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|  THE NATIONAL ASSEMBLY PAPERS L A I D | |
| DATE: 04 MAY 2023 | |
| DAY Thursday Wednesday | |
| TABLED BY: | Hon. Kimani Ichung'uah (Leader of the Majority Party) |
| CLERK-AT THE-TABLE: | Joyce Kemeelle |

THE AUDITOR-GENERAL

ON

**REVITALISING IRISH POTATO PRODUCTION
FOR COVID-19 AFFECTED SMALL - SCALE
PRODUCERS PROJECT (IFAD GRANTS
NO. 2000003589 AND 200000396600)**

**FOR THE FOURTEEN (14) MONTHS PERIOD
ENDED 28 FEBRUARY, 2023**

AGRICULTURE AND FOOD AUTHORITY



**REVITALIZING IRISH POTATO PRODUCTION FOR COVID-19 AFFECTED SMALL
SCALE PRODUCERS
AGRICULTURE AND FOOD AUTHORITY**

PROJECT GRANT NUMBER: 2000003589 and 200000396600

FOURTEEN MONTHS REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

FEBRUARY 28, 2023

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

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19
Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28,
2023.**

Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers

Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.

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1. PROJECT INFORMATION AND OVERALL PERFORMANCE

1.1 Name and registered office

Name

The project's official name is **Revitalizing Irish Potato Production for COVID-19 affected Small-Scale Producers**

Registered Office

Agriculture and Food Authority
P.O. Box 37962-00100
Tea House, Naivasha Road
Nairobi, Kenya

Objective of the Project

The key objective of the project was to support rural small-scale Irish potato farmers to mitigate the negative COVID-19 impacts on production and access to markets.

Address

(a) Entity Headquarters

Agriculture and Food Authority
P.O. Box 37962-00100
Tea House, Naivasha Road
Nairobi, Kenya

(b) Entity Contacts

Agriculture and Food Authority Contacts
P.O. Box 37962-00100
Telephone: (254) 722200556/
E-mail: info@afa.go.ke
Website: www.afa.go.ke

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Project information and overall performance (continued)

1.2 Project Information

| | |
|----------------------------|---|
| Project Start Date: | The project start date is 25th June 2021 |
| Project End Date: | The project end date is 31 st December 2022 |
| Project Manager: | The project manager is Mr. Patrick M. Kirimi |
| Project Sponsor: | International Fund for Agricultural Development and GoK |

1.3 Project Overview

| | |
|--|--|
| Line Ministry/State Department of the project | The project is under the supervision of the Ministry of Agriculture and Livestock Development-State Department for Crop Development |
| Project number | Grant No. 2000003589 and 200000396600 |
| Strategic goals of the project | The strategic goals of the project are as follows: The project development objective was to support rural small-scale Irish potato farmers to mitigate the negative COVID-19 impacts on production and access to markets. |
| Achievement of strategic goals | The project management aims to achieve the goals through the following means: (i) Access to farm inputs: due to restriction of movement of transporters and people, the cost of inputs has increased, becoming unaffordable for many rural poor Irish potato farmers. Without access to high-yielding/certified seeds, a critical input for Irish potato production, farmers risk significant loss of yields. (ii) Extension service delivery: To revamp extension service delivery which was disrupted by restricted movement and the maintenance of social distance, this negatively affected crop productivity. (iii) Market access: the closure of many retail markets and eateries |

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| | |
|---|---|
| | <p>(businesses and schools) reduced market size for Irish potatoes. This resulted in reduced incomes to various actors in the supply and value chain, particularly small-scale producers</p> |
| Other important background information of the project | <p>The project, in addressing the effects of COVID-19, the Government and IFAD provided funds for input support through an e-voucher scheme and in this regard, Irish potato is one of the prioritized staple crops, under the COVID-19 responsive interventions</p> |
| Current situation that the project was formed to intervene | <p>The project was formed to intervene in the following areas:</p> <ul style="list-style-type: none"> (i) Access to farm inputs: due to restriction of movement of transporters and people, the cost of inputs has increased, becoming unaffordable for many rural poor Irish potato farmers. Without access to high-yielding/certified seeds, a critical input for Irish potato production, farmers risk significant loss of yields. (ii) Extension service delivery: To revamp extension service delivery which was disrupted by restricted movement and the maintenance of social distance, this negatively affected crop productivity. (iii) Market access: the closure of many retail markets and eateries (businesses and schools) reduced market size for Irish potatoes. This resulted in reduced incomes to various actors in the supply and value chain, particularly small-scale producers. |
| Project duration | <p>The project started on 25th June 2021 and was to end on 31st December 2022.</p> |

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Project Information and Overall Performance (Continued)

1.4 Bankers

The following are the bankers for the current year:

Absa Bank

Absa Bank Kenya PLC Westlands

P.O. Box 30120

GPO 00100

NAIROBI, KENYA

1.5 Auditors

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100


Nairobi, Kenya

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1.6 Roles and Responsibilities

During the period ended 28th February 2023, the following was the team who oversaw operations of the project. It includes the project manager and all the key stakeholders who were involved with the project, their role, their positions, and their contact information.

| Names | Title designation | Key qualification | Responsibilities |
|--|--|---|--|
| <p>Beatrice Nyamwamu</p>  <p>Tel No 0722844529</p> | <p>Acting Director General</p> | <ul style="list-style-type: none"> • Master of Science in Agricultural Resource Management (U.O.N) • Bachelor of Science in Agriculture (U.O.N) • Strategic Leadership Development Programme (KSG) • Vast knowledge and experience in Public Policy and Agriculture legislation • Currently a PhD student in Food Safety (JKUAT) | <p>Responsible for the strategic direction and the day-to-day management of the Project. The Acting Director General is in charge of the exercise, discharge and performance of its objectives, functions and duties, and the general administration of the Project.</p> |
| <p>Milton Munialo</p> | <p>Director- Food Directorate</p> | <ul style="list-style-type: none"> • Master of Science in Agricultural and Rural Development (Agronomy Option) • Bachelor of Science in Horticulture • Diploma in Forestry Strategic Leadership Course by Kenya Sch of Government • Senior Management Course by KSG • Computer Literacy | <p>Responsible for administration of the Crops Act in relation to Food Crops and to promote best practices in, and regulate the production, processing, marketing, grading, storage, collection, transportation and warehousing of the same</p> |


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| | | | |
|--|--------------------------------|---|--|
| <p>Mr. Patrick M. Kirimi</p>  <p>Tel No 0725346974</p> | <p>Project Co-ordinator</p> | <ul style="list-style-type: none"> • Master of Science in Agricultural Information and Communication Management (U.O.N) • BSC in Agriculture (U.O.N) • Strategic Leadership Development Programme (KSG) | <p>The project Co-ordinator will be responsible for the day to day management and coordination of the implementation of project activities</p> |
| <p>Elizabeth Marubu</p>  <p>Tel No 0722715247</p> | <p>Project Accountant</p> | <ul style="list-style-type: none"> • Bachelor of Commerce, Accounting (MKU) • Diploma in Purchasing & Supply Management (ICM) • Certified Public Accountant of Kenya, CPA(K) • Membership: Institute of Certified Public Accountants of Kenya, (ICPAK) • Currently a Master a student in Finance (JKUAT) | <p>Responsible for Financial Accounting, Financial Management and Financial Reporting</p> |
| <p>Andrew M. O. Osodo</p>  <p>Tel No 0722446447</p> | <p>Director-Legal Services</p> | <ul style="list-style-type: none"> • Master of Business Administration (MU), • Bachelor of Laws (UoN), • Post Graduate Diploma in Law (KSL) • Member of ICPSK and advocate of the High Court | <p>Responsible for Board's Secretariat and Legal Services</p> |

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| | | | |
|---|---|---|--|
| <p>Isaac C. Meto</p>  <p>Tel No 0722446447</p> | <p>Director -Internal Audit</p> | <ul style="list-style-type: none"> • Executive Master of Business Administration, • Bachelor of Commerce (Accounting). • Member of Institute of Internal Auditors. | <p>Responsible for assuring Management and the Board that internal control systems are in place and working and that the risk management framework is working in light of management awareness of risks and mitigation measures thereof.</p> |
| <p>Mary Mkamburi</p>  <p>Tel No 0722894308</p> | <p>Acting Deputy Director –Supply Chain</p> | <ul style="list-style-type: none"> • Master of Science in Procurement and Logistics (JKUAT) • Bachelor of Purchasing and Supplies Management (JKUAT) • Post Graduate Diploma in Purchasing and Supplies Management (KIM) • Post Graduate Diploma in Procurement and Supply(CIPS) • Licensed Practitioner- Kenya Institute of Supplies Management • Member, Kenya Institute of Supplies Management (KISM) • Member, Chartered Institute of Procurement and Supplies | <p>Responsible for Supply Chain and Procurement and Disposal of unserviceable assets of the Authority</p> |

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1.7 Funding Summary

The Project is for duration of Fourteen months from 1st January 2022 to 28th February 2023 with an approved budget of US\$ 1,943,968 equivalent to Kshs 243.307 million as highlighted in the table below:

Below is the funding summary:

A. Source of Funds

| Source of funds | Donor Commitment- | | Amount received to date – (February 2023) | | Undrawn balance to date | |
|---|-------------------|----------------|--|----------------|-----------------------------------|---------------|
| | Donor currency | KShs 000' | Donor currency KShs 000' | KShs 000' | Donor currency KShs 000' | KShs 000' |
| | (A) | (A') | (B) | (B') | (A)-(B) | (A)-(B) |
| (i) Grant | | | | | | |
| International Fund for Agricultural Development | 1,943,895 | 230,802 | 1,943,895 | 230,802 | - | - |
| | | | | | | |
| (ii) Counterpart funds | | | | | | |
| Government of Kenya | 174,930 | 20,769 | 105,325 | 12,505 | - | 26,897 |
| Total | 2,118,825 | 251,571 | 2,049,220 | 243,307 | - | 26,897 |

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B. Application of Funds

The funds received were utilized as summarized below as at 28th February 2023

| Application of funds | Amount received to date – (February 2023) | | Cumulative Amount paid to date – February 2023) | Unutilized balance to date (February 2023) | |
|---|--|------------------|--|--|------------------|
| | <i>Donor currency</i> | <i>Kshs 000'</i> | <i>Kshs 000'</i> | <i>Donor currency</i> | <i>Kshs 000'</i> |
| | <i>(A)</i> | <i>(A')</i> | <i>(B')</i> | <i>(A)-(B)</i> | <i>(A')-(B')</i> |
| (i) Grant | | | | | |
| International Fund for Agricultural Development | 1,943,895 | 230,802 | 230,802 | - | - |
| | | | | | |
| | | | | | |
| (i) Counterpart funds | | | | | |
| Government of Kenya | 174,930 | 12,505 | 11,297 | - | 1,208 |
| Total | 2,118,825 | 243,307 | 242,099 | - | 1,208 |

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Project information and overall performance (continued)

1.8 Summary of Overall Project Performance:

i) Budget performance against actual amounts for current year and for cumulative to-date,

The approved budget from the supplementary printed estimates for the Irish Potato Revitalization Project was Kshs 270.2 million being 127 million for phase 1 and Kshs 143 million for phase 2. The signed agreement with the donor was USD 1,943,968. The total amount received by the Authority in the period was Kshs 243.307 million, Kshs 230.8 million being donor funds and Kshs 12.5 million being the Government of Kenya counterpart funding which relates to 100% of the fund expected to be received from the donor and 32% of the Government of Kenya counterpart funding . The actual expenditure was 242.099 million which reflects 99.6% utilization of the total funds received and relates to ten months for the period ending 28 February 2023. Unutilized funds as at the end of the period was Ksh 1.2 million

ii) Physical progress based on outputs, outcomes, and impacts since project commencement

A total of 24,531 beneficiaries across the three counties were reached, comprising of 8,148 direct beneficiaries and 16,186 indirect beneficiaries. Direct beneficiaries were farmers who received farm inputs in form of seed, fertilizer and agro-chemicals. The agro-chemicals were issued in three categories namely; pesticides, fungicides and herbicides as per the farmer's choice. Farmers who received 8 bags of subsidized certified Irish potato seed were 5347. A total of 5124 farmers who received seed also received 2 bags of subsidized fertilizer to utilize for planting or top dressing as per their choice. In addition, 4162 farmers received the subsidized agrochemicals.

Following the scarcity of seed and expiry of project period, the PMT sought a no objection from IFAD to issue free fertilizer to farmers, which was granted. 3074 farmers received free fertilizers each getting 4 bags after signing a MOUs with the

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county government committing that they were to purchase certified Irish potato seed for planting and utilize the fertilizer given for free.

Indirect beneficiaries consisted of the household members attached to the direct beneficiaries described above. They also included the seed suppliers, agro dealers and their employees totaling to 24,531.

The potato production by the project beneficiaries ranged from 80 to 150 bags of 50Kgs across the three counties. The normal production of half an acre in the absence of the certified seeds ranged from 40 to 60 bags of 50 Kgs which was only about 43.5% of the production from project farmers.

Summary of Project Beneficiaries

| ELGEYO MARAKET COUNTY | DELIVERED SEED | A VOUCHER REDEEMED | C VOUCHER REDEEMED | F VOUCHER REDEEMED |
|--------------------------------------|---------------------------|-------------------------------|-------------------------------|---|
| | SEED | FERTILIZER | CHEMICAL | FREE FERTILIZER & CHEMICAL |
| CHEPKORIO | 172 | 147 | 97 | 98 |
| KABIEMIT | 182 | 166 | 85 | 76 |
| KAPCHEMUTWA | 110 | 82 | 76 | 92 |
| KAPTARAKWA | 227 | 251 | 191 | 82 |
| LELAN | 386 | 327 | 233 | 456 |
| OTHERS | 89 | 70 | 56 | 66 |
| TOTALS | 1166 | 1043 | 289 | 870 |
| MERU COUNTY | | | | |
| | DELIVERED SEED | A VOUCHER REDEEMED | C VOUCHER REDEEMED | F VOUCHER REDEEMED |
| KIIRUA/NAARI | 415 | 243 | 214 | 225 |
| TIMAU | 259 | 146 | 132 | 477 |
| KISIMA | 82 | 68 | 59 | 170 |
| NKUENE | 164 | 205 | 133 | 153 |
| ABOTHUGUCHI | 367 | 277 | 224 | 650 |
| KIBIRICHIA | 683 | 539 | 476 | 494 |
| OTHER | 19 | 13 | 11 | 31 |
| TOTAL | 1989 | 1491 | 1249 | 2200 |
| NYANDARUA COUNTY | | | | |
| | DELIVERED SEED | A VOUCHER REDEEMED | C VOUCHER REDEEMED | F VOUCHER REDEEMED |
| KANJUURI | 131 | 146 | 121 | nil |

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| | | | | |
|-------------------------|-------------------|-----------------------|-----------------------|-----------------------|
| KINANGOP | 311 | 339 | 283 | nil |
| CHARAGITA | 150 | 129 | 99 | nil |
| MIRANGINE | 706 | 1201 | 1055 | nil |
| ENGINEER | 469 | 474 | 398 | nil |
| GATHARA | 216 | 245 | 157 | nil |
| OTHER | 14 | 49 | 47 | nil |
| TOTAL | 1997 | 2583 | 2160 | 0 |
| ALL COUNTIES SUMMERY | DELIVERED SEED | A VOUCHER REDEEMED | C VOUCHER REDEEMED | F VOUCHER REDEEMED |
| ELGEYO MARAKWET | 1166 | 1043 | 289 | 870 |
| MERU | 1989 | 1491 | 1249 | 2200 |
| NYANDARUA | 1997 | 2583 | 2160 | 0 |
| TOTALS | 5152 | 5117 | 3698 | 3070 |

iii) Comment on value-for-money achievements

Farmers were trained on good agricultural practices on how to use Certified seeds, subsidized fertilizers and chemicals hence improving their productivity.

Livelihood for farmers was improved at household level where farmers reported increased household disposable income that enabled them to purchase other foodstuff to complement the routine potatoes delicacy. Farmers were able to pay for their bills from the proceeds i.e. School fees, the project also enhanced food security as a result of food production.

iv) Indicate the absorption rate for the period since the commencement of the project.

The total amount received by the Authority in the period was Kshs 243.307 million, Kshs 230.8 million being donor funds and Kshs 12.5 million being the Government of Kenya counterpart funding which relates to 100% of the fund expected to be received from the donor and 32% of the Government of Kenya counterpart funding . The actual expenditure in the period was 242.099 million, this being 99.6% utilization of the total funds received and relates to ten months for the period ending 28 February 2023. Unutilized funds as at the end of the period was Ksh 1.2 million

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v) **List the implementation challenges and recommended way forward**

| Problems Encountered | Strategies of overcoming | Future Interventions |
|---|---|--|
| Lack of training from the donor on the project reporting templates, financial guidelines and other guidelines | Learning during project implementation | Prior training of the PMT before the project commencement |
| Rising inflation and interest rates mainly due to Ukraine war among others: Affected the prices of the inputs | Price variations of items to be procured to accommodate the changes | Factor in contingencies at budgeting level |
| E-voucher system was not integrated with Short Message Service (SMS) system to facilitate communication to farmers and input suppliers. | Procurement of an SMS platform was done to facilitate communication | Test the SMS system to assess its functionality |
| Unpredictable weather conditions | Delayed supply of the inputs waiting the rainfall seasons | Regularly consult/check weather forecasting platforms/services for guidance. |
| Delays in approvals and disbursement of funds | Inclusion of the project funds in the supplementary budgets | Ensuring the project funds were factored in the government plans/budgets |
| Inadequate supply of certified seeds | Price Variation | Undertake prior market research and forecast. Source the seeds from multiple suppliers |
| Absence of project independent operational and approvals systems | Utilized AFA internal procedures | Agree on an independent project operational and approvals systems |
| Lack of adequate dedicated project staff. Project staff on part time basis slowed down the project operations | Part time project staff | Have in place a dedicated project management team |
| Inadequate infrastructure to support the project operations e.g. ICT equipment, vehicles office space and furniture | PMT utilized AFA infrastructure which limited effective operations of the project | The project to provide infrastructure |
| Lack of specified quantities for an agro- dealers to supply for a specified period | Used the vouchers for beneficiaries as the target quantities | Specify the quantities per agro-dealer in the contract document/ project implementation arrangements |

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1.9 Summary of Project Compliance:

i) Include significant cases of non-compliance with applicable laws and regulations, and essential external financing agreements/covenants,

There was no major non-compliance of the project in terms of applicable laws and regulations. The project had a challenge in adhering to timelines as outlined in the project document.

The project design indicates a startup of preparatory activities in November/December 2020 and activity implementation from January 2021 to 31st December 2021. However, there were delays in the approval of the project. This necessitated changes in the implementation timelines. The project was approved in June 2021 and implementation eventually started in January 2022 upon the disbursement of the 90% of the first grant.

ii) Consequences suffered on account of non-compliance.

The main consequence of the change in timelines was hurried implementation of the activities.

iii) Mitigation measures taken or planned to be taken to alleviate the adverse effects of actual or potential consequences of non-compliance.

With the delays in the implementation, the Authority requested for project extension to ensure that all planned activities were undertaken.

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2. Statement of Performance Against Project’s Predetermined Objectives

Introduction

AFA in compliance to Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, has included a statement of its performance against predetermined objectives.

The key development objectives of the *project’s agreement/* plan are to:

- a) Input Support to Irish Potato Producers
- b) Improved Market Access for Targeted Potato Farmers

Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bund (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement:

Below we provide the progress on attaining the stated objectives:

| Project | Objective | Outcome | Indicator | Performance |
|--|---|---|-------------------|--|
| Component 1: Support to Irish Potato production | | | | |
| Revitalizing Irish Potato Production for Covid-19 Affected Small-Scale Producers | Support rural small-scale Irish Potato farmers to mitigate the negative COVID-19 impacts on production and access to markets. | Percentage of farmer households reporting improved production and increased income as a result of access to high quality inputs | Number of farmers | Target: 6000 (75% of targeted 8000 registration farmers) Achievement: 8148 (102%) |
| | | Percentage of Irish potato small-scale farmers have access to certified Agro dealers and SMEs involved in supplying inputs | Number of farmers | Target: 8000 farmers (100%) Achievement: 8148 (102%) |

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| | | | | |
|--|--|--|-------------------|---|
| | | Percentage of farmers reporting predominant interactions through mobile/e-platforms | Number of farmers | <p>Target: 8000 farmers (100%)</p> <p>Achievement: 8148 (102%)</p> |
| | | Percentage of Irish potato small scale farmers reporting improved access to productivity enhancing knowledge and information through County Extension Officers | Number of farmers | <p>Target: 6400 (80% of 8000 targeted registered farmers)</p> <p>Achievement: 9204 (144%)</p> <p>2092 in Elgeyo Marakwet, 4159 in Nyandarua, 2953 in Meru</p> |
| Component 2: Improved Market Access for Targeted Irish Potato Farmers | | | | |
| | | Percentage of farmers reporting improved access to markets and improved incomes as a result of group marketing arrangements | Number of farmers | <p>Target • 4,000 (50% of targeted direct beneficiaries)</p> <p>Achievement: 2372 (59%)</p> |

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3. Environmental and Sustainability Reporting

Irish potato has been prioritized by the Government as one of the staple crops under COVID19 interventions. It is identified as a priority value chain and as a flagship commodity under the Big 4 Agenda in which more effort has been dedicated in the promotion of potato seed production. The Government at the National and county levels and the Irish potato value chain stakeholders have initiated interventions to sustainably enhance both the regulatory and investment environment in this value chain. These include the development of the National Root and Tuber Crop Development Strategy 2019-2022, which provides a clear roadmap for sustainable growth and development under the subsector.

The Irish Potato Regulations 2019 was enacted to create a conducive investment climate through appropriate regulatory environment including registration and farmer-led management of aggregation/marketing centers. This regulation together with ongoing development and roll-out of County Potato Strategic Plans across the counties provide relevant enabling environment to sustain the Irish Potato production and marketing. This will be achieved through the following suggestions,

- a) In the long-run, marketing groups can establish their own aggregation centres and manage them as agri-business hubs offering a wide range of requisite services to its potato producing catchment area and membership. These are geared at incentivizing potato value chain actors for sustained production, productivity and profitable marketing into the future.
- b) The National Potato Council of Kenya upgraded *Viazi Soko* can provide an opportunity for farmers to assess markets and input supply gaps, both online and physically
- c) The AFA E- voucher System can be upgraded and customized for use by other similar projects
- d) There is need for expansion of production of certified seeds by both the public and the private sector to address the challenge of inadequate supply of the potato seeds.
- e) The county government can continue supporting the beneficiaries with advisory and extension services after the project completion.

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1. Sustainability strategy and profile

Interventions to ensure sustainability were mainstreamed in the project to ensure compliance to regulations, policies and legislations governing the Irish potato crop to ensure good agricultural and manufacturing practices. The Authority undertakes routine monitoring of the project to address emerging gaps through the support of management and ensure sustainability of the project.

2. Environmental performance

In undertaking the project, the Authority ensured the full implementation of issued Governments guidelines are adhered to from time to time.

3. Employee welfare

The project staff were drawn from Agriculture and Food Authority and were subject to the provisions of AFA staff management policies and various government guidelines in regard to the Human Resource Management and benefits. The Officers were working under the guidance of the project coordinator.

4. Market place practices-

a) Responsible Supply chain and supplier relations-

The project ensured full compliance with the Competition Act No.12 of 2010 and collaborates with the Competition Authority of Kenya in ensuring effective competition in the markets in the event of any challenges and guided by the Customer Service Charter of AFA to ensure satisfaction of all stakeholders.

b) Responsible ethical practices

The project sustained its efficient procurement processes in acquisition of goods, works and services. The project ensured compliance and adherence to the Public Procurement and Disposal Act in addition to other supporting regulations/legislation.

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c) Regulatory impact assessment

The project had positive impact on the beneficiaries as many created incomes while others improved on their incomes. Youths and women contributed to the larger beneficiaries of the project this according to the feedback from the farmers. The project through provision of subsidized inputs encouraged youths to engage and embrace potatoes farming. Some youth who were involved in motorcycle transport business benefited from potato farming because they were the main transporters of redeemed inputs from agro dealers and packaged potatoes in sacks to the aggregation centers. Some of the youths were employed in different farms. Due to the subsidies offered in the project, the women were able to utilize the 40% saved to foot other bills in the household and buy food for the family.

5. Community Engagements

The project aim was to support beneficiaries with provision of the subsidized inputs at the rate of 60% for half an acre of land; 8 bags (50kg each) of certified potato seeds, 2 bags of 50kgs fertilizers, and 3 types of agro-chemicals. The community was therefore involved in contributing 40% of the input requirement. Overall, the project supported 1093 rural small-scale Irish potato farmers to mitigate the negative COVID - 19 impacts on production and access to markets and increased the production and marketing of the farmers' produce in the first 2 months of implementation.

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

4. Statement of Project Management Responsibilities

The Acting Director General for Agriculture and Food Authority and the Project Coordinator for IFAD Irish Potato Revitalization Project are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for the period ended on February 28, 2023.

This responsibility includes (i) Maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period, (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the project, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the project, (v) Selecting and applying appropriate accounting policies and (v) Making accounting estimates that are reasonable in the circumstances.

The Acting Director General for Agriculture and Food Authority and the Project Coordinator for IFAD Irish Potato Revitalization Project accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

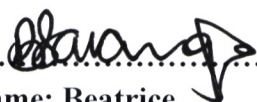
The Acting Director General for Agriculture and Food Authority and the Project Coordinator for IFAD Irish Potato Revitalization Project are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial period ended February 28, 2023, and of the Project's financial position as at that date. The Acting Director General for Agriculture and Food Authority and the Project Coordinator for IFAD Irish Potato Revitalization Project further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

The Acting Director General for Agriculture and Food Authority and the Project Coordinator for IFAD Irish Potato Revitalization Project confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project financial statements

The Project financial statements were approved by The Acting Director General for Agriculture and Food Authority and the Project Coordinator for IFAD Irish Potato Revitalization Project on **28th February 2023** and signed by them.


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**Name: Beatrice
Nyamwamu
Acting Director General**


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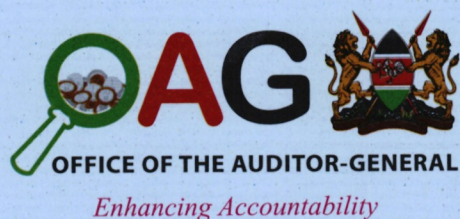
**Name: Patrick M. Kiriimi
Project Coordinator**


.....

**Name: Elizabeth Marubu
Project Accountant
ICPAK Member No: 13689**

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON REVITALISING IRISH POTATO PRODUCTION FOR COVID-19 AFFECTED SMALL - SCALE PRODUCERS PROJECT (IFAD GRANTS NO. 2000003589 AND 200000396600) FOR THE FOURTEEN (14) MONTHS PERIOD ENDED 28 FEBRUARY, 2023 - AGRICULTURE AND FOOD AUTHORITY

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 Revitalising Irish Potato Production for COVID-19 affected Small - Scale Producers Project (IFAD Grants No. 2000003589 and 200000396600) set out on pages 1 to 17, which comprise of the statement of financial assets as at 28 February, 2023, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the fourteen (14) months period 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Revitalising Irish Potato Production for COVID-19 affected Small -Scale Producers Project for the fourteen (14) months period ended 28 February, 2023, and its financial performance and of its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Grants Agreement No. 2000003589 and 200000396600 dated 25 June, 2021 between the Republic of Kenya and the International Fund for Agricultural Development (IFAD) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unsupported Expenditure

The statement of receipts and payments reflects an expenditure of Kshs.242,099,000 under purchase of goods and services which, as disclosed in Note 8 to the financial statements, includes an amount of Kshs.12,553,749 incurred on capacity building. The latter amount includes an expenditure of Kshs.1,981,400 incurred on the project launch in Meru County out of which Kshs.1,500,000 was spent on refund of farmers fares. However, details of the beneficiaries paid were not provided for audit review. Further, an amount of Kshs.234,900 was also not accounted for.

In the circumstances, the accuracy, completeness and validity of the expenditure totalling Kshs.1,734,900 not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Revitalising Irish Potato Production for COVID-19 Affected Small - Scale Producers Project (IFAD Grants No. 2000003589 and 200000396600 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.

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 matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Failure to Formally Close the Project

The Financing Agreement and letter of extension approval from IFAD dated 7 September, 2022 states that the project completion date was 15 September, 2022 and closing date was 31 December, 2022. This was to ensure the remaining vulnerable Irish potato farmers are fully supported and grant allocation is fully absorbed. However, the statement of financial assets as at 28 February, 2023 reflects cash and cash equivalents balance of Kshs.1,208,000 and a pending bill balance of Kshs.432,000. Management did not provide an explanation for failure to fully absorb the grant allocation, settle the pending bill and formally close the project.

In the circumstances, Management was in breach of the law and the financing agreement.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by International Fund for Agricultural Development (IFAD), except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources Section of my report, I report based on my audit, that:

- (i) Proper accounting records have been kept;
- (ii) The financial statements agree with the accounting records;
- (iii) IFAD funds and Government of Kenya counterpart funds have been used in accordance with the financing agreement, with due attention to economy, efficiency, effectiveness and only for the purposes of the Project;
- (iv) Services financed during the year were procured in accordance with the terms and conditions of Financing Agreement;
- (v) All supporting documentation, records and accounts have been maintained in respect of all Project activities;
- (vi) National laws have been complied with and financial and accounting procedures approved for the project were followed and used; and
- (vii) Special account has been properly maintained for the Project in accordance with the provisions of Financing Agreement.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls 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 controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Projects 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 Project or to cease its 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 Project'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 overall 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 controls 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 controls 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 noncompliance. 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 Project'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 Project 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 Project 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 controls that are identified during the audit.

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

02 May, 2023

**Agriculture and Food Authority- IFAD Irish Potato Revitalization Project
Fourteen Months Reports and Financial Statement for the Period Ending 28th February 2023.**

6. Statement of Receipts and Payments for the Year Ended 28th February 2023.

| | Note | Receipts and payments controlled by the entity Kshs 000' | Payments made by third parties Kshs 000' | Total Kshs 000' | Cumulative to-date (From inception) Kshs 000' |
|---|------|---|---|--------------------|--|
| Receipts | | | | | |
| Transfer from Government entities | 6 | 12,505 | - | 12,505 | 12,505 |
| Proceeds from domestic and foreign grants | 7 | 90,909 | | 90,909 | 90,909 |
| | | 93,000 | | 93,000 | 93,000 |
| | | 22,864 | | 22,864 | 22,864 |
| | | 13,213 | | 13,213 | 13,213 |
| | | 10,816 | | 10,816 | 10,816 |
| Total Receipts | | 243,307 | | 243,307 | 243,307 |
| Total Receipts | | | | | |
| | | 243,307 | - | 243,307 | 243,307 |
| Payments | | | | | |
| Purchase of Goods and Services | 8 | 242,099 | | 242,099 | 242,099 |
| Total Payments | | 242,099 | - | 242,099 | 242,099 |
| Surplus | | 1,208 | - | 1,208 | 1,208 |
| Net Surplus for the Period | | 1,208 | - | 1,208 | 1,208 |

There were no payments made directly by the donor to third party.

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


.....

Name: Beatrice Nyamwamu
Acting Director General


.....

Name: Patricia M. Kirimi
Project Coordinator


.....

Name: Elizabeth Marubu
Project Accountant
ICPAK Member No: 13689

**Agriculture and Food Authority- IFAD Irish Potato Revitalization Project
Fourteen Months Reports and Financial Statement for the Period Ending 28th February
2023.**


7. Statement of Financial Assets as at 28th February 2023

| | Notes | 2022-2023 Kshs 000' |
|--|-------|------------------------|
| Financial Assets | | |
| Cash and Cash Equivalents | | |
| Bank Balances | 9 | 1,208 |
| Total Cash and Cash Equivalents | | 1,208 |
| | | |
| Imprests and Advances | | - |
| Total Imprests and Advances | | - |
| | | |
| Total Financial Assets | | 1,208 |
| | | |
| Financial Liabilities | | |
| Trade and other payables | | - |
| Total Financial Liabilities | | - |
| | | |
| Net Assets | | 1,208 |
| | | |
| Represented By | | |
| Fund Balance B/Fwd | | - |
| Prior Year Adjustments | | - |
| Surplus/(Deficit) for the Period | | 1,208 |
| Net Financial Position | | 1,208 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on **28th February 2023** and signed by:


.....
Name: Beatrice Nyamwamu
Acting Director General


.....
Name: Patrick M. Kirimi
Project Coordinator

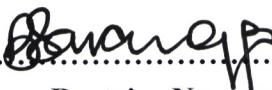

.....
Name: Elizabeth Marubu
Project Accountant
ICPAK Member No: 13689

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

8. Statement of Cashflows for the Period Ended 28th February 2023


| | NOTES | 2022/2023 |
|---|-------|----------------|
| | | Kshs '000 |
| Cash Generated from Operations | | |
| Receipts | | |
| Transfer from Government entities | 6 | 12,505 |
| Proceeds from domestic and foreign grants | 7 | 230,802 |
| Total Receipts | | 243,307 |
| Payments | | |
| Empowerment of Smallholder Farmers | 8 | 242,099 |
| Operational Costs | | - |
| Total Payments | | 242,099 |
| Adjustments during the year | | |
| Net Cash Flows from Operating Activities | | 1,208 |
| Cash Flows from Investing Activities | | |
| Net Cash Flows used in Investing Activities | | - |
| Cash Flows from Financing Activities | | |
| Proceeds from foreign borrowings | | - |
| Net Cash Flows used in Financing Activities | | - |
| Net Increase/(Decrease) in Cash and Cash Equivalents | | 1,208 |
| Cash and Cash Equivalents at 1 May | | - |
| Cash and Cash Equivalents at 28 February | | 1,208 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on **28th February 2023** and signed by:

.....

Name: Beatrice Nyanwamu
Acting Director General

.....


Name: Patrick M. Kirimi
Project Coordinator


.....

Name: Elizabeth Marubu
Project Accountant
ICPAK Member No: 13689


**Agriculture and Food Authority- IFAD Irish Potato Revitalization Project
Fourteen Months Reports and Financial Statement for the Period Ending 28th February 2023.
9. Statement of Comparison of Budget and Actual Amounts for the Period Ended 28th February 2023**

| | Original budget | Adjustments | Final budget | Actual on comparable basis | Performance difference | % of Utilisation |
|---|-----------------|----------------|----------------|----------------------------|------------------------|------------------|
| | Kshs 000' | Kshs 000' | Kshs 000' | Kshs 000' | Kshs 000' | |
| | A | b | C=(a+b) | d | e=(c-d) | F=d/c |
| Receipts | | | | | | |
| Transfers from other governments entities | - | 39,402 | 39,402 | 12,505 | (26,897) | 32% |
| Proceeds from domestic and foreign grants | 94,000 | 136,802 | 230,802 | 230,802 | - | 100% |
| Total income | 94,000 | 176,204 | 270,204 | 243,307 | (26,897) | 90% |
| Payments | | | | | | |
| Purchase of Good and Services & Transfers | 94,000 | 176,204 | 270,204 | 242,099 | - | 90% |
| Total expenditure | 94,000 | 176,204 | 270,204 | 242,099 | - | 90% |
| Surplus for the period | - | - | - | 1,208 | (26,897) | |

Note: The significant budget utilization/performance differences in the last column are explained in Annex 1 to these financial statements.

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 Name: Beatrice Nyamwamu
 Acting Director General

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 Name: Patrick M. Kirimi
 Project Coordinator

.....

 Name: Elizabeth Marubu
 Project Accountant
 ICPAK Member No: 13689

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

10. Significant Accounting Policies

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

10.1 Statement of compliance and basis of preparation

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

10.2 Reporting entity

The financial statements are for the Agriculture and Food Authority for the Irish Potato Revitalization Project under National Government of Kenya. The financial statements have been prepared in accordance with the Public Finance Management Act, 2012, the State Corporation Act and International Public Sector Accounting Standards (IPSAS).

10.3 Reporting currency

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

10.4 Recognition of receipts

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

i) Transfers from the Exchequer

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

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

ii) External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners. This funds were received from the Exchequer through the parent Ministry

iii) Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received. There were no other receipts in period ended 28th February 2023

a) Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. There were no donations in period ended 28th February 2023

b) Proceeds from borrowing

Borrowing includes Treasury bill, treasury bonds, corporate bonds, sovereign bonds and external loans acquired by the Project or any other debt the Project may take on will be treated on cash basis and recognized as a receipt during the year they were received. There were no proceeds from borrowing in period ended 28th February 2023

c) Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for the Project currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. An analysis of the Project's undrawn external assistance is shown in the funding summary . There was no external assistance in period ended 28th February 2023

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

d) Recognition of payments

The Project recognizes all payments when the event occurs, and the related cash has actually been paid out by the Project.

i) Compensation of employees

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid. The expense on compensation of employees was incurred as staff from the Authority were involved in the project.

Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers

Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.

Significant Accounting Policies (Continued)

ii) Use of goods and services

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

iii) Interest on borrowing

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for. There were no interest reported in period ended 28th February 2023

iv) Repayment of borrowing (principal amount)

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the consolidated financial statements. There was no borrowing in period ended 28th February 2023

v) Acquisition of fixed assets

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

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements. However, expenses incurred under the project were recurrent expenditure

e) In-kind donations

In-kind contributions are donations that are made to the Project in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Project includes such value in the statement

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded. There were no kind donations in period ended 28th February 2023

f) 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 period.

For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial period.

g) Restriction on cash

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

h) Imprests and Advances

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

i)Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

- b) A present obligation that arises from past events but is not recognized because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships,

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

There were no contingent liabilities in the period.

j) Contingent Assets

The Entity does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs. There were no contingent assets in the period.

k) Pending bills

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

l) Budget

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis (except for accounts receivable - outstanding imprest and clearance accounts and accounts payable - deposits, which are accounted for on an accrual basis), and

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

for the same period as the financial statements. The Project's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognized as inter-entity transfers and are eliminated upon consolidation. A high-level assessment of the Project's actual performance against the comparable budget for the financial period under review has been included in an annex I to these financial statements.

m) Third party payments

Included in the receipts and payments, are payments made on its behalf by to third parties in form of loans and grants. These payments do not constitute cash receipts and payments. and are disclosed in the payment to third parties' column in the statement of receipts and payments. During the period no disbursements were received in form of direct payments from third parties.

n) Exchange rate differences

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

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

Significant Accounting Policies (Continued)

o) Comparative figures

There were no comparative figures for the report presented.

p) Subsequent events

There have been no events subsequent to the period end with a significant impact on the financial statements for the period ended 28th February 2023.

q) Prior period adjustments

Prior period adjustments relate to errors and other adjustments noted arising from previous year(s). There were no prior period adjustments.

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

11. Notes to the Financial Statements continued

6. Transfers from Government entities

These represent counterpart funding and other receipts from government as follows: As at the end of the period, Government counterpart funding was received of Kshs 12.5 million. The amount received was from the Authority was for the purpose of operating the opening of bank account.

| Description | 2022-2023 |
|--|-------------------|
| | KShs "000" |
| Counter Part Funding through the Ministry | |
| Counter Part Funding | 12,500 |
| Other grants | |
| Total Unconditional Grants | 12,500 |
| Other transfers from government entities | |
| Agriculture and Food Authority | 5 |
| Appropriation in Aid | - |
| Total government grants and subsidies | 12,505 |

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

Notes To The Financial Statements (Continued)

7. Proceeds From Domestic And Foreign Grants

During the period to 28th February 2023, we received grants from donors as detailed in the table below:

| Description | Bank Statement Date | Amount (Ksh) "000" |
|---|---------------------|--------------------|
| Funding for Irish potato revitalization | 06/05/2022 | 90,909 |
| | 29/09/2022 | 93,000 |
| | 18/01/2023 | 22,864 |
| | 19/01/2023 | 13,213 |
| | 19/01/2023 | 10,816 |
| | Total | 230,802 |

8. Purchase Of Goods And Services

| Description | 2022/2023 | | | 2021/2022 | | |
|---|-------------------------------------|--------------------------------|-----------------------|-----------------------|----------------|---------------------|
| | Payments made by the Entity in Cash | Payments made by third parties | Total Payments | Cumulative to- date | Total Payments | Cumulative to- date |
| | KShs 000' | KShs 000' | KShs 000' | KShs 000' | KShs 000' | KShs 000' |
| Capacity Building | 12,554 | - | 12,554 | 12,554 | - | - |
| Monitoring & Evaluation | 2,488 | - | 2,488 | 2,488 | - | - |
| Seeds Supply & Management | 84,315 | - | 84,315 | 84,315 | - | - |
| Farmers Sensitization | 13,566 | - | 13,566 | 13,566 | - | - |
| Fertilizer | 114,857 | - | 114,857 | 114,857 | - | - |
| Project Expenses | 436 | - | 436 | 436 | - | - |
| Project Completion & Extension | 11,792 | - | 11,792 | 11,792 | - | - |
| ICT, Accessories and Equipment | 1,017 | - | 1,017 | 1,017 | - | - |
| Communication Telephone and Postage | 774 | - | 774 | 774 | - | - |
| Fuel Expenses | 129 | - | 129 | 129 | - | - |
| Bank Charges | 171 | - | 171 | 171 | - | - |
| Total Purchase of Goods and Services | <u>242,099</u> | = | <u>242,099</u> | <u>242,099</u> | = | = |

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

9. Cash And Cash Equivalents

| Description | 2022-2023 |
|--|-------------------|
| | KShs "000" |
| Bank Balance | 1,208 |
| Total cash and cash equivalents | 1,208 |

The project has one number of project accounts spread within the project implementation area as listed below:

9. A Bank Accounts

Project Bank Accounts

| Details | 2022-2023 |
|------------------------------------|---------------------|
| | KShs 000' |
| <u>Local Currency Accounts</u> | |
| ABSA Bank Account No. 2044694142 | 1,208 |
| Total local currency balances | <u>1,208</u> |
| Total bank account balances | <u>1,208</u> |

Special Deposit Account

Below is the special deposit account movement schedule, which shows the flow of funds during the period. These funds have been recognized as grant received within the period under the statement of receipts and payments.

| Description | 2022-2023 | 2021-2022 |
|--|------------------|----------------------|
| | KShs 000' | KShs 000' |
| (i) A/C Name [A/c No 1000540206] | | |
| Opening balance | 90,909 | 0 |
| Total amount deposited in the account | 139,893 | 90,909 |
| Total amount withdrawn (as per Statement of Receipts & Payments) | <u>230,802</u> | <u>0</u> |
| Closing balance (as per SDA bank account reconciliation attached) | <u>0</u> | <u>90,909</u> |

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

The special deposit Account bank statement has been attached as Annex 4 to support the closing balance.

10. Fund Balance Brought Forward

| Description | 2022-2023 |
|--------------------|------------------|
| | KShs 000' |
| Bank accounts | 1,208 |
| Total | 1,208 |

11. Prior Year Adjustment

There were no prior year adjustments

12. Other Important Disclosures

1. Pending Accounts Payable


| | Balance b/f | Additions for the period | Paid during the year | Balance c/f |
|--------------------|--------------------|---------------------------------|-----------------------------|---------------------|
| Description | Kshs 000' | Kshs 000' | Kshs 000' | FY 2022/2023 |
| | | | | Kshs 000' |
| Supply of goods | - | 432 | - | 432 |
| Total | - | 432 | - | 432 |

Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.

13. Progress On Follow Up Of Prior Year Auditor’s Recommendations

| Reference No. on the external Report | Issue audit Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--------------------------------------|---------------------------------------|---------------------|-----------------------------------|--|
| N/A | N/A | N/A | N/A | N/A |

The project has not been audited and therefore no progress on follow up of prior year audit recommendations



Name: Beatrice Nyamwamu
Acting Director General



Name : Patrick M. Kirimi
Project Coordinator

**Agriculture and Food Authority- IFAD Irish Potato Revitalization Project
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

14. Annexes

Annex I - Variance Explanations - Comparative Budget and Actual Amounts for FY 2022-2023

| | Original budget | Adjustments | Final budget | Actual on comparable basis | Performance difference | % of utilisation |
|---|-----------------|----------------|----------------|----------------------------|------------------------|------------------|
| | Kshs 000' | Kshs 000' | Kshs 000' | Kshs 000' | Kshs 000' | |
| | A | b | C=(a+b) | d | e=(c-d) | F=d/c |
| Receipts | | | | | | |
| Transfers from other governments entities | - | 39,402 | 39,402 | 12,505 | (26,897) | 32% |
| Proceeds from domestic and foreign grants | 94,000 | 136,802 | 230,802 | 230,802 | - | 100% |
| Total income | 94,000 | 176,204 | 270,204 | 243,307 | (26,897) | 90% |
| Payments | | | | | | |
| Purchase of Good and Services & Transfers | 94,000 | 176,204 | 270,204 | 242,099 | - | 90% |
| Total expenditure | 94,000 | 176,204 | 270,204 | 242,099 | - | 90% |
| Surplus for the period | - | - | - | 1,208 | (26,897) | |

**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

VARIANCE ANALYSIS

Variances arising from a comparison between the budget and actual performance is explained as follows:

a) Transfers from Other Government Entities

The Authority received Kshs 12.5 million being the Government of Kenya counterpart funding which relates to 32% of the as compared to the approved budget of Kshs 39.4 million.

b) Proceeds from domestic and foreign grants

The approved budget from the supplementary printed estimates for the Irish Potato Revitalization Project was Kshs 270.2 million being 127 million for phase 1 and Kshs 143 million for phase 2. The signed agreement with the donor was USD 1,943,968. The total amount received by the Authority in the period was Kshs 230.8 million being donor funds which reflects 100% of the funds expected by the Authority.

c) Use of Goods and Services

This Comprises of all expenditure under IFAD Project since the project was meant to support the beneficiaries with the inputs for Irish potato production.

The project had budgeted to utilize the amount of Kshs 270.2 million which was expected to be received within the period on the use of goods and services in the financial. However, the actual expenditure was 242.099 million being 90 % of the budget. This reflects 99.6% utilization of the total funds received which relates to ten months for the period ending 28 February 2023. Unutilized funds as at the end of the period was Ksh 1.2 million

**Agriculture and Food Authority - Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

Annex 2: Reconciliation of Inter-Entity Transfers

Project Name: Revitalizing Irish Potato Production for COVID-19 affected Small-Scale Producers
Break Down Of Transfers From The State Department Of Crop Development

a. Government Counterpart Funding

| Bank Statement Date | Amount (Kshs 000') | Indicate The FY To Which the Amounts Relate |
|---------------------|--------------------|---|
| 19/10/2022 | 12,500 | 2022-23 |
| Total | 12,500 | |

B. Direct Payments-Proceeds from domestic and foreign grants

| Bank Statement Date | Amount (Kshs) | Indicate The FY To Which the Amounts Relate |
|---------------------|----------------|---|
| 06/05/2022 | 90,909 | 2021-22 |
| 29/09/2022 | 93,000 | |
| 18/01/2023 | 22,864 | 2022-23 |
| 19/01/2023 | 13,213 | |
| 19/01/2023 | 10,816 | 2022-23 |
| Total | 230,802 | |

C. Others

| Bank Statement Date | Amount (Kshs) | Indicate The FY To Which the Amounts Relate |
|---------------------|----------------|---|
| 09/02/2022 | 5 | 2021-22 |
| Total | 5 | |
| TOTAL(A+B+C) | 243,307 | |

The Above Amounts Have Been Communicated to and Reconciled with the Parent Ministry/ State Department

Project Coordinator
Agriculture and Food Authority

Sign 

Acting Director General
Agriculture and Food Authority

Sign 



**Agriculture and Food Authority- Revitalizing Irish Potato Production For Covid-19 Affected Small Scale Producers
Fourteen Months Reports and Financial Statement for the Period Ending February 28, 2023.**

Annex 3a - Analysis of Pending Bills

| Supplier of Goods or Services | Original | Date | Amount | Outstanding | Comments |
|-------------------------------|----------|------------|------------------|---------------------|----------------------|
| | Amount | Contracted | Paid To- Date | Balance 2021- 22 | |
| | a | b | c | d=a-c | |
| Supply of goods | | | | | |
| Fresh crop Ltd | - | Feb-22 | - | | 432 Current supplies |
| Sub-Total | | | | | 432 |
| Grand Total | - | | - | | 432 |

Annex 4 – Other Support Documents

- i. Statement of account
- ii. Bank reconciliation statements as at 28th February 2023 Account Number-2044694142

HISTORIC TRANSACTION REPORT

PROJECT NAME

As at date 21 Dec 2022

FINANCIN 200000358900 STATUS DSBL Disbursable

Source of Financing: RPSF RURAL POOR STIMULUS FACILITY

Loan Denomination Currency: USD

Please note that the link to the debit advice is only available in the on-screen report.

REFERENCED BY YOUR REQUEST

| REFERENCE NUMBER | WA NUMBER |
|------------------|-----------|
| 1 | |

CHARGED TO YOUR ACCOUNT

| REF REFERENCE NUMBER | CURR | CATEGORY | WA AMOUNT | VALUE DATE | DEN AMOUNT | USD EQUIV AMOUNT | TRANS TYPE | COMMENT | |
|--|------|----------|------------|-------------|--------------------------------|-------------------|---------------------|---------|--|
| 001RFD8213510005 | USD | 250001 | 787,500.00 | 21 Dec 2021 | 787,500.00 | 787,500.00 | DSBR | | |
| WA Currency/DEN Exchange rate: 1.00000 | | | | | DEN/USD exchange rate: 1.00000 | | | | |
| ACCOUNT GRAND TOTAL | | | | | 787,500.00 | 787,500.00 | Debit Advice | | |

ACCOUNT GRAND TOTAL

SPECIAL ACCOUNT STATEMENT

| | |
|-------------------|--------------------------------------|
| For period ending | 30th JUNE, 2022 |
| Account No. | 1000540206 |
| Depository Bank | CENTRAL BANK OF KENYA. |
| Address | CENTRAL BANK OF KENYA. |
| Related Loan | IFAD REV. IRISH POTATO PROD. COVID19 |
| Credit Agreement | |
| Currency | USD |

Part A - Account Activity

| | |
|---|------------|
| Beginning balance of 1st July, 2021 as per C.B.K. Ledger Account | 0.00 |
| Add: | |
| Total Amount deposited by World Bank | 787,500.00 |
| Total Interest earnings if deposited in account | |
| Total amount refunded to cover ineligible expenditure | |
| Deduct: | |
| Total amount withdrawn | 787,500.00 |
| Total service charges if not included above in amount withdrawn | |
| Ending balance on 30th June, 2022 | 0.00 |

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE:

DATE

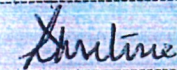
**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE:

DATE



14.07.2022



01.08.2022

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2022 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Results 1 - 2 of 2

Run Date: 13/07/2021 Run Time: 11:05:01
 CENTRAL BANK OF KENYA
 BANNI KUU YA KENYA
 P.O.BOX 60000-0100
 NAIROBI
 STATEMENT PERIOD: From 01/07/2021 To

STATEMENT OF ACCOUNT

PAGE NO: 1

ACCOUNT NUMBER: 1000540206

ACCOUNT TITLE: FAD REV: IRISH POTATO PROD. EGYIDI9
 30/06/2022

| NO. | DATE | REFERENCE NO | DETAILS | DEBIT | CREDIT BALANCE |
|--------------------|------------|--------------|----------|-------------|----------------|
| OPENING BAL: | | | | 0.00 | |
| NO. | Value Date | Reference No | Details | Debit | Credit |
| 1 | 22/12/2021 | FT213567X8ZB | FUNDING | 0.00 | 787,500.00 |
| 2 | 21/04/2022 | FT221111FSW9 | PA127823 | -787,500.00 | 0.00 |
| CLOSING BALANCE 10 | | | | | |

END OF ACCOUNT STATEMENT

Favourites

TAM.E.STMT OF ACCT EPRM

[More Options](#)
[Clear Selection](#) Find

| | | |
|----------------|--------|------------|
| Account | equals | 1000540206 |
| Statement From | equals | 20210701 |
| Statement To | equals | 20220630 |

TAM.E.STMT OF ACCT EPRM

Results 1 - 2 of 2

Run Date: 13/10/2022
 CENTRAL BANK OF KENYA
 BANKI KUU YA KENYA
 P.O.BOX 60000-0200
 NAIROBI

Run Time: 13:10:14

STATEMENT OF ACCOUNT

PAGE NO: 1

ACCOUNT NUMBER : 1000540206

ACCOUNT TITLE : FAD REV.IRISH POTATO PROD. COVID19
 30/09/2022

STATEMENT PERIOD: From 01/07/2022 To

| NO. | DATE | REFERENCE NO | DETAILS | DEBIT | CREDIT | BALANCE |
|-------------------|------------|--------------|----------|-------------|------------|----------|
| OPENING BAL : | | | | 0.00 | | |
| NO. | Value Date | Reference.No | Details | Debit | Credit | Balance |
| 1 | 31/08/2022 | FT22243NYQZ2 | FUNDING | 0.00 | 962,006.40 | 962006.4 |
| 2 | 22/09/2022 | FT22265RRJZL | PA128279 | -962,006.00 | 0.00 | 0.4 |
| CLOSING BALANCE : | | | | | | 0.4 |

END OF ACCOUNT STATEMENT

Favourites

TAM.E.STMT.OF.ACCT.EPRM

More Options
 Clear Selection Find

Account equals 1000540206

Statement From equals 20220701

Statement To equals 20220930

TAM.E.STMT.OF.ACCT.EPRM

CENTRAL BANK OF KENYA
 13 OCT 2022
 Confirmed: *[Signature]*

Results 1 - 2 of 2 50

Run Date: 04/01/2023
 CENTRAL BANK OF KENYA
 BANKI KUU YA KENYA
 P.O.BOX 60000-0200
 NAIROBI

Run Time: 11:09:27

STATEMENT OF ACCOUNT

PAGE NO: 1

ACCOUNT NUMBER : 1000540206

ACCOUNT TITLE : FAD REV.IRISH POTATO PROD. COVID19
 31/12/2022

STATEMENT PERIOD: From 01/10/2022 To

| NO. | DATE | REFERENCE NO | DETAILS | DEBIT | CREDIT BALANCE |
|---------------|------------|--------------|---------|--------------------------|----------------|
| OPENING BAL : | | | 0.40 | | |
| NO. | Value Date | Reference.No | Details | Debit | Credit |
| 1 | 14/12/2022 | FT22348R2D5M | FUNDING | 0.00 | 87,500.00 |
| 2 | 22/12/2022 | FT22356VS76T | FUNDING | 0.00 | 106,839.60 |
| | | | | | Balance |
| | | | | | 87500.4 |
| | | | | | 194390 |
| | | | | CLOSING BALANCE : 194390 | |

END OF ACCOUNT STATEMENT

Favourites

| | | | |
|-------------------------|--------|-----------------|------|
| TAM.E.STMT.OF.ACCT.EPRM | | More Options | Find |
| | | Clear Selection | |
| Account | equals | 1000540206 | |
| Statement From | equals | 20221001 | |
| Statement To | equals | 20221231 | |
| TAM.E.STMT.OF.ACCT.EPRM | | | |

CENTRAL BANK OF KENYA
 04 JAN 2023
 Confirmed: [Signature]

REVITALISATION OF IRISH PRODUCTION FOR COVID
AFFECTED SMALL HOLDERS
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 2022

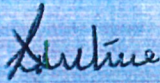
IFAD LOAN NO. 200000358900 RURAL POOR STIMULUS FACILITY
Bank Account No.1000540206 Held with Central bank of Kenya

| | NOTES | AMOUNT Euro | AMOUNT Euro |
|---|-------|----------------|----------------|
| Amount advanced by IFAD | | | 787,500.00 |
| Less: | | | - |
| 2 Total amount documented | | | - |
| 3 Outstanding amount advanced to be documented | | | 787,500.00 |
| Represented by: | | | |
| 4 Ending Designated Account Balance at 30.06.2022 | | | - |
| 5 Amount claimed but not credited at 30.06.2022 | | | - |
| 6 Amount withdrawn and not claimed as at 30.06.2022 | | | 787,500.00 |
| 7 Service charges (if not included in 5 & 6 above) | | | - |
| Less: | | | |
| 8 Interest earning (if included in Designated Account) | | | - |
| 9 Total advance to Designated Account year ended 30.06.2022 | | | 787,500.00 |

Discrepancy between total appearing on lines 3 and 9

Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover
- 2 Indicate if amount appearing on line 6 is eligible for financing by IFAD and provide reasons for not claiming the


AUTHORIZED REPRESENTATIVE
RESOURCES MOBILISATION DEPARTMENT
THE NATIONAL TREASURY

DATE: 01.08.2022

Posted Bank Reconciliation

RECONCILIATION REPORT 2/3/2023

AFA-AD\EMARUBU

Bank Code:

BANK00001

Bank Account No.

2044694142

Bank Name:

ABSA BANK

| | |
|--|--------------|
| Bank Account balance as per Cash Book: | 1,208,104.45 |
| Add:Unpresented cheques as per list: | 0.00 |
| Less:Uncredited Banking as per list: | 0.00 |
| Reconciled Cash Book Balance: | 1,208,104.45 |
| Balance as per bank statement: | 1,208,104.45 |

Approvals:

Checked By: PATRICK KUMI Date: 2/3/2023 Signature: 

Approved By: Leho Naitika Date: 2/3/2023 Signature: 