

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF
TABLED
BY:

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THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 21 FEB 2024

DAY:

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Hon Naomi Wago, m.p.
Deputy Majority Party Whip
Finlays

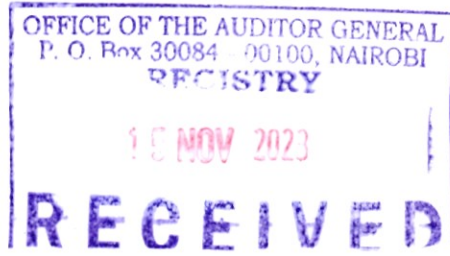
THE AUDITOR-GENERAL

ON

**AGRICULTURAL INFORMATION RESOURCE
CENTRE REVOLVING FUND**

**FOR THE YEAR ENDED
30 JUNE, 2023**

**STATE DEPARTMENT FOR CROP
DEVELOPMENT**



AGRICULTURAL INFORMATION RESOURCE CENTRE

REVOLVING FUND

MINISTRY OF AGRICULTURE & LIVESTOCK DEVELOPMENT

STATE DEPARTMENT FOR AGRICULTURE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE, 2023

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

**Agricultural Information Resource Centre Revolving Fund
Annual Reports and Financial Statements
For the year ended June 30, 2023**

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1. Acronyms, Abbreviations and Glossary of Terms

A: Acronyms and Abbreviations

CEO	Chief Executive Officer
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
TNT	The National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SA	Senior Accountant
DDA	Deputy Director Agriculture
PS	Principal Secretary
BETA	Bottom up Economic Transformation Agenda
CPA	Certified Public Accountant
KADOC	Kenya Agriculture Documentation Centre
AIRC	Agricultural information Research Centre
SLDP	Strategic Leadership Development Program
SMC	Senior Management Course
SAO	Senior Agricultural Officer
SAGA	Semi-Autonomous-Government Agency
PSC	Public Service Commission
MDA	Ministries Departments & Agencies
PAO	Principal Agricultural Officer
PGD	Post Graduate Diploma
PWD	Persons living With Disability
MTP	Medium Term Plan
FY	Financial Year

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organisation

Comparative Year- Means the prior period.

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2. Key Entity Information and Management

(a) Background information

Agricultural Information Resource Centre (AIRC) is a Semi-Autonomous Governmental Agency (SAGA) in the State Department for Crop Development. The Centre started in 1966 to disseminate agricultural information to farmers, extension workers and other stakeholders. In 1993, the centre was made a SAGA through legal notice no. 163 of June 25, 1993. This established the AIRC revolving fund which enables it to fulfil its commercial obligations and the AIRC Management Board that oversees the activities of the Centre. AIRC has been involved in the production of agricultural information materials for extension workers, farmers and also stakeholders in the agricultural sector. In addition to this, the Centre has been carrying out training programmes that focus on communication, supervisory and management skills for extension and other development workers.

(b) Principal Activities

The primary mandate of AIRC is Agricultural Information and Knowledge Management. It is the main reference centre for agricultural information for farmers, extension providers and stakeholders in the Kenya and beyond. The Centre collects, collates, processes and disseminates agricultural information using various platforms to a wide spectre of stakeholder's. AIRC implements this mandate through the following specialized units:

- Training and Conference Unit,
- Agricultural Documentation Services Unit (ADSU),
- Agricultural Library Information Services Unit (ALIS),
- Business Development and Marketing Unit (BDMU)
- Mass Media Services Unit (consists of Radio, Video and Publication sub-units)
- Monitoring and Evaluation Unit

(c) Key Management

(d) 1. Richard Githaiga	Director, AIRC
2. Mr. Njoroge	Deputy Director –AIRC
3. Philigona Ooko	Deputy Director –AIRC
4. Beatrice Nyangawa	Head of Business Development and Marketing Unit
5. Festus Njogu	In charge of Mass Media Services Unit (Radio, Video and Publication sub-units)
6. John Maina	In charge of Monitoring & Evaluation
7. Benjamin Maina	Supply Chain Management Officer
8. CPA Mwanthi Justus	In Charge of Accounting Unit

(e) Fiduciary Oversight Arrangements

Audit and finance committee activities

The Ministerial Audit Committee has been active vide Treasury Circular No.16/2005 dated 4th October, 2005 before introduction of PFM Act, 2012.

Parliamentary committee activities

The Ministry handled various issues both at the National Assembly and the Senate of Parliament:-

National Assembly

- Statements
- Petitions
- Motions
- Workshops/Seminars
- Meetings with Departmental Committees

The petitions and Statements were requested through Parliament on behalf of Farmers, Groups or Organizations

(f) Entity Headquarters

Agriculture Information Resource Centre
P.O Box 66730-00800
Off Waiyaki way KARLO road
Telephone: +254-20-8025464
E-mail: *agriinfodata@yahoo.com*
Nairobi, KENYA.

(g) Entity Contacts

Telephone :(+254-20-8025464
E-mail: *agrifodata@gmail.com*
Website: www.airc.go.ke

(h) Entity Bankers

Kenya Commercial Bank Limited
Sarit Centre Branch
AC No.1106971817
Nairobi, Kenya

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(i) Independent Auditors

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O.Box 30084- 00100
Nairobi, Kenya

(j) Principal Legal Adviser








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

3. The Board of Directors

The Board of directors in the Financial Year 2022-2023 had not yet been appointed by the Appointing Authority however the process has already started.

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4. Management Team

SN	NAME	PHOTO	PROFILE
1	Richard Githaiga (Director –AIRC)		-Over 35yrs experience in the Ministry of Agriculture -Current he is the Director AIRC -Designation DA
2	Philigona Ooko , Ag Director AIRC		-32yrs experience in the Ministry of Agriculture -Holds MSc in Agriculture Extension -Currently she is the Deputy Director AIRC -Designation DDA
5	Festus Njogu-PAO		-15 yrs. experience in Agricultural Media Production, Knowledge & Information Management -Holds SLDP, SMC, PGD in Mass Communication, MSc Agricultural Information & Communication Management
6.	Mercy Waitthaka KADOC Unit		-35 years' experience in different positions -Holds MA in communications -Holds BSc in Agriculture -
7	Lekooro Emily Sharon SAO		-2 years' experience in Agricultural information materials production -Holds Bachelor of Science in Agriculture -Designation- Senior Agricultural Officer
8	CPA Justus M Mwanthi SA		-10 years' experience in Government Accounting -Holds MSc Development Finance -Holds B.Com Degree- Accounting -CPA(K)
9	Benjamin Maina-		-Head of Supply Chain Management- AIRC -5 years' experience in Supply Chain Management -Holds Diploma in Supplies Chain Management

5. Chairman's Statement

The Fund has been operating without a substantive Chairman since the term of the previous one expired in August, 2018. The board had been appointed on 29th August, 2016 for a period of three (3) years. Which has since expired.

The Centre is in dire need for rehabilitation and upgrading. The board came up with a branding strategy which has not been implemented to date due to inadequate funding.

Way Forward

- Urgent Appointment of new Board members
- Provide funding for Rehabilitation and Upgrading of the Centre (Rebranding) to enhance revenue Generation
- Provide funding for running Board activities

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6. Report of the Director /Chief Executive Officer

The Agricultural Information Resource Centre (AIRC) is a Division of the Ministry of Agriculture and Livestock Development, established in 1966 with the primary role of providing agricultural information through various platforms to farmers, extension staff and other stakeholders.

In addition to Information management the Centre has previously carried out short courses in the areas of communication and knowledge management skills, Information Communication Technologies in Agriculture, e-agriculture, basic media skills for agricultural professionals and other tailored made on demand courses. During the year under review AIRC has continued to provide agricultural information and knowledge resources for the Ministry and the Agricultural sector in line with the demand for quality agricultural information. This was achieved through audio production, Video production, Printing & Publications as well as providing training, catering, and Library services. In addition, the station was able to disseminate technical information to stakeholders through its website as well as through social medial platforms such as you tube and Facebook.

In terms of financial performance we were able to realise a revenue of **Ksh. 24,800,707** against an expenditure of **Ksh. 24,249,985** thus a surplus of **Ksh. 550,722**.

During the year the Centre faced several challenges; First, AIRC capacity to deliver on this mandate has declined over time due to depreciation of equipment, facilities, and rapid changes in technology. Despite this there has been little investments towards improving the Centre facilities and equipment for more than a decade. For AIRC to deliver its mandate effectively and meet the increasing demand for quality agricultural information, there is need to upgrade its equipment and key facilities.

Second the centre received inadequate allocation under recurrent budget which was further reduced after revision of estimates during the year. The centre was therefore unable to undertake critical planned activities due to inadequate finances. On the other hand, the revolving fund remained undercapitalized leading to cash flow issues viz a viz the demand for commercial services.

Inadequate human resource capacity was another challenge facing the Centre during the year under review. This has been occasioned by retirements as well as transfer of staff from the centre without replacement over time.

Finally AIRC continued to operate its revolving fund without a Board of Management as required by the legal notice that established the Board. There is therefore need expedite the reconstitution of the Board to ensure proper oversight as required by law.

The centre's management has commenced consultations with the Ministry with a view to overcoming the various challenges. As a starting point we have developed and shared a concept note for the revitalization centre through various interventions. It is hoped that these challenges will be addressed in the coming days to ensure efficient delivery of service by the centre.



Philigona Ooko- Ag Director AIRC

7. Statement of Performance against Predetermined Objectives

Kenya Vision 2030 identifies agriculture as one of the key sectors under the economic pillar expected to drive the economy to the projected 10 percent economic growth annually. It has also been identified as one of the sectors that will drive the **Bottom up Economic Transformation Agenda (BETA)** aimed at achieving 100% food and nutrition security over the next five years. The sector is therefore central to the achievement of Vision 2030 goal of “a globally competitive and prosperous country with a high quality of life by 2030”.

The sector contribution to achievement of this goal will be through promotion of an innovative, commercially oriented and modern agriculture. The sector is also expected to deliver on Kenya’s regional and global commitments such as the Comprehensive Africa Agricultural Development Programme (CAADP), the Africa Agenda 2063 and Sustainable Development Goals (SDGs).

During **MTP IV period (2023-2027)**, agriculture is expected to grow at a rate of 7 percent annually resulting from planned strategies. The key strategic programmes targeted in MTP IV include: Fertilizer subsidy; agricultural mechanization; food and nutrition security; youth and women empowerment in modern agriculture; crops insurance; crop diversification; strategic food reserve; large scale production; agricultural technology development; climate smart agriculture; market access and product development; traditional high value crops programme; and policy, legal and institutional reforms.

Strategic Pillar	Objectives	Key Performance Indicators	Activities	Achievements
provision & dissemination of Agricultural information through mass media to farmers, extension providers and other stakeholders	1. To improve the availability and access to agricultural information and knowledge resources for the attainment and sustain 100% food and nutrition security in Kenya	No. of radio programmes produced	Agricultural information disseminated through electronic media(Radio)	12 radio programmes produced
	2. To enhance the skills of extension providers on communication, extension management and ICT for Agriculture	No. of video programmes developed and disseminated	Agricultural information disseminated through electronic media (video)	25 video documentaries produced

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8. Corporate Governance Statement.

The Board Members are expected to operate transparently, ensure full disclosure and confine themselves within the rules and procedures set out. Matters deliberated by the board during meetings are always keep it confidential.

9. Management Discussion & Analysis

The institution's budget intervention was premised on Agricultural Information and Knowledge Management for socio-Economic transformation of farmers across the Nation. The Fund operated with a revenue of **Ksh. 24,800,707** against an expenditure of **Ksh. 24,249,985** thus a surplus of **Ksh. 550,722** in the Financial Year 2022/2023.

Below is a Budget for the Exchequer and Revolving Fund components for the financial year 2022-23 under Audit:

RECURRENT (EXCHEQUER) BUDGET			FY 2022-23	Expenditure Plan for the Year (in Kshs.)				
Item Code	Sub Item	Item Description	Total Budgeted Amount (Kshs.)	Quarter				
				Q1	Q2	Q3	Q4	
2110200	2110202	Casual labour	7,185,996.00	1,796,499.00	1,796,499.00	1,796,499.00	1,796,499.00	
2210100	2210101	Electricity	645,000.00	161,250.00	161,250.00	161,250.00	161,250.00	
	2210102	Water and sewerage charges	130,000.00	32,500.00	32,500.00	32,500.00	32,500.00	
2210200	2210201	Telephone, telex, Facsimile & Mobile phone services	172,500.00	43,125.00	43,125.00	43,125.00	43,125.00	
	2210202	Internet connections	472,500.00	118,125.00	118,125.00	118,125.00	118,125.00	
2210300	2210301	Travel Costs (airlines, bus, railway, mileage allowances)	1,000,000.00	250,000.00	250,000.00	250,000.00	250,000.00	
2210300	2210302	Accommodation - Domestic Travel	500,000.00	125,000.00	125,000.00	125,000.00	125,000.00	
2210500	2210502	Publishing and Printing Services	230,000.00	57,500.00	57,500.00	57,500.00	57,500.00	
2210700	2210702	Remuneration of instructors and contract based training	1,525,000.00	381,250.00	381,250.00	381,250.00	381,250.00	
2210800	2210801	catering, accomodation, gifts, foods and drinks	200,000.00	50,000.00	50,000.00	50,000.00	50,000.00	
	2210802	Expenses of Boards, Committees and Seminars	287,500.00	71,875.00	71,875.00	71,875.00	71,875.00	
2211100	2211101	General Office Supplies(papers, pencils, small office ec	906,212.00	226,553.00	226,553.00	226,553.00	226,553.00	
2211200	2211201	Refined Fuels and Lubricants for transport	115,000.00	28,750.00	28,750.00	28,750.00	28,750.00	
2211300	2211305	Contracted Guards and Cleaning Services	2,000,000.00	500,000.00	500,000.00	500,000.00	500,000.00	
2220100	2220101	Maintenance Expenses-M/vehicles, cycles	230,000.00	57,500.00	57,500.00	57,500.00	57,500.00	
	2220205	Mainte. of building and stations	1,150,000.00	287,500.00	287,500.00	287,500.00	287,500.00	
	2220210	maintaince of Computer, Softwares and Networks	1,605,000.00	401,250.00	401,250.00	401,250.00	401,250.00	
TOTAL			18,354,708.00	4,588,677.00	4,588,677.00	4,588,677.00	4,588,677.00	

REVOLVING FUND BUDGET FY 2022-23			Expenditure Plan for the Year (in Kshs.)				
CODE	Item Description	Amount	Quarter				
			Q1	Q2	Q3	Q4	
2210201	Telephone, telex, Facsimile & Mobile pho	720,000.00	180,000.00	180,000.00	180,000.00	180,000.00	
2210302	Accommodation - Domestic Travel	2,440,000.00	610,000.00	610,000.00	610,000.00	610,000.00	
2210502	Publishing and Printing Services	3,000,000.00	750,000.00	750,000.00	750,000.00	750,000.00	
2210712	Training Expenses	3,000,000.00	750,000.00	750,000.00	750,000.00	750,000.00	
2211101	General Office Supplies(papers, pencils,	1,340,000.00	335,000.00	335,000.00	335,000.00	335,000.00	
2211201	Refined Fuel and Lubricants for Transport	1,700,000.00	425,000.00	425,000.00	425,000.00	425,000.00	
2211310	Contracted Professional Services	5,750,000.00	1,437,500.00	1,437,500.00	1,437,500.00	1,437,500.00	
TOTAL		17,950,000.00	4,487,500.00	4,487,500.00	4,487,500.00	4,487,500.00	

The Fund has been able to undertake its mandate however below capacity due to some challenges such as obsolete assets, reduced funding, high staff turnover among others.

The management has further proposed the following strategies aimed at restoring the revolving fund back to profitability path in the Financial Year 2023/2024.

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Strategic Issue	Strategic Objective	Strategies
Weak institutional capacity to collect, process and share information using modern technology.	Strengthen AIRC institutional capacity to collect, process and share information.	To market AIRC products and services in all possible institutions including county Governments, Parastatals and private institutions
		Upgrade AIRC physical infrastructural facilities such as conference facilities, accommodation and ICT infrastructure to state of the art to attract all levels of clients
Limited agricultural information exchange platforms	To provide a seamless agricultural information exchange platform.	a) Establish an interactive e-information exchange platform Developing a national agricultural information repository
Limited capacity and application of ICT4Dev in agriculture skills by extension providers	To develop capacity of staff to carry out ICT4Dev in agriculture TOT trainings.	I. Conduct ICT4Dev in agriculture trainings for agricultural staff. II. Develop and flag agro processing business opportunity to the youth and women III. Facilitate agricultural information sharing through Huduma Centres platform

10. Environmental and Sustainability Reporting

Employee welfare

a) Policies guiding the hiring process considering the gender ratio stakeholder's engagement.

- i. Recruitment and selection is guided by the PSC Act Cap. 2017, Human Resources Procedures Manual, DPM Circulars, Labour Laws, Schemes of Service or career progression guidelines & PSC regulations 2020, pursuant to these guidelines MDAs are required to customize and domesticate these regulations develop and implement employment plans, review their recruitment policies to ensure that the mode of advertisement of job vacancies, pre-selection and conducting of interviews do not in any way disadvantage any particular group; and take deliberate measures including targeted advertisements to bring on board marginalized groups and take into account the gender ratio regional balance and PWD. Policies are reviewed from time to time and stakeholders are engaged during these reviews.

ii. **Human Resource Policies and Procedures 2016**

- Recruitment will be undertaken on the basis of fair competition and merit; representation of Kenya's diverse communities; adequate and equal opportunities to all gender, youth, members of all ethnic groups, persons with disabilities and minorities.
- Persons with disability shall be accorded equal opportunities for employment provided they have the necessary qualifications and are suitable for such employment. The government shall implement the principle that at least five (5) percent of all appointments shall be for persons with disabilities.

b) **Efforts made in improving skills and managing careers, appraisals and reward systems**

Section H of Human Resource Manual and Procedures States that;

- The Government policy on training is to ensure continuous upgrading of Public Servant's core competencies, knowledge, skills and attitudes including their ability to assimilate technology to enable them create and seize opportunities for social advancement, economic growth and individual fulfilment.
- Training needs analysis is carried out every two years while training projections are carried out annually it is the outcome of these reports that informs the decisions of the Ministerial Human Resource Managerial and Advisory Committee and the Public Service Commission on skills Development. The approved programmes should address national, organizational and individual goals and should be demand driven.
- The government continually develop its employees' professional knowledge and skills and encourage them to join relevant professional bodies. The Government has established mechanisms for supporting employees where the career guidelines require them to be members of a professional body.
- Authorized Officers are expected to develop, update and maintain skills inventory for all officers in their respective State Departments for purposes of identifying the available, and the required skills. The inventory will guide the training, recruitment and succession management decisions.

c. **Performance Appraisal System**

- G.1 A Performance Appraisal System is a systematic process for getting better results from an organization, teams and individuals by managing performance within an agreed framework of planned goals, objectives and standards. It is a set of tools, processes and actions that allows for maximization of the performance of employees and institutions. (2) it also provides employees with a clear understanding of job expectations; regular feedback about performance; and sanctions for poor performance. The overall goal of a PMS is to measure employee performance and ultimately the achievement of intended results for the organization, in order to reward performance and sanction under performance.
- High performance Employees are rewarded through wages and benefits i.e thirteenth (13th) salary, recognition/commendation certificates, to give legal motivation which lead to high performance and productivity.

d. Compliance with Occupation Safety and Health Act of 2007 (OSHA)

Human Resource Policies and Procedures 2016

Pursuant to the OSHA Act 2007, Human Resource Policies, authorized officers are required to enforce the following regulations, under the provisions of the OSHA Act to ensure compliance.

- Section F.1 provides guidelines and standards for the prevention and protection of officers against accidents and occupational hazards arising at the work place. It also provides for guidelines, procedures and modalities for the administration and payment of compensation for work related injuries and accidents and diseases contracted during and outside the course of work.
- F.2(1) Authorized Officers maintains healthy and safe working environments for officers under their respective State Departments. (2) All officers have their responsibility to ensure safety to themselves and others when performing their duties.
- F.5(1) The Principal Fire Officer and the County Fire Officers are responsible for providing advice on all matters concerning fire prevention, firefighting, fire protection and fire demonstrations in all Government premises.
- F.8 Authorized Officers shall ensure that all officers who are employed in any process involving exposure to wet or to any injurious or offensive substances are provided with adequate, effective and suitable protective clothing and appliances.

These requirements are also captured in the State Department's respective performance contracts, as part of the enforcement mechanism

11. Report of the Directors.

During the year under review, the term of office of the Board had already expired, and there was a delay in appointment of a new Board.

12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, require the Director to prepare financial statements in respect of that Agricultural Information Resource Centre Revolving Fund, which give a true and fair view of the state of affairs of the Revolving Fund at the end of the financial year/period and the operating results of the Revolving Fund for that year/period. The Directors also required ensuring that the Agricultural Information Resource Centre Revolving Fund keeps proper accounting records which disclose with reasonable accuracy the financial position of the entity. The Directors also responsible for safeguarding the assets of the Agricultural Information Resource Centre Revolving Fund.

The Director is responsible for the preparation and presentation of the Agricultural Information Resource Centre Revolving Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year (period) ended on June 30, 2021. This

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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 Kenya Citizens and Foreign Nationals Management Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Director accepts responsibility for the Agricultural Information Resource Centre Revolving Fund'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), and in the manner required by the PFM Act and the State Corporations Act. The Directors of the opinion that the Agricultural Information Resource Centre Revolving Fund's financial statements give a true and fair view of the state of Agricultural Information Resource Centre Revolving Fund's transactions during the financial year ended June 30, 2023 and of the Agricultural Information Resource Centre Revolving Fund's financial position as at that date. The Accounting Officer further confirm the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the Agricultural Information Resource Centre Revolving Fund's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Director to indicate that the Agricultural Information Resource Centre Revolving Fund 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 Agricultural Information Resource Centre Revolving Fund financial statements were approved by the Board/Management on _____ 2023 and signed on its behalf by:



Philigona Ooko
Ag Director - AIRC

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON AGRICULTURAL INFORMATION RESOURCE CENTRE REVOLVING FUND FOR THE YEAR ENDED 30 JUNE, 2023 - STATE DEPARTMENT FOR CROP DEVELOPMENT

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 the 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, the Public Finance Management Act, 2012 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

Qualified Opinion

I have audited the accompanying financial statements of Agricultural Information Resource Centre Revolving Fund set out on pages 1 to 20, which comprise of the statement of financial position as at 30 June, 2023, and the statement of financial

performance, statement of changes in net assets, statement of cash flows and 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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Agricultural Information Resource Centre Revolving Fund as at 30 June, 2023, 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 the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Misstatement of Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment net book value totalling to Kshs.168,334 as disclosed in Note 13 to the financial statements. As previously reported, the balance excludes assets with total original cost of Kshs.38,347,572 which are fully depreciated but are still in use. However, the assets have not been revalued.

In the circumstances, the accuracy and completeness of property, plant and equipment totalling to Kshs.168,334 could not be confirmed.

2. Long Outstanding Current Liabilities

The statement of financial position reflects current liabilities totalling to Kshs.1,498,598, as further disclosed in Note 16 to the financial statements. Review of the supporting ledger revealed that the payables have been long outstanding with some dating back 2017/2018 financial year. However, the creditors have not laid claim on the outstanding amounts. The Management did not explain why these payables have remained unpaid for this long.

In the circumstances, the accuracy and existence of the accounts payable totalling to Kshs.1,498,598 could not be confirmed.

3. Long Outstanding Accounts Receivable Balances

The statement of financial position reflects receivables from exchange transactions totalling to Kshs.7,413,999 as disclosed in Note 11 to the financial statements. Review of the debtors ageing analysis revealed that these debtors have been long outstanding with some dating far back to the year 1993. Although a 5% provision for bad and doubtful debt has been made, the provision appears inadequate and has not been disclosed in the financial statements under significant accounting policies. Further, the debtor balances

were not supported with individual debtors' statements, copies of actual invoices and contract documents.

In the circumstances, the accuracy, completeness, and recoverability of receivables from exchange transactions totalling to Kshs.7,413,998 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Agricultural Information Resource Centre Revolving Fund 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 qualified 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

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects total budgeted income and actual on comparable basis of Kshs.36,304,708 and Kshs.24,800,707 respectively resulting to an under-funding of Kshs.11,504,001 or 32% of the budget. Similarly, the Fund spent Kshs.23,859,775 against an approved budget of Kshs.36,804,708 resulting to an under-expenditure of Kshs.12,944,933 or 35% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on delivery of goods and services to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Lack of Approved and Balanced Budget

The statement of comparison of budget and actual amounts reflects total budgeted income totalling to Kshs.36,304,708. The amount differs with the budgeted expenditure totalling to Kshs.36,804,708 resulting to a variance of Kshs.500,000. The budget was therefore not balanced. This is contrary to Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 requires the budget to be balanced. Further, the budget was not approved since there was no Board of Directors in office during the year under review.

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters 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 overall governance were not effective.

Basis for Conclusion

1. Failure to Appoint Members to the Board of Directors

During the year under review, the Fund operated without a dully appointed and functional Board of Directors.

In the circumstances, the internal controls, governance structure and risk management within the organization may therefore have been weak.

2. Internal Controls Weaknesses

An assessment of the Fund's internal control environment revealed that the Fund did not have an internal audit function to continuously monitor implementation of internal controls and no evidence was provided to confirm that internal audit activities were performed on the Fund. Further, during the year under review the Fund did not have a documented risk Management Policy and did not perform any risk assessments.

In addition, the Fund Management has not established a disaster recovery/business continuity plan.

In the circumstances, the Fund's internal controls were not effective.

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 effective 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 the Management and those Charged with Governance

The 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 controls as the 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 controls, risk management and governance.

In preparing the financial statements, the Management is responsible for assessing the Fund's ability to continue to sustain its 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 Fund or to cease operations.

The 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, the Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply 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 Fund'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 overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal controls 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 controls 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 controls.
- 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 Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the

financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain 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 to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 December, 2023

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14. Statement of Financial Performance for the year ended 30 June 2023

	Notes	2022-2023	2021-2022	2021-2022
			RE-STATED	AUDITED
		Kshs	Kshs	
Revenue from exchange transactions				
Rendering of services	3 a	8,487,227	43,855,740	43,855,740
Revenue from non-exchange transactions				
Transfer from other government Entities	3 b	16,313,480	10,000,000	10,000,000
Total revenue		24,800,707	53,855,740	53,855,740
Expenses				
Purchase of goods and services	4	1,966,962	2,575,395*	2,475,395
Daily Subsistence Allowance	5	14,540,650	38,894,500	38,894,500
Depreciation and amortization expense	6	168,333	168,317	168,317
General Provision for bad debts (5%)	11	390,210		
Repairs and maintenance	7	630,161	221,174	221,174
General Expenses	8	6,553,669	12,849,175	12,917,286
Board Allowances	9	0	-	-
Total expenses		24,249,985	54,713,298	54,676,672
Surplus for the year		550,722	-852,821	-820,932

***Prior year adjustments:**

* Being adjustments of purchase of goods and services that had been under -stated by Ksh. 100,000 for the FY 2021/2022 by recognizing Total production materials figure of Ksh. 2,475,395 instead of Ksh. 2,575,395.

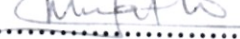
The Financial Statements set out on pages 1 to 21 were signed on behalf of the Fund by:

Dr. Paul K. Ronoh, PhD
Principal Secretary

Sign.....

Date.....15/11/23

CPA Mwanthi Justus Mwanza
Senior Accountant
ICPAK No. 14099

Sign.....

Date.....15/11/2023

Agricultural Information Resource Centre Revolving Fund
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15. Statement of Financial Position as at 30 June 2023

	Notes	2022-2023	2021-2022	2021-2022
			RE-STATED	AUDITED
		Kshs	Kshs	Kshs
Assets				
Current assets				
Cash and cash equivalents	10	860,184	373,118	923,285
Receivables from exchange transactions	11	7,413,999	7,804,209	7,804,209
Receivables from non-exchange transactions				
Inventories	12	1,722,199	1,100,000	1,100,000
		9,996,382	9,277,327	9,827,494
Non-current assets				
Property, plant and equipment	13	168,334	336,683	336,683
Total assets		10,164,716	9,614,010	10,164,177
Liabilities				
Current liabilities	16	1,498,598	1,498,598	1,498,598
Non-current liabilities				
Total liabilities		1,498,598	1,498,598	1,498,598
Net assets		8,666,118	8,115,412	8,665,579
Capital Fund		9,282,448	9,282,448	10,881,738
Accumulated surplus/deficit		(616,330)	(1,167,036)	(2,216,159)
Prior year adjustment				
Total net assets and liabilities		8,666,118	8,115,412	8,665,579

The Financial Statements set out on pages 1 to 21 were signed on behalf of the Fund by:

Dr. Paul K. Ronoh, PhD
Principal Secretary

CPA Mwanthi Justus Mwanza
Senior Accountant
ICPAK No. 14099

Sign.....

Sign.....

Date.....

Date.....

Agricultural Information Resource Centre Revolving Fund
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16. Statement of Changes in Net Assets for the year ended 30 June 2023

	Capital replacement development reserve	Accumulated Surplus	Total
At July 1, 2021	10,881,738.00*	-1,395,227.00	9,486,511.00
Depreciation reserve			0.00
Surplus /Deficit for the period		-852,821.00	-852,821.00
Transfers to/from accumulated surplus			0.00
At June 30, 2022	10,881,738.00	-2,248,048.00	8,633,690.00
At July 1, 2022	10,881,738.00	-2,248,048.00	8,633,690.00
Prior Year Adjustments	(1,599,290.00)*	1,080,996.00**	-518,294.00
Depreciation reserve			0.00
Surplus /Deficit for the period		550,721.55	550,721.55
Transfers to/from accumulated surplus			0.00
Depreciation reserve			0.00
Prior year adjustment		0.00	0.00
At June 30,2023	9,282,448.00	-616,330.45	8,666,117.55

***Prior year adjustments**

*The Capital replacement development reserve was adjusted to 9,282,448 from Kshs. 10,881,738 via JE 3 of Kshs 1,599,290 to correct the error of omission that occurred in the year 2021-22 when Kshs 10,881,738 was recognised instead of the Audited balance of Kshs 9,282,448

**Accumulated surplus was adjusted by Kshs 1,080,996 to correct a prior year error where revenue was understated by Kshs 2,913,338 being omitted invoice and general expenses understated by Kshs 1,846,217 resulting to an overall understatement of deficit by Kshs 1,067,123. The remaining Kshs 13,873 was as a result of an omitted expenditure on production materials used during the financial year ended June 30th 2021.

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17. Statement of Cash Flows for the year ended 30 June 2023

		2022-2023	2021-2022	2021-2022
			RESTATED	AUDITED
		Kshs	Kshs	Kshs
Cash flows from operating activities				
Receipts				
Rendering of services	3a	8,487,227	53,855,740	53,855,740
Transfer from other Government Entities (Exchequer)	3b	16,313,480		
Total Receipts		24,800,707	53,855,740	53,855,740
Payments				
Daily Subsistence Allowance	5	14,540,650	38,894,500	38,894,500
Purchase of Goods and services	4	1,966,962	3,066,503	2,475,395
General Expenses	8	6,553,669	12,849,175	12,917,286
Repair and Maintenance	7	630,161	221,174	221,174
Board Allowance	9	-	-	-
Total Payments		23,691,442	55,031,352	54,508,355
Cash flows from operating activities		1,109,265	(1,175,612)	(652,615)
Adjustments for Working Capital				
Decrease/ (Increase) in Stock	12	(622,199)	100,000	100,000
Decrease in debtors	11		1,577,750	1,577,750
Decrease in creditors	16		-406,069	-406,069
Total Adjustments		(622,199)	1,271,681	1,271,681
Net cash flow from Operating Activities		487,066	96,069	619,066
Cash flows from investing activities				
Purchase of Property, plant & equipment		-	-	-
Net cash flows used in investing activities		-	-	-
Cash flows from financing activities				
Government Grant (Exchequer)		-	-	(504,999)
Net cash flows used in financing activities		-		
Net increase/(decrease) in cash and cash equivalents		487,066	96,069	114,067
Cash and cash equivalents at 1 JULY 2022		373,118	277,049	809,219
Cash and cash equivalents at 30 June 2023		860,184	373,118	923,286

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18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2023

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	2022-2023	2022-2023	2022-2023	2022-2023	2022-2023	
Item	A	B	C=(a+b)	D	e=(c-d)	f=d/c*100
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%ge
Income from rendering of services	17,950,000	-	17,950,000	8,487,227	9,462,773	47.3
Other income(non-exchange transaction)	18,354,708	-	18,354,708	16,313,480	2,041,228	88.9
Total Income	36,304,708	0	36,304,708	24,800,707	11,504,001	68.3
Expenses						
Daily Subsistence Allowances	16,500,000	-	16,500,000	14,540,650	1,959,350	88.1
General expenses	6,536,375	-	6,536,375	6,553,669	-17,294	100.3
Purchase of goods and services	5,000,000	-	5,000,000	1,966,962	3,033,038	39.3
Repairs and maintenance	4,100,000	500,000	4,600,000	630,161	3,969,839	13.7
Depreciation and amortization	168,333	-	168,333	168,333	0	100.0
Board Expenses	4,000,000	-	4,000,000	0	4,000,000	0.0
Total Expenditure	36,304,708	0	36,804,708	23,859,775	12,944,933	64.8
Surplus for the period	0	0	-500,000	940,932	-1,440,932	-188.2

Notes:

1. Income from rendering services dropped due to low volumes of operations hence 47.3%
2. Exchequer issue dropped also due to Government Budget cuts hence 88.9%
3. There was no Board in place hence a zero expenditure on that line item
4. Daily Subsistence allowances dropped due to reduced outreach activities
5. General expenses, repairs and maintenance and purchases also went down due to low volumes of operations

**Agricultural Information Resource Centre Revolving Fund
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19. NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Agricultural Information Resource Centre Revolving Fund is established by legal notice no. 163 of June 25, 1993 and derives its authority and accountability from PFM Act 2012. The Entity is wholly owned by the Government of Kenya and is domiciled in Kenya. AIRC's principal activities include Agricultural Information and Knowledge Management. It is the main reference centre for agricultural information for farmers, extension providers and stakeholders in the Kenya and beyond.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated 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 the AIRC accounting policies.

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

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 June 2023.*

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.

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Standard	Effective date and impact:
IPSAS 42: Social Benefits	Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by the Entity. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	Applicable: 1st January 2023: a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued. d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	Applicable 1st January 2023 <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). • <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.

Standard	Effective date and impact:
IPSAS 43	Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held	Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the

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Standard	Effective date and impact:
for Sale and Discontinued Operations	lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year

4. Summary of significant Accounting Policies

a) Revenue recognition

i) Revenue from exchange transactions

Rendering of services

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to units of production and price per unit for conference, printing and hospitality revenue lines

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods 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.

ii) Revenue from Non-exchange transactions (Exchequer)

The entity recognizes such revenue from exchequer when the transaction is completed in Internet banking and the transfer has been effected into our commercial bank account.

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Notes to the Financial Statements (Continued)

b) Budget information

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the entity. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts

c) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other 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.

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.

d) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase costs
- ii) Finished goods and work in progress

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

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Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

e) Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

f) Provisions

Provisions are recognized when the Entity has 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.

Where the Entity expects 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.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imp rests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

h) Comparative figures

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Entity's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material

**Agricultural Information Resource Centre Revolving Fund
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For the year ended June 30, 2023**

adjustment to the carrying amount of the asset or liability affected in future periods. State all judgements, estimates and assumptions made:

a) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

b) Useful lives and residual value

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

The condition of the asset based on the assessment of experts employed by the Entity
The nature of the asset, its susceptibility and adaptability to changes in technology and processes
The nature of the processes in which the asset is deployed
Availability of funding to replace the asset
Changes in the market in relation to the asset

c) Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions follow the specific notes to the statements.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

An Ageing analysis on debtors /receivables revealed that some debtors relates back to more than 5 years. Therefore to avoid overstating the debtor's balances in the books a general provision for doubtful/bad debts of 5% on the debtors has been considered and approved and thus provided for in the financial statements.

d). Depreciation policies

The fund depreciates its fixed assets as follows:-

- ✓ Plant and machineries are depreciated on straight line basis at a rate of 10% per year
- ✓ Furniture and fitting are depreciated on a straight line at a rate of 12.5% per year
- ✓ Computers are depreciated on a straight line at a rate of 33.33% per year

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- ✓ Motor vehicles are depreciated on a straight line at a rate of 25% per year
- ✓ Intangible assets are amortized over a period of three years
- ✓ Assets bought in June or at the end of the financial are not depreciated

d) Related party disclosures

Agricultural Information Resource Centre Revolving Fund regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the centre, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Director and senior managers.

**Agricultural Information Resource Centre Revolving Fund
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Notes to the Financial Statements (Continued)

3 RENDERING OF SERVICES

Description	2022-2023	2021-2022
	KShs	KShs
Rendering of services (Revenue from Radio, Video ,desktop publishing and Training unit)	8,487,227	43,855,740
Total revenue from the rendering of services	8,487,227	43,855,740

Description	2022-2023	2021-2022
	KShs	KShs
Other Income- Non exchange revenue (Exchequer)	16,313,480	10,000,000
Total revenue from other income	16,313,480	10,000,000

Note:

The fund received an amount of kshs: 16,313,480 from state department of crop production & Agricultural research in the FY 2022/ 2023.

4 PURCHASE OF GOODS AND SERVICES

Description	2022-2023	2021-2022
	KShs	KShs
Production Materials Used	1,966,962	2,575,395
Total Production Materials Used	1,966,962	2,575,395

5 DAILY SUBSISTENCE ALLOWANCE

	2022-2023	2021-2022
	KShs	KShs
Daily Subsistence Allowance	14,540,650	38,894,500
Total Daily Subsistence Allowance	14,540,650	38,894,500

**Agricultural Information Resource Centre Revolving Fund
Annual Reports and Financial Statements
For the year ended June 30, 2023**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 DEPRECIATION AND AMORTIZATION EXPENSE

Description	2022-2023	2021-2022
	KShs	KShs
Property, plant and equipment	168,333	168,317
Total depreciation and amortization	168,333	168,317

7. REPAIRS AND MAINTENANCE

Description	2022-2023	2021-2022
	KShs	KShs
Maintenances of station	95,400.00	0
Maintenances of Plant and Equipment	0.00	45,800.00
Maintenances of Motor Vehicles	534,761.00	175,374.00
Total repairs and maintenance	630,161.00	221,174.00

8. GENERAL EXPENSES

Description	2022-2023	2021-2022	2021-2022
	KShs	Re-stated (Kshs)	KShs
Seminars and conference	873,300	10,631,520	10,631,520
Refined Fuel & Lubricant	649,261	17,000	17,000
Advertising & publicity (Publishing & Printing)	726,770	0	0
Contracted Services (Security Guards)	0	0	0
Bank Charges	108,355	115,681	115,681
GOS -Stationary Expenses	732,920	1,301,899	1,301,899
Internet connection	1,914,519	586,177*	654,288
Contracted Professional services	0	0	0
Sanitary and cleaning	391,022	43,300	43,300
Gas	124,102	110,548	110,548
Electricity expenses	576,050		
Videography expenses	192,224		
Maintenance of plants	45,110		
Water and Sewerage Services	138,000	43,050	43,050
Courier and Postage Services	0	0	0
Telephone	28,536	0	0
Hospitality Costs	0	0	0
Computer repairs	53,500	0	0
Total general expenses	6,553,669	12,849,175	12,917,286

* Being adjustments of Internet Connection by Ksh. 68,111, in which VAT component of Kshs 7,569 was wrongly captured as 75,680.

Agricultural Information Resource Centre Revolving Fund
Annual Reports and Financial Statements
For the year ended June 30, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9 BOARD EXPENSES

Description	2022-2023	2021-2022
	KShs	KShs
Sitting Allowances & Honoraria	0	-
Conferences & Training	0	0
Total Board Allowance	0	0

10 CASH AND CASH EQUIVALENTS

Description	2022-2023	2021-2022 RE-STATED	2021-2022
	KShs	KShs	KShs
Current account	860,184.00	373,118.00*	923,285.00
Cash at Hand			
Total cash and cash equivalents	860,184.00	373,118.00	923,285.00

* The closing figure of cash & cash equivalents was adjusted by Kshs 532,167 to Ksh 277,049 as at 1st July 2021 to correct the prior year error of omission that overstated the cash & Cash equivalents by recognizing the bank statement balance instead of cashbook balance thus the opening balance of Ksh.373 118.90 as at 1st July 2022.

*Cash and Cash Equivalent was also adjusted by Kshs 18,000 to correct an overstatement that occurred as a result of recognition of Kshs 120,000 instead of 102,000.

11 RECEIVABLES FROM EXCHANGE TRANSACTIONS

	2022-2023	2021-2022
	KShs	KShs
		RE-STATE
Current receivables		
Other exchange debtors	7,804,209.00	7,804,209.00
General Provision for Bad Debts (5%)	(390,210.00)	
Total current receivables	7,413,998.00	7,804,209.00

NB: To avoid overstating the debtor's balances in the books a general provision for doubtful/bad debts of 5% on the debtors has been considered and approved and thus provided for in the financial statements.

b) Ageing analysis for Receivables from exchange transactions

Description	FY 2022/23		FY 2021/222	
	Kshs		Kshs	
	2022/2023	% of the total	2021/2022	% of the total
Less than 1 year	Nil		Nil	Nil
Between 1- 2 years	552,990	7.09	754,590	9.67
Between 2-3 years	201,600	2.58	4,056,940	51.98
Over 3 years	7,049,619	90.33	2,992,679	38.35
Total	7,804,209	100	7,804,209	100

Agricultural Information Resource Centre Revolving Fund
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12 INVENTORIES

Description	2022-2023	2021-2022
	KShs	KShs
Goods held for resale	1,722,199.00	1,100,000.00
Total inventories at the lower of cost and net realizable value	1,722,199.00	1,100,000.00

13 PROPERTY, PLANT AND EQUIPMENT

	Motor vehicles	Furniture & Fittings	Computers	Plant and Machinery	TOTAL
	Kshs	Kshs	Kshs	Kshs	Kshs
	15%	10%	30%	15%	
Cost	5yrs	8yrs	3yrs	8yrs	
At 1st July 2021	4,000,000	1,964,460	19,442,287	12,940,852	38,347,599
Additions	-	-	505,000	-	505,000
Disposals	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-
Cost As at 30th June 2022	4,000,000	1,964,460	19,947,287	12,940,852	38,852,599
At 1st July 2022	4,000,000	1,964,460	19,947,287	12,940,852	38,852,599
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-
Cost As at 30th June 2023	4,000,000	1,964,460	19,947,287	12,940,852	38,852,599
Depreciation & Impairment					
At 1st July 2021	4,000,000	1,964,460	19,442,287	12,940,852	38,347,599
Depreciation for the year	-	-	168,333	-	168,333
Disposals	-	-	-	-	-
Adjustments	-	-	-	-	-
As at 30th June 2022	4,000,000	1,964,460	19,610,620	12,940,852	38,515,932
At 1st July 2022	4,000,000	1,964,460	19,610,620	12,940,852	38,515,932
Depreciation for the year	-	-	168,333	-	168,333
Disposals	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-
Accumulated Dprn As at 30th June 2023	4,000,000	1,964,460	19,778,953	12,940,852	38,684,265
Net Book Values					
NBV As At 30/06/2022	-	-	336,667	-	336,667
NBV As At 30/06/2023	-	-	168,334	-	168,334

NB: Most of the assets have been fully Depreciated except additional computers whose cost is Ksh.505,000.

**Agricultural Information Resource Centre Revolving Fund
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For the year ended June 30, 2023**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 CASH GENERATED FROM OPERATIONS

	2022-2023	2021-2022
	Kshs	Kshs
Surplus/Deficit for the year before tax	550,722	(857,558)
Adjusted for:	0	0
Depreciation	168,333	168,317
Add Non Cash Provisions	390,210	(486,371)
Add Changes in working Capital	(622,199)	1,271,681
Net cash flow from operating activities	487,066	96,069

15 CAPITAL FUND

	2022-2023	2021-2022
	Kshs	Kshs
Capital replacement development reserve	9,282,448	9,282,448
Adjusted for:		
Surplus/Deficit for the year	-616,330	-857,558
Prior year adjustments	0	
	8,666,118	8,424,890

16. CURRENT LIABILITIES

	2022-2023	2021-2022
	KShs	KShs
Creditors	1,498,598	1,498,598
Total creditors	1,498,598	1,498,598

Agricultural Information Resource Centre Revolving Fund
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17. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the *Entity* include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

The main related parties include:

- i) The Parent Ministry – State Department for Crop Development
- ii) Key management.
- iii) Board of directors.

Description	FY 2022-23	FY 2021-22
	Kshs	Kshs
Transactions with related parties		
a) Sales to related parties		
Sales of goods & Services to government agencies	00	00
Total	00	00
B) purchases from related parties		
purchase of goods & Services to government agencies	00	00
Total	00	00
b) Grants /transfers from the government		
Transfer from State Department	10,000,000	10,000,000
Total	10,000,000	10,000,000
c) Key management compensation		
Directors' emoluments	00	00
Compensation to key management	00	00
Total	00	00

18. Events after the Reporting Period

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

19. Ultimate And Holding Entity

The Entity is a Semi- Autonomous Government Agency under the state department for crop development. Its ultimate parent is the Government of Kenya.

20. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

Agricultural Information Resource Centre Revolving Fund
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For the year ended June 30, 2023

20. Appendices

Appendix 1: Implementation Status of Auditor-General's Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. Fy 2021/22	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
1	Inaccuracies in the Financial Statements Amounts and Balances	The management accepted there were inaccuracies and corrected via Journals 1 to 3 and restating of the figures done	Resolved	Resolved in the Current Financial Statements.
2	Understatement of Property Plant and Equipment Balance	The management accepted there was understatement of PPE, however most assets are fully depreciated hence revaluation is needed	Awaiting Board to Approve Revaluation	Once Board is Appointed (Approx 1 year)
3	Inaccurate Cash and Cash Equivalents Balance	The management accepted there was inaccuracy and corrected via Journals 4 and restating of the figures done	Resolved	Resolved in the Current Financial Statements.
4	Unsupported Receivables from Exchange Transactions Balance	It was true Receivables from Exchange Transactions Balances weren't supported however schedules were provided for the same (Annex 4B)	Resolved	Resolved in FY 2022-23
5	Long Outstanding Current Liabilities	True, there existed Long Outstanding Current Liabilities, we managed to pay one creditor as funds become available.	Resolved	Resolved in FY 2022-23
6	Unsupported Employee Costs	The Ksh 36,762,800 related to payments made to facilitators and trainees involved in generating baseline data for livestock master plan development at ward level - schedules were provided for the same (Annexes 5A & 5B)	Resolved	Resolved

**Agricultural Information Resource Centre Revolving Fund
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Reference No. Fy 2021/22	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
7	Lack of Approved and Balanced Budget	The budget had been prepared through the normal government budget making process together with the overall budget for the State Department. (Annex 6A)	Resolved	Resolved
8	Non-Adherence to the Provisions of the Public Procurement Regulations	There was a Procurement Plan (Annex 7) though it wasn't approved by the Accounting Officer as required by Section 40 (4) of the Public Procurement and Asset Disposal Regulations, 2020.	Resolved	Resolved
9	Failure to Appoint Members to the Board of Directors	The fund does not have a duly appointed board. However, the process of constituting the board is on-going.	Not Resolved	Awaiting C.S appointments
10	Internal Controls Weaknesses	The fund is using the internal audit function for the State Department. The risk management policy and disaster recovery/ business continuity plan preparation is at stakeholder engagement phase	Not Resolved	Awaiting stakeholder engagement completion

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Entity responsible for implementation of each issue;
- (iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.

.....
R. K. S.

Director - AIRC

Date.....15/11/2023.....

**Agricultural Information Resource Centre Revolving Fund
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21. Annexes

- Annex 1** Certificate of Balance
- Annex 2** Board of Survey
- Annex 3.** Journal Entry 1- Prior year Adjustment
- Annex 4.** Journal Entry 2- Prior year Adjustment
- Annex 5.** Journal Entry 3- Prior year Adjustment
- Annex 6.** Journal Entry 4- Prior year Adjustment
- Annex 7.** Journal Entry 5- Prior year Adjustment

KCB Bank Kenya Limited,
Sarit Centre Branch
P.O. Box 14959-00800
Nairobi, Kenya.
Tel: 3747576/7

1218 CA 41 BRANCHES
CERTIFICATE OF BALANCE

KCB Bank Limited
(Incorporated in Kenya)

CERT2327000030

KCB SARIT CENTRE
.....

27 SEP 2023
.....

Certified that the balance at the CREDIT of DIRECTOR
AGRICULTURAL INFORMATION C

.....

A/C 1106971817
.....

at the close of business on 30 JUN 2023 Was KES

.....

ONE MILLION NINE HUNDRED AND SIXTY EIGHT CENTS FIFTEEN

.....

KES 1,000,968.15
.....

Examined by

.....
Ass. Manager Service Quality & Compliance

FOR KCB BANK KENYA LTD.
Manager SOC
SARIT CENTRE, NAIROBI

REPUBLIC OF KENYA

Date 3/07/2023

Report of the Board of Survey on the Cash and Bank Balances of **AGRICULTURE INFORMATION RESOURCE CENTRE (AIRC) A/C – 1106971817 KCB - SARIT CENTRE** as at the close of

business on 30/06/2023

The Board, consisting of- (Names and Official titles)

CHARLES LUSWETI - **CHAIRPERSON**

EILEEN BUREZA - **MEMBER**

ELIUD CHIRCHIR - **MEMBER**

Assembled at the office of **AIRC ACCOUNTS OFFICE**

at 12.05 P.M. (time) on the 3rd JULY, 2023

Notes	(Shs.	<u>NIL</u>
Silver	Shs.	<u>NIL</u>
copper	Shs.	<u>NIL</u>
Cheques (as per details on reverse)	Shs.	<u>NIL</u>

It was observed that cheques amounting to Shs. NIL cts NIL

had been on hand for more than 14 days prior to the date of the survey.

The cash consists of East African currency and does not contain any demonetized coin or notes

The Cash Book reflected the following balances as at the close of business on the 30TH JUNE 2023

Cash on hand	<u>NIL</u>	(Shs.	<u>NIL</u>
Bank balance		Shs.	<u>860,184.00</u>

The Bank Certificate of Balance showed a sum of Shs. 1,000,968.15
 cts (shs. cts

Standing to the credit of the account on 30-06-2023

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation Statement (F.O. 30) attached.

CHAIRPERSON

Charles Lusweti
Eileen Bureza
ELIUD CHIRCHIR

Date: 3/07/2023

Members of the Board

AGRICULTURAL INFORMATION RESOURCE CENTRE REVOLVING FUND

Bank Reconciliation for the Period ending 30th June 2023

	Balance as per the Bank Statement.		1,000,968.15	
<i>Less:</i>	1. Payments in Cash Book not in Bank Statement- Unpresented Cheques			
	<i>Chq No</i>		<i>Amount</i>	
	7348		25,450.00	
	7350		70,000.00	
	7351		9,000.00	
	7352		8,000.00	
	7353		32,689.00	
	7354		25,000.00	
	7355		25,000.00	
	7356		54,000.00	
			249,139.00	249,139.00
		2. Receipts in Bank not in Cash Book		
			-	
<i>Add:</i>	3. Payments in Bank not in Cash Book (Bank Charges)			
			108,355.00	
	4. Receipts in Cash Book not in Bank statement			
			-	
	Balance as per the CashBook.		860,184.15	

Prepared By : Justus Mwanthi Date :10/11/2023

Signature:


REPUBLIC OF KENYA

JOURNAL VOUCHER

Copy to **PRINCIPAL SECRETARY SDCD**

Details of Transaction

Being adjustment of overstated amount on internet connection for FY 2021/22 (to reduce the General expenses figure by ksh. 68,111) and recognize VAT figure which had been captured wrongly as 7,569 instead of Ksh. 75,680

ORIGINATED BY		APPROVED BY	
	S.A		
Signature	Designation	Signature	Designation
Date: 10/11/23		Date:	

DEBIT ENTRY

Vote	Head/Subhead	Various	Item	Various	AMOUNT	
Account No.	Vch. No.	Station	Date		Shs.	cts
Suspense Account					68,111	00

CREDIT ENTRY

Vote	Head/Subhead	Item	AMOUNT			
Account No.	Vch. No.	Station	Date	Shs.	cts	
Internet connection				68,111	00	

GPK


F.O 25

REPUBLIC OF KENYA

JOURNAL VOUCHER

Copy to **PRINCIPAL SECRETARY SDCD**Details of Transaction

Being adjustments of purchase of goods and services that had been under -stated in the Statement of financial performance for FY 2021/2022 by recognizing Total production materials figure of Ksh.2,475,395 instead of Total production materials figure of Ksh.2,575,395.

ORIGINATED BY		AUTHORISED BY	
 Signature	S.Acc Date 10/11/23 Designation	 Signature	 Date Designation

DEBIT ENTRY

Vote	Head/Subhead Various			Item Various	
Account No.	Vch. No.	Station	Date	AMOUNT	
				Shs.	cts
Purchase of goods and services				100,000	00

CREDIT ENTRY

Vote	Head/Subhead			Item	
Account No.	Vch. No.	Station	Date	AMOUNT	
				Shs.	cts
Suspense Account				100,000	00

GPK

F.O 25


ANNEX 6...JE -3

REPUBLIC OF KENYA

JOURNAL VOUCHER

Copy to **PRINCIPAL SECRETARY SDCD****Details of Transaction**

Being adjustments of capital fund amounts for FY 2021-2022, caused by wrong brought forward figure of Ksh. 10,881,738 for 1st July 2020, Instead of Ksh.9, 282,448 resulting to a variance of Ksh. 1,599,290

ORIGINATED BY		AUTHORISED BY	
	S.A		
Signature	Designation	Signature	Designation
Date: 19/1/23		Date:	

DEBIT ENTRY

Vote	Head/Subhead	Various	Item	Various	AMOUNT	
Account No.	Vch. No.	Station	Date		Shs.	cts
Capital fund Account					1,599,290	00

CREDIT ENTRY

Vote	Head/Subhead	Item	AMOUNT			
Account No.	Vch. No.	Station	Date	Shs.	cts	
Suspense Account				1,599,290	00	

GPK


ANNEX 6...JE -4

REPUBLIC OF KENYA

JOURNAL RECEIPT

Copy to **PRINCIPAL SECRETARY SDCD****Details of Transaction**

Being adjustment on cash and cash equivalent balance from Ksh 809,219 to 277,052 for FY 2020/2021 to recognize the correct Cash Book balance from previously recorded bank statement balance.

ORIGINATED BY		AUTHORISED BY	
			
Signature	Date	Signature	Designation
	18/11/23		S.A
			Designation
			Date

DEBIT ENTRY

Vote	Head/Subhead			Item	
Account No.	Vch. No.	Station	Date	AMOUNT	
				Shs.	cts
Suspense Account				532,167	00

CREDIT ENTRY

Vote	Head/Subhead			Item	
Account No.	Vch. No.	Station	Date	AMOUNT	
				Shs.	cts
Bank Account (Cash book)				532,167	00

GPK

