of the Council as delegated to the CEO who reports to the Board. The board has an oversight mandate and holds meetings as provided for in the legal notice. The notices and agenda for all board meetings are circulated on timely basis to all directors together with other relevant reports for discussion.

### **Composition of the Board**

The Board of the Council is made up of the 11 non-executive directors; with a three-year term limit. During the period 2020/2021 the Board had nine members out of eleven listed in profiles on pages 8-13 of this report.

The Council does not have a Company secretary. Chief Executive Officer is the Secretary to the Board. She is not a member of the Institute of Certified Public Secretaries.

There are appropriate policies and procedures to identify and deal with any potential conflict of interest at management and board levels. There is a conflict of interest register.

The members are provided with opportunity for training and during the year 4 members were trained on the Mwongozo guidelines on the management of State corporations. The entire Board was evaluated on their performance as per the Mwongozo Code of Governance for State Corporations of 2015.

The management of the Council has disclosed to all employees that they have the responsibility of reporting any irregularities of general, operational and financial nature to the directors or any other designated official.

The Board managed to engage with stake holders in the five regions of Tsetse and Trypanosomiasis eradication of Western, Nyanza, North Coast, South Coast and Lake Bogoria during the financial year. There were no Board resignations or removals during the period.



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**Board Meetings**

The Board of Directors meet on quarterly basis or on need basis to monitor the implementation of the Council's planned activities, review them in conjunction with its financial and budgetary performance and approve issues which are strategic to Board's mandate. Specific reviews are also undertaken on operational issues and future planning.

During the period under review the Board held seven (9) meetings two (1) of which was special.

The directors' attendance of the (Nine) 9 Board meetings held during 2020/2021 is as follows;

	<b>NAME OF DIRECTOR</b>	<b>NO. OF BOARD MEETINGS ATTENDED</b>
1	Dr. Robert Onsare Monda	9
2	Mr Harrison Gichira	9
3	Mr. Evans Makokha	9
4	Dr. Joseph Macharia	9
5	Dr. Samuel Kasiki	9
6	Dr. David Mwangangi	9
7	Mr Erastus Wahome	9
8	Mrs Roselyne Kasati	9
9	Mr. Koin Papaa Lompo	9

**Board Committees**

The composition of the board committees was set up in compliance with the Mwongozo Code of conduct for State Corporations of 2015.

**Audit Committee**

The Audit Committee is guided by an Audit Charter that specifies the qualifications, responsibilities and procedure of the committee. It meets on quarterly basis and comprises of 4 non-executive members of the Board who are independent of the day-to-day management of the Council's operations.

The following were the members of the committee;

1. Mr. Koin Papaa Lompo - Chairperson
2. Dr. Samwel Kasiki
3. Mr. Erastus Wahome
4. Dr. Joseph Macharia

The Head of Internal Audit is the secretary to the committee.

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The Committee:

- Considers the appropriateness of the company's accounting policies and procedures.
- Monitors and assess the role and effectiveness of the internal audit function.
- Reviews procedures to manage financial and operational risks;
- Responsible for Internal Audit and risk management programs.

The committee managed to hold 3 meetings during the FY 2020/2021

	NAME OF DIRECTOR	NO. OF COMMITTEE MEETINGS ATTENDED
1	Mr Koin Papaa Lompo-Chairman	3
2	Dr. Samuel Kasiki	3
3	Mr. Erastus Wahome	3
4	Dr. Joseph Macharia	3

**Technical Committee**

This Committee meets on quarterly basis or as required to review the Technical operations (Tsetse control mechanisms) of the Council and recommend for Board approval policies and standards for Tsetse eradication and control.

The Committee was comprised of the following directors:

1. Mr. Harrison Gichira- Chairperson
2. Mrs Roselyne Kasati
3. Dr. David Mwangangi
4. Dr. Samwel Kasiki

The head of Technical operations is the secretary to the committee.

During the period under review the Board managed to hold 6 meetings one of which was a special committee meeting as follows;

	NAME OF DIRECTOR	NO. OF COMMITTEE MEETINGS ATTENDED
	Mr.Harrison Gichira-Chairperson	6
1	Mr.Samuel Kamau	6
2	Mrs Roselyne Kasati	6
3	Dr.David Mwangangi	6
4	Dr. Samwel Kasiki	5

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**Finance and Administration Committee**

This Committee was set up to assist the board in matters of Finance and Administration. The committee meets on a quarterly basis to advise the Council on all matters pertaining to administration and financial performance.

The committee is composed of the following directors:

1. Mr. Erastus Wahome-Chairperson
2. Mrs. Roselyne Kasati
3. Mr. Evans Makokha
4. Mr. Harrison Gichira

The committee had 4 meetings during the year.

	<b>NAME OF DIRECTOR</b>	<b>NO. OF COMMITTEE MEETINGS ATTENDED</b>
1	Mr. Erastus Wahome-Chairperson	4
3	Mr. Evans Makokha	4
4	Mrs Roselyne Kasati	4
5	Mr. Harrison Gichira	4

**Human Resource and Strategy Committee**

During the financial year 2020/2021 an additional board committee was constituted. The Human Resource and Strategy committee was put in place to handle the human resource issues and strategic direction of the Council, which had been hitherto handled by the Human Resource Finance and Administration Committee. The committees and membership are as follows;

	<b>NAME OF DIRECTOR</b>	<b>NO. OF COMMITTEE MEETINGS ATTENDED</b>
1	Dr. Joseph Macharia -Chairperson	3
3	Dr. David Mwangangi	3
4	Mr Evans Makokha	3
5	Mr. Koin Papaa	3

The committee had 3 meetings during the year.

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**Risk Management**

The Board has a number of arrangements in place intended to identify and manage areas of significant strategic or financial risk. These include:

- (i) Procedures to consider and approve the strategic direction of KENTTEC;
- (ii) Detailed and regular budgetary, financial and management reporting;
- (iii) Procedures to manage financial and operational risks;
- (iv) Clear organisational structure, procedures, manuals and policies, including delegation policies;
- (v) Internal Audit and risk management programs.

This is designed to provide an enterprise wide risk management methodology which incorporates risk identification, analysis, assessment, treatment and monitoring/review of a wide range of risk and compliance issues including external environment, process risk and decision-making risks.

Risk management is overseen by the Audit Committee.

**Ethical Standards**

The Directors subscribe to the need for continued maintenance of the highest standards of Corporate Governance practices and ethical conduct by all Directors, Senior Management and employees of KENTTEC. All Directors, Management and employees are expected to act with utmost integrity and objectivity in their dealings with each other, including the public and the communities, aiming at all times to enhance the reputation and performance of the Council.

KENTTEC has adopted a Code of Conduct which sets standards of behaviour required of all employees including requirements to:

- (i) Ensure all staff are aware of and comply with the spirit and letter of their obligations under the applicable Acts, Regulations and Rules which apply to Council;
- (ii) Act properly and efficiently in pursuing the objectives of KENTTEC;
- (iii) Avoid situations which may give rise to a conflict of interests;

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(vi) Maintain confidentiality in the affairs of the Council and its clients; and

(vii) Be absolutely honest in all professional activities

These standards are regularly communicated to staff and Directors and are accepted and agreed to by all.

**Corporate Communication**

Management processes are in place to ensure that all material matters which may potentially require attention are promptly reported to the Chief Executive Officer through established reporting lines. Matters reported are assessed, and dealt with appropriately.

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**8.MANAGEMENT DISCUSSION AND ANALYSIS**

**Operational and financial Performance**

In the National Livestock Policy (2008), Tsetse and Trypanosomiasis eradication is identified as a priority for maximum livestock production. In addition, freeing large Tsetse and Trypanosomiasis infested areas is crucial in the achievement of the Vision 2030 Livestock Export Processing Zones (LEPZ) flagship project and promotion of tourism through opening up of national parks to visitors. Tsetse eradication will contribute to the realization of the Sustainable Development Goals including eradication of extreme poverty, hunger and diseases and is in line with Heads of States Decision.

During the Financial Year 2020/2021, KENTTEC had an approved a budget of Ksh.312 Million to enable it carry out planned activities of Tsetse and Trypanosomiasis Eradication in the tsetse belts. However, the budget was reduced to Kshs.222 Million which was a reduction of the Development grant by Kshs.70 Million. This together with the COVID 19 travel restrictions significantly affected the Council's operations during the financial year under review. As a result, some of the performance targets that had been set were not realised.

At the end of the financial year, the Council had received a total of Kshs.244.738 Million. The State Department of Crops and Agricultural Research disbursed Kshs 222 Million of which Kshs.150 Million was for Development activities and Kshs.72 Million for recurrent expenses. The National Treasury-European Commission support through Regional Integration Support Mechanism under the COMESA Adjustment Facility (CAF) disbursed Kshs 20 Million for the Regional Integrated Implementation Programme (RIIP) and Kshs.2.738 Million came from the ICIPE for collaborative Tsetse activities.

During the financial year 2020/2021, out of the total revenue of Kshs 244,738,016 realised, the Council incurred a total expenditure of Kshs 242,132,900 hence reporting a surplus of Kshs.2, 605,116 as compared to the last years' deficit of Kshs.9, 847,079. The improvement was due the capital investment of Kshs. 13,578,668 during the period which had a positive impact to the Council's bottom line.

The employee cost for the period was Kshs.21, 584,642 as compared to Kshs. 23, 293,250 which was as a result of engagement of additional casual employees and staff annual salary increments.

Due to the travel restrictions occasioned by the COVID 19 pandemic and the reduction of the budget during the fourth quarter, amount spent on Domestic Travel and Subsistence cost was kshs.34, 422,973 as compared to Kshs.38, 440,097 during the previous period.

Contracted Services had a total expenditure of Kshs.2, 500,000 an amount incurred on payment of consultancy works for the installation of Tsetse targets in the Nyanza region Ruma National Park Homabay County.

The cost of Specialised Materials for Tsetse control for the period was Kshs.109, 839,250 as compared to Kshs. 112, 777,655 for the previous period. This is attributed the reduction in the Development Budget during the period.

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**9. ENVIRONMENTAL AND SUSTAINABILITY REPORTING**

The Council's main purpose is to transform lives. This is the driving force behind its operations and what guides in the delivery of the strategies that are in place. Putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

**i) Sustainability strategy and profile**

In order to address sustainability appropriately, the Council has taken critical steps:

The Council's strategies in the eradication of T&T and the sustainability efforts are aligned. This is to minimise divergence, which would otherwise make the sustainability efforts fragile, lacking real commitment and prioritization. For a "Sustainable Living" the organization is focused on waste reduction, resource efficiency, sustainability innovation in its operational methodologies. The innovation of Tsetse eradication tools like the Tiny targets and the pull and push method is geared towards reducing the dependence on the traditional methods that are expensive and unsustainable.

The Council's operations are following regulations of waste management, pollution and energy efficiency as well as human rights and labour responsibility.

In order for the Council to achieve its goals it ensures transparency through open communications with all key stakeholders built on high levels of information disclosure, clarity, and accuracy as well as an openness to recognizing faults and improving practices.

The Council engages the Board which plays an active and strong role in sustainability. The Board of the Council plays a critical role in collaborations with key stakeholders such as the government and other Organizations.

**ii) Environmental performance**

The Board encourages responsible environmental management including undertaking projects to manage or reduce the environmental impact of KENTTEC's field operations. The council developed an Environmental policy according to the EMCA ACT 387, that guides the implementation of Tsetse eradication programs. KENTTEC environmental policy provides for evidence-based management, policy formulation and implementation based on tangible evidence and information, scientific data, results of scientific research, and popular or grassroots knowledge as the basis of decision-making. The council has established indicators and reporting systems that allow for knowing and objectively comparing the environmental impact of the various activities

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of the council, classifying them and allowing for the traceability thereof, in order to be able to use such information efficiently in the decision-making process. Precautionary principle is applied in cases where there is a lack of scientific certainty as to the likelihood, magnitude, or causation of a potentially negative environmental impact.

As part of corporate social responsibility, the council provides and trains stakeholders on the best practices in usage of insecticides, animal husbandry and improvement of their livestock especially in the tsetse freed areas. In order that an output from our operation is mitigated, the council conducts annual environmental audits to align the implementation of the Tsetse control programs with the requirements of the Environmental Management and Conservation ACT 387. The national Environmental protection agency (NEMA) provides guidelines and framework/checklist to MDAs for environmental sustainability; audit report preparation consistent with the provisions of EMCA, ACT 387.

**iii) Employee welfare**

There is an established human resource policy that defines the relationship between the Council and its employees on a wide range of issues such as training, recruitment, staffing, performance appraisal and staff benefits. The Council considers the gender ratio whenever hiring employees at whichever level. The employees are appraised on an annual basis and are accorded training in order to improve on their skills.

**iv) Market place practices-**

**a) Responsible competition practice.**

The Council has set out the values and principles within the Organisation and the practical steps to deal with instances of corruption within the institution. The Council has an Anti-Corruption Committee in place that is responsible for anti-corruption policies and there is a whistle blowing mechanism in which corruption can be reported.

In order to ensure fair competition and respect for competitors, the Council has a structured collaboration mechanism for partnering with the competitors in the Tsetse and Trypanosomiasis Eradication activities.

**b) Responsible Supply chain and supplier relations**

In order to be fair during the bidding process, the Government, through the Public Procurement Oversight Authority (PPOA) has established guidelines for selecting a contractor for supply of goods/services. These guidelines include the hiring of minority owned companies which include Youth and female owned companies. To maintain good



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business, practice the Council ensures that these guidelines are followed to provide all contractors and their companies fair treatment when being considered for a contract. The management ensures that the procurement process is fair and impartial, and not influenced by outside parties. The Contracts are entered into against availability of budget provisions hence timely payment of the suppliers.

**c) Responsible marketing and advertisement**

In order for the Council to remain effective in its marketing strategy it has to consistently abide by certain ethical principles. By focusing on ethical marketing to be able to maximise customer (farmers) satisfaction and maintain consumer trust and our credibility as an institution tasked with the eradication of T&T. The Council in this regard ensures: that:

Transparency whenever it is marketing a product or service to its customers, including key information about its safety and effective use.

It protects Consumer Data and Privacy-Consumers are becoming increasingly concerned about entrusting their personal data with third parties. For this reason, it's important to emphasise the Council's commitment to consumer privacy.

We respond meaningfully to consumer concerns about a product or service, then and always seek to protect consumer rights and immediately investigate any complaint from the stakeholders.

We ensure that our marketing strategy try to benefit as many people as possible while creating as little harm or cost as possible. This is to make an overall and lasting positive impact to the communities that we serve.

**d) Product stewardship**

In order to safeguard consumer rights and interests the Council sensitises the communities in the areas of operation on its services and the approaches from time to time.

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
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**10. CORPORATE SOCIAL RESPONSIBILITY STATEMENT**

The Kenya Tsetse and Trypanosomiasis Eradication Council (KENTTEC) strives to be an institution of excellence in creating a healthy and wealthy nation, free of Tsetse and Trypanosomiasis. Through effective coordination of Tsetse and Trypanosomiasis eradication in the country using scientifically proven and environmentally friendly technologies.

Towards this end KENTTEC has developed core values that guide its staff when dealing with the various stakeholders. The core values are; -professionalism, integrity, transparency, accountability, effectiveness, commitment, teamwork, meritocracy and inclusiveness.

KENTTEC's relationship with its stakeholders and customers are guided by the Council's commitment to integrity, professionalism and inclusiveness. Accordingly, we are committed to ensuring that each person and entity collaborating with us in Tsetse and Trypanosomiasis eradication is treated with dignity and respect and is given an opportunity to contribute to the Council's success.

The Council works to empower women and youth in the Tsetse infested and freed areas by ensuring that women and youth groups are involved in training farmers, target making, deployment and servicing. Upon successful suppression the youth and women are supported to engage in commercial agriculture and to access micro-financing services.

Towards this end KENTTEC has developed core values that guide its staff when dealing with the various stakeholders. The core values are; -professionalism, integrity, transparency, accountability, effectiveness, commitment, teamwork, meritocracy and inclusiveness.

KENTTEC's relationship with its stakeholders and customers are guided by the Council's commitment to integrity, professionalism and inclusiveness. Accordingly, we are committed to ensuring that each person and entity collaborating with us in Tsetse and Trypanosomiasis eradication is treated with dignity and respect and is given an opportunity to contribute to the Council's success.

KENTTEC recognizes the importance of trust as a critical foundation of a successful and sustainable collaboration with its stakeholders and have worked to foster trusting relationships with our stakeholders by strictly following the terms of references when doing business with the customers. The Council's Corporate Service Charter details the services offered the requirements from the client and timelines within which the service will be rendered.

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At KENTTEC equality among colleagues is expressed in recognizing, respecting and valuing individual differences in each other, treating each other fairly and creating equal opportunity for everyone. The Council recognizes that diversity and inclusion are critical in the successful coordination of Tsetse and Trypanosomiasis eradication in Kenya. Diversity in our workforce and supply base helps foster the kind of innovation, sensitivity and vitality that enables us to effectively deliver our services. We embrace diversity across all levels of our collaborations and act on any feedback that improves our output.

KENTTEC seeks to create value for society and bring joy to people's lives by contributing to food security and public health. The Council has established many partnerships with other government institutions and non-profit organizations that share our value of community involvement.

In adhering to the above principles, KENTTEC seeks to communicate its commitment to its customers and stakeholders and to the communities in which it works. Further, it is expected that KENTTEC customers and stakeholders will embrace and uphold these principles to the best of their ability.

**Community Engagement**

Local committees in Tsetse infested areas are the main stakeholders in the Tsetse and Trypanosomiasis eradication activities. The council's Tsetse control activities like animal spraying, Tsetse traps and targets deployment, tsetse traps making and monitoring of tsetse populations through community groups. The groups are normally trained and supported by the Council on Tsetse and Trypanosomiasis eradication and profitable agricultural use of the Tsetse freed areas. To date the Council has over 800 such groups.

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**11.REPORT OF THE DIRECTORS**

The Directors have pleasure in submitting their report together with the financial statements for the year ended June 30<sup>th</sup>, 2021 which disclose the state of affairs of the Council.

**The main objective of the council is;**

To advice the government on the policy of Tsetse and Trypanosomiasis eradication in Kenya and its implementation.

**Results**

The results of the council for the year ended June 30<sup>th</sup>, 2021 are set out on page 44

**Directors**

The members of the Board of Directors who served during the year are shown on page 8-12. The current chairman of the Board Dr. Robert Monda together with the two independent directors Mr Harrison M. Gichira and Mr. Koin L. Papaa were appointed in October 2019 to represent farmers on the Board.

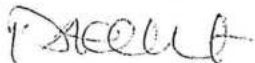
**Dividends/Surplus remission**

In accordance with Section 219 (2) of the Public Financial Management Act regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. The Council is not a regulatory organization.

**Auditors**

The Auditor General is responsible for the statutory audit of the Council in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board



**Dr. Pamela A. Olet (MBS)  
CHIEF EXECUTIVE OFFICER/SECRETARY TO THE BOARD - KENTTEC**

Date..... 8/2/2022

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
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**12. STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Section 81 of the Public Finance Management Act, 2012 and section 14(3) of the State Corporations Act, requires the Directors to prepare financial statements in respect of The Kenya Tsetse and Trypanosomiasis Eradication Council (KENTTEC) which give a true and fair view of the state of affairs of the Council at the end of the financial year/period and the operating results of the organization for that year ending 30<sup>th</sup> June 2020. During the period under review, the Council has kept proper accounting records which disclose with reasonable accuracy the financial position of the Council and the assets of the organization have been properly safeguarded.

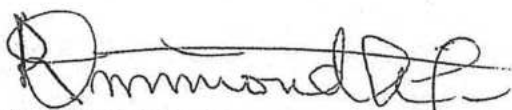
The KENTTEC Board of Directors are responsible for the preparation and presentation of the financial statements, which give a true and fair view of the state affairs of the Council at the end of the financial year (period) ended 30<sup>th</sup> June, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements 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 entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Council (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Council's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS) Accrual, and in the direct manner required by the PFM Act and the State Corporations Act. The Directors are of the opinion that the Council's financial statements give a true and fair view of the state of entity's transactions during the financial year ended 30<sup>th</sup> June, 2021, and of the Council's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Council will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the Financial Statements**

The Council's financial statements were approved by the Board on 23/9/ 2021 and signed on its behalf by:



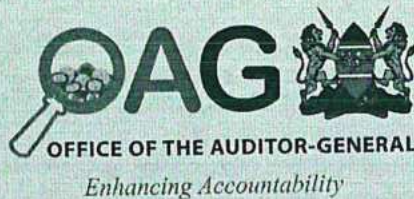
**DR. ROBERT O. MONDA  
CHAIRMAN-BOARD OF DIRECTORS**



**DR. PAMELA A. OLET  
ACCOUNTING OFFICER**

# 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 KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL FOR THE YEAR ENDED 30 JUNE, 2021

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### PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### Opinion

I have audited the accompanying financial statements of the Kenya Tsetse and Trypanosomiasis Eradication Council set out on pages 45 to 70, which comprise of the

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*Report of the Auditor-General on Kenya Tsetse and Trypanosomiasis Eradication Council for the year ended 30 June, 2021*

statement of financial position as at 30 June, 2021 and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of 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 the Kenya Tsetse and Trypanosomiasis Eradication Council as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Kenya Tsetse and Trypanosomiasis Eradication Council Order, 2012 and the Public Finance Management Act, 2012.

### **Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Tsetse and Trypanosomiasis Eradication Council 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.

### **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**

#### **Unresolved Prior Year Matters**

In the audit of the previous year, several issues were raised. The Management has not resolved the issues or provided reasons for the delay in resolving the prior year audit issues. Further, the unresolved prior year issues are not disclosed under the progress on follow up of auditor's recommendations section of the financial statements as required by the Public Sector Accounting Standards Board template and The National Treasury's Circular Ref: AG.4/16/2 Vol.3 (72) dated 30 June, 2021.

## **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, I confirm that, nothing 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**

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements 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, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

#### **Under Staffing of the Council**

The Council's staff establishment, provides for a total of 432 employees. However, only the Chief Executive Officer was on permanent terms of service while the rest of the staff were either on contract or secondment from the Ministry of Agriculture, Livestock, Fisheries and Co-operatives.

In the circumstances, without definite and proper terms of employment, the performance of the staff on contract or secondment may be negatively affected.

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 (Accrual 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 governance.



In preparing the financial statements, Management is responsible for assessing the Council's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Council 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 Council's financial reporting process, reviewing the effectiveness of how Management 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 governance and risk management, 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 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 applicable 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 Council's ability 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 Council to cease 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 Council 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 the 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.

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

22 July, 2022


**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2021**

**13.KENTTEC STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30TH JUNE 2021.**

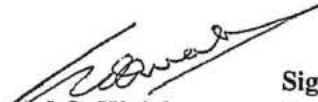
	Notes	2020/2021 Kshs.	2019/2020 Kshs.
<b>Revenue from Non-exchange Transactions</b>			
Transfers from Ministries Departments and Agencies (MDAs)	6	222,000,000	222,000,000
Transfers from other Government Agencies	6	20,000,000	20,000,000
Other incomes (Disposal gain)	7	-	3,570,180
Public Donations and Contributions	8	2,738,016	-
<b>Total revenue</b>		<b>244,738,016</b>	<b>245,570,180</b>
<b>Expenses</b>			
Use of Goods and Services	9	182,822,846	194,680,339
Employee Costs	10	21,584,642	23,293,250
Board Expenses	11	9,740,776	10,784,876
Depreciation Expense	12	18,418,471	13,892,248
Repairs and Maintenance	13	7,066,165	6,799,306
Contracted services	14	2,500,000	5,967,240
<b>Total expenses</b>		<b>242,132,900</b>	<b>255,417,259</b>
<b>Surplus before tax</b>		<b>2,605,116</b>	<b>(9,847,079)</b>
Taxation		-	-
<b>Surplus for the period</b>		<b>2,605,116</b>	<b>(9,847,079)</b>
Remission to National Treasury		-	-
<b>Net Surplus for the year</b>		<b>2,605,116</b>	<b>(9,847,079)</b>

Notes from page 52 to 65 form an integral part to these Financial Statements

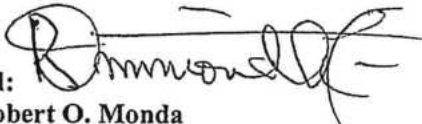
The Financial Statements set out on pages 45 to 51 were signed on behalf of the Board of Directors by

Signed:   
Dr. Pamela A. Olet PhD MBS  
CHIEF EXECUTIVE  
OFFICER

Date: 8/2/22

Signed:   
Mr. Edmund O. Wafula  
ICPAK M/N.8276  
HEAD OF FINANCE

Date: 8/2/22

Signed:   
Dr. Robert O. Monda  
CHAIRMAN  
BOARD OF DIRECTORS

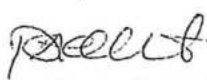
Date: 8/2/22

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2021**


**14. KENTTEC STATEMENT OF FINANCIAL POSITION  
AS AT 30TH JUNE 2021.**

	Notes	2020/2021 Kshs.	2019/2020 Kshs.
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	15	4,290,066	549,766
Prepayments	17	418,551	447,308
<b>Non-current assets</b>			
Property, plant and equipment	19	30,790,727	35,630,530
<b>Total assets</b>		<b>35,499,344</b>	<b>36,627,604</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade Payables	16	-	3,866,068
Provision	18	1,740,000	1,160,000
<b>Total liabilities</b>		<b>1,740,000</b>	<b>5,026,068</b>
<b>Net assets</b>			
Accumulated Surplus		33,759,344	31,601,536
<b>Total net assets and liabilities</b>		<b>35,499,344</b>	<b>36,627,604</b>

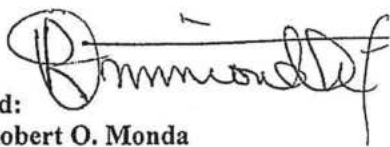
The Financial Statements set out on pages 45 to 51 were signed on behalf of the Board of Directors by:

Signed:   
Dr. Pamela A. Olet PhD MBS  
CHIEF EXECUTIVE  
OFFICER

Date: 8/2/22

Signed:   
Mr. Edmund O. Wafula  
ICPAK M/N.8276  
HEAD OF FINANCE

Date: 8/2/22

Signed:   
Dr. Robert O. Monda  
CHAIRMAN  
BOARD OF DIRECTORS

Date: 8/2/22

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2021**

**15. KENTTEC STATEMENT OF CHANGES IN NET ASSETS  
AS AT 30TH JUNE 2021.**

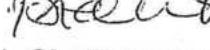
	<b>Accumulated surplus</b>	<b>Total</b>
	<b><u>Kshs.</u></b>	<b><u>Kshs.</u></b>
<b>Balance as at 1<sup>st</sup> July, 2020</b>	<b>31,601,536</b>	<b>31,601,536</b>
Surplus/(deficit) for the period	2,605,116	2,605,116
Prepayments	(447,308)	(447,308)
<b>Balance as at 30<sup>th</sup> June 2021</b>	<b>33,759,344</b>	<b>33,759,344</b>

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
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**16.KENTTEC STATEMENT OF CASHFLOWS  
AS AT 30<sup>TH</sup> JUNE 2021.**

Cash flows from operating activities	Notes	2020/2021	2019/2020
<b>Receipts</b>		<b>Kshs.</b>	<b>Kshs.</b>
Transfers from Ministries Departments and Agencies (MDAs)	6	222,000,000	222,000,000
Transfers from other Government Agencies	6	20,000,000	20,000,000
Other incomes (Disposal gain)	7	-	3,570,180
Public Donations and Contributions	8	2,738,016	-
<b>Total Revenue</b>		<b>244,738,016</b>	<b>245,570,180</b>
<b>Payments</b>			
Use of Goods and Services	9	182,822,846	194,680,339
Employee costs	10	21,584,642	23,293,250
Board Expenses	11	9,740,776	10,784,876
Repairs and Maintenance	13	7,066,165	6,799,306
Contracted services	14	2,500,000	5,967,240
(Increase)/Decrease Provision for Audit fees	18	(580,000)	(580,000)
(Increase)/Decrease Bank Overdraft		-	485,632
(Increase)/Decrease in Trade payables	16	3,866,068	2,812,803
Increase/(Decrease) in Receivables		-	(1,375,000)
Increase/(Decrease) in Prepayments	17	418,551	231,351
<b>Total expenses</b>		<b>227,419,048</b>	<b>243,099,797</b>
<b>Net cash flows from operating activities</b>		<b>17,318,968</b>	<b>2,470,383</b>
<b>Cash flows from investing activities:</b>			
Purchase of property, plant, equipment Intangible Assets		(13,578,668)	(1,945,000)
<b>Net cash flows used in investing activities</b>		<b>(13,578,668)</b>	<b>(1,945,000)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>3,740,300</b>	<b>525,383</b>
Cash and cash equivalents As at 1 <sup>st</sup> July 2020	15	549,766	24,383
<b>Cash and cash equivalents As at 30<sup>th</sup> June 2021</b>	15	<b>4,290,066</b>	<b>549,766</b>

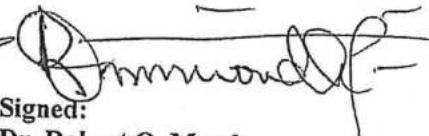
The Financial Statements set out on pages 45 to 51 were signed on behalf of the Board of Directors by:

Signed:   
Dr. Pamela A. Olet PhD MBS  
CHIEF EXECUTIVE  
OFFICER

Date: 8/2/22

Signed:   
Mr. Edmund O. Wafula  
ICPAK M/N.8276  
HEAD OF FINANCE

Date: 8/2/22

Signed:   
Dr. Robert O. Monda  
CHAIRMAN  
BOARD OF DIRECTORS

Date: 8/2/22

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
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**17. KENTTEC STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS  
FOR THE YEAR ENDING 30<sup>TH</sup> JUNE 2021**

F	Original budget	Adjustments	Final budget	Actual on comparable basis		Performance difference	% of Utilisation
				2020/2021	2020/2021		
	KShs.	KShs.	KShs.	KShs.	KShs.	KShs.	
<b>1</b>							
Revenue							
Transfers from Ministries Departments and Agencies (MDAs)	292,000,000	(70,000,000)	222,000,000	222,000,000			100
Transfers from other Government Agencies	20,000,000	-	20,000,000	20,000,000			100
Public Donations and Contributions	-	2,738,016	2,738,016	2,738,016			100
<b>Total income</b>	<b>312,000,000</b>	<b>(67,261,984)</b>	<b>244,738,016</b>	<b>244,738,016</b>			
<b>2</b>							
Expenses							
<b>Use of Goods and Services</b>							
(i) Domestic travel and subsistence costs	54,152,000	(17,268,984)	36,883,016	34,422,973	2,460,043		93.3
(ii) Specialized Materials other Supplies	124,200,000	(12,200,000)	112,000,000	111,974,250	25,750		100.0
(iii) Printing, advertising and other information costs	7,975,000	(5,575,000)	2,400,000	2,317,497	82,503		96.6
(iv) Office Rent	23,229,600	-	23,229,600	23,367,357	(137,757)		100.6
(v) Foreign Travel Costs	500,000	-	500,000	368,550	131,450		73.7
(vi) Training and capacity Building Expenses	300,000	-	300,000	253,300	46,700		84.4



	(vii) Audit Fees	580,000	(580,000)	-	-	-	-	-
	(viii) Hospitality Expense	1,238,000	(238,000)	1,000,000	992,100	7,900	99.2	
	(ix) General expenses	3,100,000	500,000	3,600,000	3,580,228	19,772	99.5	
	(x) Bank Charges	150,000	-	150,000	133,541	16,459	89.0	
	(xi) Fuel Cost	6,000,000	(1,500,000)	4,500,000	4,400,000	100,000	97.8	
	(xii) Telephone and Courier expense	3,700,000	300,000	4,000,000	3,921,107	78,893	98.0	
	(xiii) Insurance Cost	1,000,000	-	1,000,000	796,562	203,438	79.7	
3	Employee costs	21,878,000		21,878,000	21,584,642	293,358	98.7	
4	Board expenses	12,800,000		10,000,000	9,740,776	259,224	97.4	
5	Contracted Services	12,600,000	(2,800,000)	2,600,000	2,500,000	100,000	96.2	
6	Repairs and Maintenance	5,000,000	2,100,000	7,100,000	7,066,165	33,835	99.5	
7	Purchase of Computers, Software and other equipment	22,597,400	(9,000,000)	13,597,400	13,578,668	18,732	99.9	
8	Purchase of Motor Vehicles	11,000,000	(11,000,000)	-	-	-		
9	<b>Total expenditure</b>	<b>312,000,000</b>	<b>(67,261,984)</b>	<b>244,738,016</b>	<b>240,997,716</b>	<b>3,740,300</b>		
10	<b>Surplus for the period</b>				<b>3,740,300</b>	<b>(3,740,300)</b>		

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
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Reconciliation of Total expenditure in financial performance with Statement of comparison.

<b>Expenditure as per statement of Comparison of budget and Actuals</b>	<b>240,997,716</b>
Add: Depreciation Expense	18,418,471
Provision for Audit fees	580,000
Less: Amount paid for Noncurrent assets (Capital expenditure)	(13,578,668)
Less: Decrease in Trade payables	(3,866,068)
Prepayment	(418,551)
<b>Expenditure as per the Statement of Financial Performance</b>	<b>242,132,900</b>

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
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**18. NOTES TO THE FINANCIAL STATEMENTS**

**1. General Information**

Kenya Tsetse and Trypanosomiasis Eradication Council (KENTTEC) is established by and derives its authority and accountability from Legal Notice of July 2012. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to eradicate Tsetse and Trypanosomiasis in Kenya.

**2. Statement of compliance and basis of preparation**

The financial statements have been prepared on a historical cost basis except for measurement at revalued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimate recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying KENTTEC's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of KENTTEC.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**3. Adoption of New and Revised Standards**

- i. New and amended standards and interpretations in issue effective in the year ended 30<sup>th</sup> June 2021.

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
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Standard	Impact
Other Improvements to IPSAS	<p><b>Applicable: 1<sup>st</sup> January 2021:</b></p> <p>a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks.</p> <p>b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment. Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved.</p> <p>c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets. Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets.</p> <p>d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs). Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard. The amendments did not have an impact on the financial statements</p>

**ii. Early adoption of standards**

The entity did not early – adopt any new or amended standards in year 2020/2021.

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
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**4. Summary of significant accounting policies**

**(a) Revenue recognition**

**(i) Revenue from non-exchange transactions**

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities have been measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) and that the transfer was free from unjust conditions and the economic benefits or service potential, related to the asset accrued to the entity and was measured reliably.

**(ii) Revenue from Exchange Transactions**

**Sale of goods/Services**

Revenue from the sale of goods/services is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods/service and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the entity. The council does not have revenue from Exchange Transactions.

**Grants from Donors**

Grant revenues from donors are recognized on obtaining control of the asset (cash, goods, services and property) and that the transfer was free from unjust conditions and the economic benefits or service potential, related to the asset accrued to the entity and was measured reliably.

**b) Budget information**

The original budget for FY 2020-2021 was approved by the National Assembly. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional/reduced appropriations are added/reduced to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the entity recorded revised appropriations of Kshs.67, 261,984 on the 2020-2021 budget.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section XVII of these financial statements.

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
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**c) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items. All the repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value. Depreciation is charged fully in the year of acquisition.

Depreciation on Property, plant equipment has been charged on straight line basis as follows:

Buildings	2.5%
Furniture, fixtures, fittings	12.5%
Computers and Accessories and office equipment	33.3%
Motor Vehicles and Cycles	20.0%
Machinery	20.0%

**d) Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite.

**e) Inventories**

Inventories of Specialised tsetse materials used shall be recognised as an expense in the period in which they are issued and consumed. According to IPSAS 12 on inventories, a public sector entity may hold inventories that embody future economic benefits or service potential that will be distributed at no or at a nominal charge. As a consequence, its future economic benefit or service potential does not reflect the future potential to generate future cash inflows for the entity. In this case these goods are valued at replacement or estimated replacement cost, depending on the fact that the future economic benefit or service potential can be acquired or not in the market.

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
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**f) Nature and purpose of reserves**

The Council creates and maintains reserves in terms of specific requirements. Since the Council inherited assets from its predecessor (PATTEC) a Capital reserve was created to hold the Net Book Value amounts of the Assets. These assets have since been fully depreciated as at 30<sup>th</sup> June 2016.

**g) Changes in accounting policies and estimates**

The Council recognises changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**h) Employee benefits**

**Retirement Benefit Plans**

The Council did not provide for retirement benefits for its employees since the current staff has been deployed from the parent Ministry and a few are on Short Term Contract.

**i) Related parties**

The Council regards a related party as a person or an entity with the ability to exert control individually or jointly, to exercise significant influence over the entity, or vice versa. Members of key management are regarded as related parties and comprises of; the Board members, Chief Executive Officer and senior Officers of the Council.

**j) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank, at the end of the financial year.

**k) Comparative figures**

Comparative figures for the previous financial year 2019/2020 are shown in the financial statements.

**l) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2021

**m) Provisions**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
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Where there is expected some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

**5. Significant Judgments and Sources of Estimation Uncertainty**

In the process of applying the Council's accounting policies, management has made estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These are dealt with below:

**Property, Plant and Equipment**

Property Plant and Equipment is depreciated over its useful life considering residual values, where appropriate. The actual lives of the assets and residual values are assessed at the reporting date and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

**Contingent liabilities**

The directors evaluate the status of any exposures on a regular basis to assess the probability of the entity incurring related liabilities. However, provisions are only made in the financial statements where, based on the directors' evaluation, a present obligation has been established.

**Leases**

For operating leases, lease payments (excluding costs for services such as insurance and maintenance) are recognized as an expense on a straight-line basis.

**6. (a) Transfers from Other Government Agencies**

Description	2020/2021	2019/2020
	Kshs	Kshs
<b>Unconditional grants</b>		
Grant for Collaborative Tsetse activities (Regional Integration Implementation Programme (RIIP))	20,000,000	20,000,000
<b>Total Unconditional Grants</b>	<b>20,000,000</b>	<b>20,000,000</b>
<b>Conditional grants</b>	0	0
<b>Total government grants and subsidies</b>	<b>20,000,000</b>	<b>20,000,000</b>



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**(b) Transfers from Ministries, Departments and Agencies**

Name of Entity Sending Grant	Amount Recognised to the Comprehensive income	Amount deferred under deferred income	Amount recognised in capital fund	Total Grant income during the year 2020/2021	2019/2020
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
State Department of Crops and Agricultural Research	222,000,000	-	13,578,668	222,000,000	222,000,000

**7. Other Incomes**

	2020/2021 Kshs	2019/2020 Kshs
Disposal gain (AIA)	0	3,570,180
<b>Total</b>	<b>0</b>	<b>3,570,180</b>

**8. Public Donations and Contributions**

Description	2020-2021	2019-2020
	KShs	KShs
ICIPE –Bio Innovate Tsetse Collaborative Program	1,890,000	-
ICIPE-ICTLD Program	848,016	-
<b>Total transfers and sponsorships</b>	<b>2,738,016</b>	<b>-</b>
<b>Reconciliation of public contributions and donations</b>		
Balance unspent at beginning of the year	-	-
Current year receipts	2,738,016	-
Conditions met - transferred to revenue	2,738,016	-
Conditions to be met - remain liabilities	-	-

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**9. Use of Goods and Services**

	2020/2021	2019/2020
	Kshs.	Kshs.
Subsistence Allowances for officers' field Travel	33,597,865	37,260,900
Travel Cost	825,108	1,179,197
Printing publicity and Advertising Expenses	2,317,497	4,150,298
Office Rent	21,636,289	19,824,825
Foreign Travel	368,550	2,545,703
Training Expenses and Capacity Building	253,300	1,592,620
Hospitality expenses	992,100	2,591,164
Bank charges	133,541	137,739
Telephone, Courier and Internet Expenses	3,921,107	3,832,051
Fuel and oil	4,400,000	4,100,000
Office Stationery	2,660,950	1,988,000
General office expenses (Headquarters and five regions)	919,278	1,742,140
Insurance Cost	378,011	378,047
Audit fees (Provision)	580,000	580,000
<b>Specialized Tsetse Materials and Other supplies:</b>		
Deltamethrine 5%	7,600,000	11,360,000
Tsetse Odours	10,005,000	6,300,000
Alphacypermethrine 10%	4,350,000	4,320,000
Albendazole 10%	8,800,000	-
Acetone GPR	-	3,500,000
Diminazene Aceturate	1,080,000	570,000
Tsetse Biconical traps	3,160,000	8,875,000
Impregnated Treated Tsetse Targets	31,272,750	19,875,000
Tsetse Tiny Targets	4,230,000	4,500,000
Flumethrine 1%	4,290,000	4,600,000
Laboratory Reagents and other lab materials	11,655,500	5,135,165
Sexed Semen	580,000	-
Spray Pumps	1,240,000	2,500,000
Deltamethrin Treated Nets	-	16,500,000
Protective Kits for Tsetse control	-	3,973,800
Material for Community Trap making	-	7,500,000
Cleaning Material	1,982,000	698,850
Sticky Panels	1,800,000	1,980,000
Livestock Protective fences	8,900,000	4,725,000
Protective Riding Gear	-	1,966,840
Personal Protective Material for COVID	8,894,000	3,898,000
<b>Total Specialized Tsetse Materials</b>	<b>109,839,250</b>	<b>112,777,655</b>
<b>Total Use of Goods and Services</b>	<b>182,822,846</b>	<b>194,680,339</b>

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
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**10. Employee costs**

	<b>2020/2021</b>	<b>2019/2020</b>
Basic Salary	14,878,092	12,530,700
House Allowance	960,000	960,000
Extraneous Allowance	894,000	888,000
Casual Wages	4,648,150	5,483,910
Gratuity	-	3,336,840
Intern Stipends	-	-
Other Allowances	204,400	93,800
<b>Total</b>	<b>21,584,642</b>	<b>23,293,250</b>

**11. Board Expenses**

	<b>2020/2021</b>	<b>2019/2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Board members sitting, transport and accommodation allowances	8,780,776	10,144,876
Chairman's Honoraria	960,000	640,000
<b>Total Board Expenses</b>	<b>9,740,776</b>	<b>10,784,876</b>

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**12. Depreciation Expense**

	2020/2021 Kshs	2019/2020 Kshs
Buildings	217,295	217,295
Office Equipment	3,906,223	-
Motor vehicles	4,502,600	4,502,600
Furniture, Fixtures and Fittings	7,906,353	7,906,353
Computer and Accessories	1,886,000	1,266,000
Machinery	-	-
<b>Total Depreciation Expense</b>	<b>18,418,471</b>	<b>13,892,248</b>

**13. Repairs and Maintenance**

	2020/2021 Kshs	2019/2020 Kshs
Office Equipment and Computer Accessories	2,625,301	2,004,291
Motor Vehicles and Cycles	4,440,864	4,795,015
<b>Total Repairs and Maintenance</b>	<b>7,066,165</b>	<b>6,799,306</b>

**14. Contracted Services**

	2020/20/21 Kshs	2019/2020 Kshs
Environmental Impact Assessment (EIA) Meru Mwea	-	3,467,240
Installation of Tsetse Targets in Lambwe Valley (Ruma National Park)	2,500,000	-
Installation of Tsetse Targets in Coast Region	-	2,500,000
<b>Total Contracted Services</b>	<b>2,500,000</b>	<b>5,967,240</b>

**KENYA TSETSE AND TRYPANOSOMIASIS ERADICATION COUNCIL (KENTTEC)  
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**15 (a) Cash and cash equivalents:**

Cash and cash equivalents is the cash balance that was held in the Council's bank account at the closure of the financial year was as follows:

	2020/2021 Kshs.	2019/2020 Kshs.
Current Account	4,290,066	549,766
<b>Total Cash and Cash equivalents</b>	<b>4,290,066</b>	<b>549,766</b>

**15 (b) Detailed Analysis of the Cash and Cash Equivalent**

Financial institution	Account number	2020/2021 Kshs.	2019/2020 Kshs.
<b>Current account</b>			
Co-operative Bank	01136008428802	55,665	397,036
Co-operative Bank	01136008428803	4,234,401	152,730
<b>Grand total</b>		<b>4,290,066</b>	<b>549,766</b>

**16. Trade payables;**

At the closure of the financial year 2020/2021 the Council had no pending bills.

	2020/2021 Kshs.	2019/2020 Kshs.
<b>Balance b/f</b>	<b>3,866,068</b>	<b>6,678,871</b>
Accrued Expenses paid	(3,866,068)	(6,678,871)
Accrued Expenses for the year 2019/2020	-	3,866,068
Accrued Expenses for the year 2020/2021	-	-
<b>Balance c/f</b>	<b>-</b>	<b>3,866,068</b>

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**17. Prepayments**

The prepayment represents an amount paid for insurance of Motor Vehicles and Medical Cover for independent Board members that remained unutilised as at year end.

	2020/2021 Kshs	2019/2020 Kshs
<b>Balance b/f</b>	<b>447,308</b>	<b>215,957</b>
Insurance charge Motor Vehicle (Accumulated surplus)	(259,951)	(215,957)
Insurance charge Medical cover (Accumulated Surplus)	(187,357)	-
Prepayment Insurance charge Motor Vehicle 2020/2021	231,068	259,951
Prepayment Insurance charge Medical cover 2020/2021	187,483	187,357
<b>Balance c/f</b>	<b>418,551</b>	<b>447,308</b>

**18. Provisions**

Description	Audit Fees Provision Kshs	Total Kshs
<b>Balance b/f from 2019/2020</b>	<b>1,160,000</b>	<b>1,160,000</b>
Additional Provision	580,000	580,000
Provisions utilised	-	-
<b>Total Provisions as at 30<sup>th</sup> June 2021</b>	<b>1,740,000</b>	<b>1,740,000</b>

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**19. Property, Plant and Equipment.**

The buildings and other assets are stated on the historical cost basis:

Cost	Buildings Shs	Motor Vehicles and Cycles Shs	Office equipment Shs	Computer and Accessories Shs	Furniture, Fixtures and Fittings Shs	Machinery Shs	Intangible Asset (WIP) Shs.	Total Shs
As at 1 <sup>st</sup> July 2020	8,691,802	34,356,478	48,508,455	28,239,453	64,529,424	3,635,000	5,707,776	193,668,388
Additions	-	-	11,718,668	1,860,000	-	-	-	13,578,668
Disposals	-	-	-	-	-	-	-	-
As at 30 <sup>th</sup> June 2021	8,691,802	34,356,478	60,227,123	30,099,453	64,529,424	3,635,000	5,707,776	207,247,056
<b>Depreciation</b>								
As at 1 <sup>st</sup> July 2020	(1,303,770)	(26,251,798)	(48,508,455)	(26,973,453)	(51,365,382)	(3,635,000)	-	(158,037,858)
Depreciation Charge 2020/2021	(217,295)	(4,502,600)	(3,906,223)	(1,886,000)	(7,906,353)	-	-	(18,418,471)
Disposal	-	-	-	-	-	-	-	-
As at 30 <sup>th</sup> June 2021	(1,521,065)	(30,754,398)	(52,414,678)	(28,859,453)	(59,271,735)	(3,635,000)	-	(176,456,329)
As at 1 <sup>st</sup> July 2019	8,691,802	50,951,478	50,208,455	28,239,453	62,584,424	3,635,000	5,707,776	210,018,388
Additions	-	-	-	-	1,945,000	-	-	1,945,000
								1,945,000

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Disposals	-	(1,700,000)	-	-	-	-	(18,295,000)
At 30th June 2020	8,691,802	34,356,478	48,508,455	28,239,453	64,529,424	3,635,000	5,707,776
<b>Depreciation</b>							
As at 1 <sup>st</sup> July 2019	(1,086,475)	(38,344,198)	(50,208,455)	(25,707,453)	(43,459,029)	(3,635,000)	-
Depreciation Charge 2019/2020	(217,295)	(4,502,600)	-	(1,266,000)	(7,906,353)	-	-
Disposals	-	16,595,000	1,700,000	-	-	-	-
As at 30 <sup>th</sup> June 2020	(1,303,770)	(26,251,798)	(48,508,455)	(26,973,453)	(51,365,382)	(3,635,000)	-
Net Book Value As at 30 <sup>th</sup> June 2021	7,170,737	3,602,080	7,812,445	1,240,000	5,257,689	-	5,707,776
Net Book value as at 30 <sup>th</sup> June 2020	7,388,032	8,104,680	-	1,266,000	13,164,042	-	5,707,776
							35,630,530
							30,790,727
							(158,037,858)
							18,295,000
							(13,892,248)
							(162,440,610)
							193,668,388



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**20. Surplus for the period reconciliation with cash generation**

	2020/2021	2019/2020
	Kshs.	Kshs.
<b>Surplus/(Deficit) for the period</b>	<b>2,605,116</b>	<b>(9,847,079)</b>
<b>Adjusted for:</b>		
Depreciation	18,418,471	13,892,248
Provision for Audit fees 2020/2021	580,000	580,000
(Decrease)/Increase in Trade payables	(3,866,068)	(2,812,803)
(Increase)/Decrease in Receivables	-	1,375,000
Increase in Prepayments	(418,551)	(231,351)
Decrease in bank overdraft	-	(485,632)
<b>Net cash flow from operating activities</b>	<b>17,318,968</b>	<b>2,470,383</b>

**21. Financial Risk Management Objectives and policies**

The organisation's overall risk management programme focuses on unpredictability of changes in the operating environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk.

The major types of financial risks faced by the organisation are:

- Credit risk
- Liquidity risk

**(a) Liquidity risk**

Liquidity risk is the risk that the Council will encounter difficulties in meeting its obligations from its financial liabilities. The council's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation.

Prudent liquidity risk management, implies maintaining sufficient cash, by liaising with the parent *Ministry and Treasury to ensure prompt grant releases when due and ensuring spending is within*

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budgetary provisions. However, the council is exposed to this risk due to budget cuts by the National treasury that affect the grants due to it, and delayed exchequer release.

Prudent liquidity risk management includes maintaining sufficient cash to meet organisation's obligations. The organisation manages liquidity risk through continuous monitoring of forecast and actual cash flows. The liquidity risk is also managed through the continuous grants from Parent Ministry headquarters. The table below analyses the organisations extend of the liquidity risk as at the end of the period;

	within 1 year Kshs	Between 2-3 years Kshs	Over 3 years Kshs	Total amount Kshs
<b>30<sup>th</sup> June 2021</b>				
Unexpended grants	4,290,066	-	-	4,290,066
Payables	-	-	-	-
	<b>4,290,066</b>	-	-	<b>4,290,066</b>
<b>30<sup>th</sup> June 2020</b>				
Unexpended grants	549,766	-	-	549,766
Payables	3,866,068	-	-	3,866,068
	<b>4,415,834</b>	-	-	<b>4,415,834</b>

**(b) Credit Risk**

Credit risk is the risk of financial loss to the Council if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The largest concentration of credit exposure within the council arises from cash held with the bank. The Council has placed its amounts of funds in a recognised financial institution with strong credit rating and does not consider credit risk exposure to be significant. The credit risk on trade receivables is limited because the nature of the organisation's business is such that the services provided are not chargeable. The bulk of income to the organisation for the period relates to grants from government and other donors. The credit risk on grants receivable is limited because funds are sourced from credible donors.

The amount that best represents the institute's maximum exposure to credit as at year end is made up as follows:

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	<b>Total Amount Kshs</b>	<b>Fully performing Kshs</b>	<b>Past due Kshs</b>	<b>Impaired Kshs</b>
<b>As at 30<sup>th</sup> June 2021</b>				
Grants receivable	0	0	0	0
Receivables and prepayments	418,551	418,551	0	0
Cash at Bank	4,290,066	4,290,066	0	0
<b>As at 30<sup>th</sup> June 2020</b>				
Grants receivable	0	0	0	0
Prepayments and other receivables	447,308	447,308	0	0
Cash and cash equivalents	549,766	549,766	0	0

**(c) Operational risk**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the

Council processes, personnel, technology and infrastructure and from external factors other than credit and

Liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Council operations.

The Council objectives are to manage operational risk so as to balance the avoidance of financial losses and

damage to the Council reputation with overall cost effectiveness and to avoid control procedures that restrict

initiative and creativity.

The primary responsibility for development and implementation of controls to address operational risk is assigned to management. The responsibility is supported by the development of overall standards for the management of operational risk in the following areas:

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- Requirements for appropriate segregation of duties, including independent authorisation of transactions.
- Requirements for reconciliation and monitoring of transactions.
- Compliance with regulatory and other legal requirements.
- Requirements for periodic assessment of operational risks faced, and adequacy of controls and procedures to address the risks identified.
- Requirement for reporting of operational losses and proposed remedial action.
- Training and professional development.
- Ethical and business standards.
- Risk mitigation.

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**22.Related Parties Balances**

The Government of Kenya is the principal shareholder in Kenya Tsetse and Trypanosomiasis Eradication

Council. Other Related Parties are:

- i) The Parent Ministry of Agriculture, Livestock, Fisheries and Co-operatives
- ii) Key Management,
- iii) Board of Directors.

During the year, the following transactions were carried out with related parties;

	Kshs	KShs
<b>a) Sales to related Parties</b>		
Sales of Goods and Services	-	-
Sales of Services	-	-
<b>Total</b>	-	-
<b>b) Grants from the Government</b>		
Grants from Parent Ministry (National Government)	222,000,000	222,000,000
<b>Total</b>	<b>222,000,000</b>	<b>222,000,000</b>
<b>c) Expenses incurred on behalf of Related Party</b>		
Payments of salaries and wages for employees	-	-
Payments for goods and services	-	-
<b>Total</b>	-	-
<b>d) Key management compensation</b>		
Directors' emoluments (Sitting and Other allowances)	8,780,776	9,965,505
Chairman's Honoraria	960,000	640,000
Compensation to CEO and Key management	8,360,400	8,768,240
<b>Total</b>	<b>18,101,176</b>	<b>19,373,745</b>

**23.Events After the Reporting Period**

There were no material adjusting and non- adjusting events after the reporting period.

**24.Ultimate and Holding Entity**

The Council is a Semi- Autonomous Government Agency under the Ministry of Agriculture, Livestock, Fisheries and Co-operatives. Its ultimate parent is the Government of Kenya.

**25.Currency**


The financial statements are presented in Kenya Shillings (Kshs).

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**Appendix III: Inter Entity Transfers**

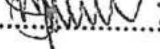
a.	Recurrent Grants	Bank Statement Date	Amount (KShs)	FY
		10/8/2020	6,000,000	2020/2021
		10/9/2020	6,000,000	2020/2021
		05/10/2020	6,000,000	2020/2021
		12/11/2020	18,000,000	2020/2021
		08/2/2021	18,000,000	2020/2021
		17/5/2021	18,000,000	2020/2021
		<b>Total</b>	<b>72,000,000</b>	
b.	Development Grants	Bank Statement Date	Amount (KShs)	
		10/9/2020	110,000,000	2020/2021
		30/06/2021	40,000,000	2020/2021
		<b>Total</b>	<b>150,000,000</b>	
c.	Direct Payments	Bank Statement Date	Amount (KShs)	
			-	
			-	
			-	
		<b>Total</b>	<b>-</b>	
d.	Donor Receipts	Bank Statement Date	Amount (KShs)	
			-	
			-	
			-	

The above amounts have been communicated to and reconciled with the parent Ministry.

Signed:   
**HEAD OF FINANCE**  
**KENYA TSETSE AND TRYPANOSOMIASIS**  
**ERADICATION COUNCIL (KENTTEC)**

Date.....24/9/2021.....

Signed:  
**HEAD ACCOUNTING UNIT**  
**STATE DEPARTMENT OF**  
**CROPS AND AGRICULTURE**  
**RESEARCH**

Date..... 24/09/21.....

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Appendix IV: Recording of Transfers from Other Government Entities

Name of the MDA/Donor Transferring the Funds	Date Received as per Bank statement Various (as per appendix II)	Recurrent/Development	Total amount	Statement of Financial Performance	Where recorded/Recognized				Total Transfers during the year
					Capital Fund	Deferred Income	Receivables	Others	
The National Treasury and Planning		Development	20,000,000	20,000,000	0	0	0	0	20,000,000
<b>Total</b>			20,000,000	20,000,000	0	0	0	0	20,000,000

