

REPUBLIC OF KENYA



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BY:

Deputy leader majority
Hon Owen Bayo, MP
Fenlayo mwenki

CLERK-AT
THE-TABLE:

OF

THE AUDITOR-GENERAL

ON

KENYA VETERINARY BOARD

FOR THE YEAR ENDED
30 JUNE, 2023



KENYA VETERINARY BOARD

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDING
30TH JUNE, 2023**

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

Kenya Veterinary Board
Annual Report 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

CBK	Central Bank of Kenya
CEO	Chief Executive Officer
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
KVB	Kenya Veterinary Board
NT	National Treasury
OAG	Office of the Auditor General
OCOB	Office of the Controller of Budget
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
VSVP	Veterinary Surgeons and Veterinary Paraprofessionals Act

B: Glossary of Terms

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

The Kenya Veterinary Board is a State Corporation, under State Department of Livestock in the Ministry of Agriculture and Livestock. The British Colonial Government legislated the Veterinary Surgeons Ordinance in 1953, thereby engendering the Kenya Veterinary Board (KVB) under Section 5 of the Ordinance. The Ordinance was eventually overhauled, giving way to the Veterinary Surgeons Act (CAP 366) which was later repealed. In 2011, following the enactment of the Veterinary Surgeons and Veterinary Paraprofessionals (VSVP) Act, CAP 366 of 2011 that gave Board an expanded mandate. The Board operates from its Headquarters in Kabete, however, the plans are underway to establish 12 regional offices within the country.

(b) Principal Activities

The mandate and the purpose of the Board is to exercise general supervision and control over training, business, practice and employment of veterinary surgeons and veterinary para-professionals in Kenya and advise the government in relation to all aspects thereof. To realize its vision of becoming a premier agency for regulating and advancing quality veterinary services and practice in Kenya.

The Board carries out the following functions:

1. Advises the Government on matters relating to veterinary training, research, practice and employment; use of veterinary medicines, poisons and pesticides; and other issues relating to animal welfare;
2. Prescribes courses of training for veterinary surgeons and veterinary paraprofessionals;
3. Approve institutions for training of veterinary surgeons and various categories of veterinary paraprofessionals;
4. Approves the qualifications of various categories of veterinary para-professionals for the purposes of registration;
5. Registers, licenses, controls and regulates veterinary practice, veterinary laboratories, clinics; animal hospitals and animal welfare institutions;
6. Formulates and publishes a code of ethics for all registered persons;
7. Ensures maintenance and improvement of standards of practice by the registered persons;
8. Assesses human resource and necessary training programs to guarantee sound and efficient veterinary service delivery and advise the relevant Ministries accordingly;
9. Creates an inspectorate to work in collaboration with law enforcement agencies to locate, inspect, and close down premises or ambulatory clinics operated contrary to the practices prescribed in the Act, and take legal action against the offenders; and
10. Regulates the use of technology for purposes of animal breeding.

Key Management

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chief Executive Officer	Dr. Mary Theresa Agutu
2.	Finance and Administration Officer	CPA, Simon G. Wainaina
3.	Chief Inspector	Dr. Naphtal Mwanziki
4.	Principal Veterinary Registration Officer	Dr. Winfred Kidada
5.	Supply Chain Management Officer	Ireen Nyaga
6.	Planning Officer	Herman Kengere
7.	ICT Officer	Dedan Munyao
8.	Human Resource Officer	Veronica Koigi

(d) Fiduciary Oversight Arrangements

The Board has established standing and Ad hoc committees as it may deem necessary for the performance of its functions and the exercise of its powers under the Veterinary Surgeons and Veterinary Paraprofessionals Act. The Board has established the following committees for the purpose of fiduciary arrangements; -

i. Inquiries and Disciplinary Committee (IDC)

Guiding implementation of the Code of Professional Ethics; implementation in full part VI Section 34-37 of the VSVP Act; handling all disciplinary matters under the jurisdiction of KVB and giving recommendations to the Board on action to be taken on each case; to propose the amendments or reviews to strengthen the VSVP Act and VSVP Regulations.

ii. Finance Strategy and Administration Committee (FSAC)

Development and overseeing implementation of the Board Human Resource Policies; development and overseeing implementation of the Board Finance Policies; development and overseeing implementation of the Board Procurement Policies; Resource Mobilisation, development of partnership, promote Board visibility, communication management, board Project Management budgeting and overseeing any other administrative function.

iii. Technical Committee on Education and Quality Assurance (TeCEQA)

Develop and Review evaluation tools for all Animal Health training institutions, Develop and review minimum curriculum content for the various cadres of Animal Health courses, develop guidelines for setting up veterinary consultant colleges, recommend for accreditation or otherwise, institutions already training Animal Health courses or those yet to begin training, organize interviews or examinations for foreigners who want temporary permits or Kenyans who trained in Animal Health institutions not recognized by KVB, oversee Continuous Professional Development (CPD) matters, consider any other matter related to training in animal health, generally implement Part II Section 7 and Part IV Section 29 of VSVP Act, any other function relevant to this committee

iv. Audit, Risk and Compliance Committee (ARCC)

Assisting the Board in fulfilling its obligations and oversight responsibilities relating to financial planning financial and governance audit; ensure internal control systems are effective and reliable; oversee risk management functions; oversee implementation of audit recommendations.

(e) Board Headquarters

P.O. Box 513 - 00605

Kenya Veterinary Board Resource Centre Building

Kabete,

Nairobi, Kenya

(f) Board Contacts

Address: P.O. Box 513 – 00605, Nairobi

Telephone: 0722305253|0701581718

Email: info@kenyavetboard.or.ke.

Website: www.kenyavetboard.or.ke.

(g) Entity Bankers

Co-operative Bank of Kenya

Westland Branch

P.O. Box 66589 - 00800

Nairobi, Kenya

A/c No 01141151721300

Standard Chartered Bank

Westland Branch

P.O Box 14438 - 00800

Nairobi, Kenya

A/c No. 0108033914300

(h) Independent Auditor

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084 - 00100

Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

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3. The Board of Directors

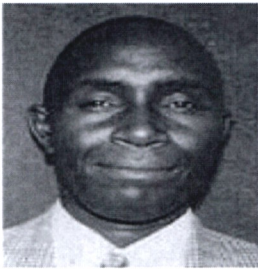
The Board of directors were gazetted on 13th January 2023 and the service board of directors for a period of three years are listed below.

REF	DIRECTORS	DETAILS
1.	Dr. Jafred Kitaa Chairman  Date of Appointment 13th January, 2023	Date of Appointment 13th January, 2023, Serving First Term Dr Kitaa is the chairman of the Board holds a Bachelor of Veterinary Medicine (1988), Master of Pharmacology and Toxicology (1992) from the University of Nairobi and a Postgraduate Diploma in planning and Management of Development Projects (2000) from the Catholic University of Eastern Africa. He holds a PhD in Clinical Studies He has over 26 years' experience in teaching and practice in Small Animal Internal Medicine. He has served on various Departmental and Faculty Committees including Faculty Curriculum Committee and Faculty Timetabling Committee where he is the current Chair. Dr. Kitaa has a wealth of experience in leadership and administration gained from serving as a member of the Technical Committee on Drug Registration- Veterinary (CDR-Vet) of the Pharmacy and Poison Board, Technical Committee on Education and Quality Assurance (TeCEQA) of the Kenya Veterinary Board and he also served as the National Honorary Treasurer of the Kenya Veterinary Association for two terms. He is a registered Veterinary Surgeon and an active member of the Kenya Veterinary Association where he has served on various committees including as a chair to the scientific sub-committee. He has also served two terms as the National Treasurer.
2.	Dr. Joan Magero Vice- Chairperson  Date of Appointment 13th January, 2023	Date of Appointment 13th January, 2023 Serving First Term Dr. Magero is the vice chair of the Board and also the chairperson of the Technical Committee on Education and Quality Assurance (TeCEQA). She is veterinarian who had a distinguished career in the civil service and also a Certified Professional Mediator (CPM) She holds Master's degree in Veterinary Epidemiology and Economics, Bachelor of Veterinary Medicine, Diploma in Animal Health with over 30 years' experience in animal health, animal welfare and food safety, having worked in various positions within the Ministry of Agriculture, Livestock, Fisheries and Cooperatives. I served as Livestock Officer, Veterinary Officer, Senior Veterinary Officer and Principal Veterinary Officer and most recently as an Assistant Director of Veterinary Services. While in service, I served in various positions including as an Assistant Manager of Veterinary Services Development Fund (VSDF) and as Head of Animal Welfare Unit. I have strong

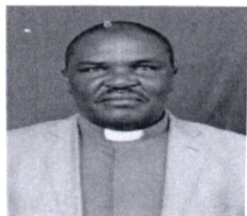
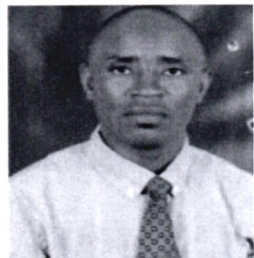
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REF	DIRECTORS	DETAILS
		administrative and managerial skills having supervised several officers under me. While in the service I represented the country in meetings with Intergovernmental Authority for Development - Centre for Pastoral Areas and Livestock Development (IGAD-ICPALD), Africa Union-Inter African Bureau for Animal Resources (AU-IBAR) and World Organization for Animal Health (OIE). This gave me a lot of knowledge and experience in engagement at the regional and international level.
3.	Ms. Sarah Kisiero - 	Date of Appointment 13th January, 2023, Serving First Term Ms. Kisiero holds a Bachelor of Arts (Human Resource) and has 15 years of experience in human resource management. She worked at Telkom Kenya between 1999-2008. Currently she is a dairy and maize seeds farmer, she represents farmers at the Board.
4.	Dr. Cathry Wanjohi, OGW 	Date of Appointment 13th January, 2023, Serving First Term Dr. Wanjohi, is a veterinarian with thirty-five (35) years' experience and holds a Bachelor of Veterinary Medicine from the University of Nairobi and a Master of Science degree in Veterinary Microbiology from The University of Surrey, United Kingdom. She is the immediate former Deputy Director in the Directorate of Veterinary Services in charge of Veterinary Governance, Training and Capacity Development which includes planning, and coordinating and overseeing development of capacity building strategies, policies and legislations concerned with veterinary services delivery in the country. She has worked extensively in diagnostic services, for over 30 years. Dr. Wanjohi also experience in emergency preparedness (especially strategy development and contingency planning) and prevention of avian and human influenza and other transboundary animal diseases in close collaboration with the human health counterparts. She was instrumental in the development of the National Action Plan for Avian Influenza and National Pandemic Preparedness and Response Plan and control strategies of Rift Valley Fever. She has undertaken assessment of the preparedness and capacity to respond to avian and human influenza in Kenya, Lesotho, Namibia, Seychelles, Republic of South Africa, Ghana and Ethiopia as a livestock and animal health expert. The final output was an Integrated National Action Program which addressed animal health, human health and communication issues, and included a five-year financing plan. She has also done some work

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REF	DIRECTORS	DETAILS
		to assess the capacity of Kenya to control zoonotic diseases commissioned by the FAO. Dr Wanjohi established the Veterinary Internship Programme in the Directorate of Veterinary Services which is a legal requirement for all veterinary surgeons and veterinary paraprofessionals to practice in Kenya. She is registered by the Kenya Veterinary Board and has been a member of several adhoc committees of the Board: Laboratory Standards Sub-Committee; Veterinary Internship programme; Development of the VSVP Regulations. She is a member of the Kenya Women Veterinary Association where she was a Chairperson and Treasurer. She received several awards from the Government and Kenya Veterinary Association. Dr. Wanjohi has also served the community as the Chair of Board of Management of Vashele Secondary School in Kakamega County.
5.	Dr. Charles Ochodo 	Date of Appointment 13th January, 2023 Serving First Term Dr. Ochodo is an alternate member to the Director of Veterinary Services. He holds Bachelor of Veterinary Medicine and PhD in Environmental Science (Specialization – Environmental Health). He has a wide range of experience spanning over 35 years.
6.	Dr. Nicholas Muyale 	Date of Appointment 13th January, 2023 Serving Second Term Dr. Muyale, holds a Master of Business Administration from University of East London and a Bachelor of Veterinary Medicine, University of Nairobi he has extensive consultancy experience in Poultry in Kenya, Uganda, Somalia, and South Sudan. He represents the Kenya Veterinary Association.
7.	Dr. Samuel Mugo 	Date of Appointment 13th January, 2023, Serving First Term Dr. Mugo holds a Bachelor of Veterinary Medicine, University of Nairobi, he is the current principal of Animal Health and Industry Training Institute Kabete.
8.	Dr. Isaac Lekolool 	Date of Appointment 13th January, 2023, Serving First Term Dr. Lekolool is the chairman Audit, Risk and Compliance committee. He holds a Master of Science in Veterinary Epidemiology and Economics He is the current Senior Assistant Director/Head-Veterinary and Capture Services- Kenya Wildlife Service, Wildlife and

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REF	DIRECTORS	DETAILS
		Community Service Directorate. He has over 22 years of experience.
9.	Jemimah Ingosi 	Date of Appointment 13th January, 2023 Serving First Term Ms. Ingosi is an alternate to Principal Secretary – State Department for Livestock and Development. Ms. Ingosi holds a Master of Business Administration (Human Resource Management) degree from Kenya Methodist University and Bachelor of Business Administration (Human Resource Management) from the same institution. She is the Acting Head of Human Resource Division in the State Department for Livestock Development, coordinating restructuring process of the State Department, reviewing of the organizational structure and staff establishment, migrating from the IPPD system to Unified Human Resource system, managing training and development, coordinating performance appraisal for the staff, planning for recruitment among others. Previously served as the Human Resource Management Officer seconded to Smallholder Dairy Commercialization Programme, (SDCP) Nakuru – (GOK/IFAD funded where she was instrumental in establishing fully functional human resource, Logistics and administrative sections, which have been adopted by the emerging IFAD Projects/ Programmes.
10.	Bishop Samson Muthuri 	Date of Appointment 13th January, 2023, Serving First Term Bishop Muthuri has over 30 years of experience. Holds a Diploma in Technical Education and a Bachelors degree of theology. Worked as high school teacher for thirty years
11.	Mr. Oreste Karanja 	Date of Appointment 13th January, 2023, Serving First Term Mr. Karanja has 10 years' experience in veterinary practice. Holds a Certificate in Animal Health and Production and a Certificate in Artificial Insemination.
12.	Mr. Quereenuse Pacho 	Date of Appointment 13th January, 2023 Serving SecondTerm Mr. Pacho holds a Diploma in management - Purchasing and supply option from Kenya Institute of Management, Certificate in Animal Health and production from AHITI-Ndomba, a Certificate in Information Technology Enabled Services-Business Process

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		Outsourcing (ITES-BPO) from University of Nairobi and Certificate in Artificial Insemination from AHITI Kabete He has worked in various institutions such as Jesmo Agrovets Limited and International Livestock Research Institute as an Animal Technician and University of Nairobi – Livestock Assistant
13.	Mr. Benson Ameda, OGW, OStJ 	Date of Appointment 13th January, 2023 Serving Second Term Mr. Ameda also serves as a chairman of Finance, Strategy and, Administration Committee. He joined the department of Veterinary Services in 1987 after graduating from AHITI Ndomba with a certificate in Animal Health. Worked as an Animal Health Assistant and later promoted along the ranks to Chief Livestock Health Assistant. He also holds a certificate training in Environmental Health (Meat Inspection) at Meat Training Institute and certificates in Public Policy Analysis and Project Planning and Management. Besides working in Animal disease control programs, he has served as a Meat Inspector in a number of Slaughter houses in Kenya. He is currently working for the County Government of Kiambu as the County Meat Surveillance Officer. He has served in various committees including Ministerial Task Force for the review of Agricultural Laws, Review of Veterinary Policy and Laws, OIE Global ad hoc Group for Veterinary Paraprofessionals and Expert Member for OIE private-public partnership Guidelines, among others. He is also the President of Africa Veterinary Technicians Association with a membership of all Veterinary Paraprofessional Associations in Africa. Besides the professional service, he serves as a volunteer member of The Order of St. John Ambulance where he is the Commander for the St. John Priory of Kenya.
14.	Dr. Derick Chibeu 	Date of Appointment 13th January, 2023 Serving First Term Dr. Chibeu holds Degree in Veterinary medicine from the University of Nairobi's. He is full time private practice as a veterinary surgeon at Sercombe Veterinary Surgeons - a mixed equine-companion animal practice in the Karen suburb of Nairobi. He has been actively involved in veterinary matters. He played a pivotal role in the development of veterinary continuing education guidelines in Kenya (2011) and a member of KVB's ad hoc committee for developing Veterinary Telemedicine guidelines (2020). He served as a member of the Kenyan team to East African Community panel for negotiating the veterinary profession's Mutual Recognition Agreement among veterinarians in partner states. He is the founder member of the Kenya Small and Companion Animal Veterinary Association (KESCAVA)

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REF	DIRECTORS	DETAILS
		where he was the Hon. Secretary's (2014 – 2019) and Chairman's (2019 – 2023) positions. He is also involved in regional and international professional bodies (Co-chair of the WSAVA's Professional Wellness Group 2018 – 2022; member WSAVA Continuing Education committee and Southern Africa Continuing Education coordinator; and currently a board member of African Small and Companion Animal Network - AFSCAN). He is passionate about Rabies eradication; practice standards and companion animal welfare.
15.	Mrs. Elizabeth Nzyoka 	Date of Appointment 13th January, 2023 Serving Second Term Mrs Nzyoka is the Chief Economist Intergovernmental Fiscal Relations Department at the National Treasury. Holds a master of science in Economics from the University of Wales, Swansea – United Kingdom and a Bachelor of Science (Mathematics Major)
16.	Prof. Demesi Mande 	Date of Appointment 13th January, 2023 Serving First Term Prof. Mande aserves the Board as a Chair to the Inquiries and Discipline Committee. Prof. John D. Mande is also the 17th Dean, Faculty of veterinary Medicine and Professor of Small Animal Surgery, University of Nairobi. He holds Bachelor of Veterinary Medicine (1989), MSc in Clinical Studies (1993) and PhD in Clinical Studies (2003) degrees from University of Nairobi. He has over 32 years working experience in teaching, research, and clinical practice as Assistant Lecturer (1992), Lecturer (1993), Senior Lecturer (2004), Associate Professor (2014) and Professor of Small Animal Surgery (2023). He has taught and practiced Veterinary Surgery to undergraduates and postgraduates, supervised 5 PhD students to completion and 11 Masters students to completion. He has previously served as Chairman of Academic Department of Clinical Studies, and is a Member of the University of Nairobi Senate, Deans Committee. He has chaired University Executive Board Strategic Plan Development Sub-committee (University of Nairobi Strategic Plan (2023-2027), Chairman of the University of Nairobi Prevention of Alcohol and Drug Abuse Policy, and a Member of Senate, Deans Committee. He is Chairman of the Faculty Management Committee, Faculty Examiners Committee, Faculty Corruption Prevention Committee, Faculty Committee of Examiners for Oral Defense of Masters and PhD Thesis, and Faculty Disciplinary Committee, among others. He is a Member of Kenya Veterinary Association,

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REF	DIRECTORS	DETAILS
		and Kenya Small and Companion Animal Veterinary Association. He is a Gold Life Member (No. 099), and Chairman, Veterinary Medicine Chapter, University of Nairobi Alumni Association. He has over 14 years of senior administrative and corporate leadership and governance experience, having served as Chairman, Department of Clinical Studies, University of Nairobi (2013-2015), Director, Kenya Dairy Board (2006-2009), and Elected Director, Kenya Veterinary Board (2012-2018) and more recently on appointment as a Director (2023 - 2026). He is a Member, Internship Committee and Adhoc Committee on Development of Guidelines for Tele veterinary Medicine, Kenya Veterinary Board. He has over 40 peer-reviewed publications in international scientific journals and is recipient of the International Veterinary Radiology Association (IVRA) Travel Fellowship (2003), Veterinary Academia Award (2009) by Kenya Veterinary Board/Kenya Veterinary Association, and the University of Nairobi Scholarship (1989). He is a former Editor-In-Chief, Kenya Veterinarian, Editorial Board Member, and Tanzania Veterinary Journal and served as External Examiner in Veterinary Surgery at Sokoine University of Agriculture, Tanzania and University of Ghana. As Consultant ICPALD (2017), he developed National Animal Welfare Strategies and Action Plans for Kenya, Ethiopia, Somaliland and Sudan. He has been a Member of the Kenya National Academy of Sciences since 2004 and Fellow of the Kenya National Academy of Sciences since March 2022.
17.	Dr. Mumina Guyo 	Date of Appointment 13th January, 2023 Serving First Term Dr. Mumina Guyo Shibia has a Ph.D. in Agricultural and Applied Economics from Texas Tech University in the United States (graduated Dec. 2019), an MSc in Agricultural and Applied Economics, a BSc in Agricultural Economics and a Diploma in Agricultural Education and Extension from Egerton University in Kenya. She has a Monitoring and Evaluation Leadership Certification in Learning from Washington State University. Dr. Mumina is the Director, Planning, Performance Management and Quality Control at Kenya Agricultural and Livestock Research Organization (KALRO). She has over 15 years of working experience coordinating agricultural development programs/projects and doing evidence-based scientific livestock-related socio-economic and policy research in Kenya. She is very passionate about northern Kenya, pastoral economy, livestock value chain development, inputs and outputs markets, policy analysis, risk management, Climate-smart agriculture,

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REF	DIRECTORS	DETAILS
		Community Driven-Development (CDD), project management, planning, monitoring, evaluation and learning. Mumina has strong leadership, financial, economic, econometric and analytical skills. Mumina fully understands Kenya's livestock sector development, policy, research, and outreach landscape including priorities, challenges, and socio-economic dynamics. She has received many awards: Top 25 Women Behind Kenya's Agriculture Sector Growth, Reforms and Transformation; Borlaug Higher Education for Agricultural Research and Development Scholar; and a Research Fellow for the Structural Transformation of African Agriculture and Rural Spaces.
18.	Dr. Mary T. Agutu 	Date of Appointment 1st December, 2023 Dr. Mary T. Agutu is the Chief Executive Officer (C.E.O) previously Manager of Quality Assurance Department of the Board. She holds a Master's Degree in Medical Virology and a Bachelor's degree in Veterinary Medicine with 25years experience in field practice and capacity building of veterinary paraprofessionals. She joined the Board in 2014 as a Chief Examiner. She has during this period gained vast experience in the development of Continuous Professional Development framework and its implementation in Kenya.

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4. Key Management Team

No	Management	Details
1.	Dr. Mary T. Agutu Chief Executive Officer 	Qualification: Msc. Medical Virology, Bachelor of Veterinary Medicine Role: Board registrar, responsible for overall leadership, establishing administrative structures and internal controls, secretary to the Board, executing and communicating Board strategies decisions and policies for effective achievement of board objectives.
2.	Dr. Naphtali Mwanziki Head, Compliance and Enforcement 	Qualification: Msc – Veterinary Epidemiology and Public Health; Royal Veterinary College-London Msc - Veterinary Studies; University of Sydney and Bachelor of Veterinary Medicine; University of Nairobi Role: The officer is responsible for the overall implementation of the VSVP Act with emphasis on compliance of veterinary practices and the elimination of illegal practices through inspections to ensure that veterinary services are only delivered by qualified persons and these persons do so according to the set standards. The officer is also the Secretary to the IDC committee
3.	CPA Simon G. Wainaina Head, Finance, Human Resource and Administration 	Qualification: MBA (Finance), B Com (Accounting), CPA (K) Role: Responsible for all Board finance, Human resource and administrative matters. Secretary to the Finance, Administration and Strategy Committee Secretary to the Human Resource and Advisory committee
4.	Dr. Winfred H. Kidada Head, Quality Assurance 	Qualification: Bachelor of Veterinary Medicine Role: Ascertaining minimum qualifications of applicants, updating and custody of registers and records of practitioners, practices, institutions and animal health veterinary interns

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No	Management	Details
5.	CPSP. Ireen W. Nyaga Head, Supply Chain 	Qualification: Msc. (Procurement & Contracting) Certified Procurement & Supply Professional (CPSP K), BBM (Purchasing & Supplies management) Role: Oversee the procurement & disposal processes, inventory and asset management to ensure compliance with the Public Procurement and Asset Disposal Act 2015, Public Procurement and Assets Disposal Regulations, 2020
6.	Mr. Dedan Munyao Head, Information and Communication Technologist 	Qualification: Bachelor of Business Information Technology (BBIT) Role: Responsible for oversight of development and implementation of ICT solutions, advise management on best practices relating to ICT matters, managing ICT support systems and development of ICT policies, strategies and procedures.
7.	Herman A. Kengere Head, Policy Research and Strategy 	Qualification: Msc (Finance), Bcom (Banking & Finance), Certified Public Secretaries (CS) and a member of Institute of Mathematical Statistics (ISM)- USA, ICIFA and ESK Role: Strategic Planning, resource mobilization, coordinating Board projects and activities, monitoring and evaluation, risk management, policy analysis and advocacy.
8.	Ms. Veronicah Koigi Head Human Resource Management 	Qualification: Certified Human Resource Professional (CHRP-K) HDHRM Role: Responsible for overseeing and managing of the organization human capital, human resource planning, development of appropriate human resource policies, training and development, performance management, employee relations and advising on proper deployment and succession management.

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5. Chairman's Statement

The Kenya Veterinary Board (KVB) is a Statutory Body established under Section 3 of the Veterinary Surgeons and Veterinary Paraprofessionals (VSVP) Act 2011 of the laws of Kenya. The object and purpose for which the Board is established is to “exercise general supervision and control over training, business, practice and employment of veterinary surgeons and` veterinary paraprofessionals in Kenya and to advise the Government in relation to all aspects thereof”.

Enforcing compliance with the set veterinary standards in areas of veterinary practice has been instrumental in supporting the National and County Governments. This has been achieved through registration and regulation of veterinary practitioners, veterinary practices including animal health training institutions, veterinary laboratories, animal welfare and breeding services as provide as stipulated in the VSVP Act, 2011.

In the just ended third Medium Term Plan (MTP), the Board focused on five key result areas namely improving physical infrastructure; human and financial institutional capacity; enforcement and compliance to set standards; enhancing visibility and corporate image of the Board; improved access to quality veterinary services and improved management and coordination of KVB functions.

The Governance of the Board is vested to seventeen (17) Directors who are appointed for a three-year term, as stipulated in the VSVP Act, 2011. The current Board of Directors were appointed in January 2023 bridging the governance gap that has been existence for two years after the expiry of the term of the previous Board of Directors in March 2021.

During the financial year, the Board upscaled its physical infrastructure by establishing the KVB Resource Centre, commenced the review of the VSVP Act 2011, inspected various veterinary service delivery facilities and practices for improved livestock value chain productivity.

To enhance the Board's performance, it requires prerequisite infrastructure (including leveraging on technology), staff, facilities and equipment. In this regard, the Board has been grappling to establish the foundation structures since 2011 when it was re-engineered after the enactment of the VSVP Act 2011. In the coming year and onward in line with MTP IV and Bottom-Up Economic Transformation Agenda (BeTA), the Board identified inadequate human, financial and institutional resources as a strategic issue that require urgent intervention for effective, efficient and productive performance of its functions for improved livestock value chain and productivity.



MR. BENSON AMEDA

For: CHAIRMAN, KENYA VETERINARY BOARD

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6. Report of the Chief Executive Officer

The functions of the Kenya Veterinary Board are derived from section 6 of Veterinary Surgeon and Veterinary Paraprofessional (VSVP), Act No. 29 of 2011. The core functions include: - registration and regulation of professional conduct of veterinary practitioners to ascertain adherence to set standards as stipulated by the Act and attendant regulations; inspection of veterinary practices to ascertain compliance and promotion of Continuous Professional Development; approval of Animal Health Training Courses and advice the Government in all aspects thereof. These regulatory activities are geared towards safeguarding animal health and welfare, promoting human health and protecting the economic interests of the stakeholders in the animal resources industry.

The Board plays a critical role in the implementation of the Bottom Up Economic Transformation Agenda. This is achieved through various contributions to the main sub-sector programs namely; Dairy Value Chain Development, Livestock Diseases Management and Food Safety and Quality Assurance. The outputs are expected to positively impact the economy in various ways namely; ensuring equitable quality education in animal health, churn out qualified value chain technical actors in the dairy and beef, Improved accessibility & availability of quality veterinary services, Improved disease monitoring and diagnosis as well as surveillance hence guaranteed animal & animal products for export market.

In FY 2022/23, the Board made the following milestones towards realization of BeTA; the Board completed the establishment of the Resource Centre which also houses its headquarters providing conducive working environment for its staff, carried out inspections in various counties completed the construction and equipping of the Kenya Veterinary Board Resource Centre project that was financed by the GoK to the tune of Ksh. 344M under the third Medium Term Plan; registered and licenced 653 veterinary practices; licenced 789 animal health service providers and registered 776 new animal health practitioners. This enforcement translated to AiA collection of Ksh. 26M.

The achievement, mainly related to enforcement and compliance activities is not our optimal success. The Board is faced with an acute shortage of staff and underfunding. The in-post staff make up a paltry 6% of the approved staff establishment of 202. This has grossly affected the regulatory function of the Board which translates to low compliance with the veterinary standards in addition affecting the collection of internally generated funds. Further, the governance vacuum hindered policy making process.

In the coming year, to effectively contribute to the livestock value chain as envisioned in the BeTA, the Board plans to recruit additional staff and lobby for resources for establishment of regional offices to decentralize the regulatory function to the earmarked regions. Further, the Board is in the process of reviewing its legal instrument in line with the Statutory Instrument Act 2013.

DR. MARY T. AGUTU
CHIEF EXECUTIVE OFFICER
KENYA VETERINARY BOARD

Kenya Veterinary Board
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7. Statement of Performance against Predetermined Objectives for FY 2022/2023

Under the MTP III framework, the Board implemented six strategic objectives namely; Strengthening human financial and institutional capacity (Recruitment, Resource Mobilization, Partnerships, work environment); Improve institutional Infrastructure (Resource Centre, Decentralization and automation); Enhance enforcement and compliance with set Standards (strengthening enforcement and compliance, and collaborations with law enforcement agencies, review of the legal instruments; Influence availability and accessibility of quality veterinary services (Mapping of staff in counties and advisory and curricula development; Improve management and coordination of KVB functions (M&E, Data and knowledge management, internal audit, internship management, ISO

The Board develops its annual work plans based on the above six strategic objectives that informs the annual performance contract which is cascaded to staff. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Board achieved its performance targets set for the FY 2023 period as indicated in the table below:

Table 1. Key performance areas

Key Result Area	Strategic Objective	Key Performance Indicators	Achievements
Enforcement and compliance to set standards enhanced	Strengthen Enforcement	No. of animal health institutions inspected and accredited	2
		No. of veterinary practices inspected and licensed	653
	Improved Compliance	No. of licenced animal health service providers	789
		No. of animal health practitioners registered	776
		No of Gazetted Animal Health practitioners	3703
		No of Indexed students	2131
		No of registered Interns	1055
	Strengthen policy and legal framework	Reviewed VSVP Act and Regulations	Ongoing
Improve Physical Infrastructure for the Board	Establishment of the Kenya Veterinary Board Resource Centre	Percentage completion	100

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8. Corporate Governance Statement

KVB has a functional Board consisting of 17 members drawn from various constituencies as provided in the VSVP Act No. 29 of 2011 (7 elected, 2 alternate members to PS Livestock and PS, The National Treasury, 2 representatives from animal resource industry, one representative from veterinary association and 5 representative of statutory bodies). The Board provides policy direction and oversight to facilitate the smooth execution of the mandate.

The term of the previous Board came to an end in March 2021 and the current Board of Directors appointed in January 2023. The Directors were inducted and trained on corporate governance by the Institute of Certified Secretaries in March 2023. In its fiduciary oversight, the Board has 4 committees namely; Technical Committee on Education and Quality Assurance (TeCEQA), Inquiries and Disciplinary (IDC), Finance, Strategy and Administration (FSAC) and Audit, Risk and Compliance (ARC) that addresses relevant issues and make recommendations to the entire Board for determination. Since all Board of Directors are appointed at the same time, their term expires at the same time leaving a vacuum for the smooth operation of the Board which has been identified as an issue for consideration during review of the VSVP Act in future.

Having been appointed late in the second half of the year, Board held three meetings and the four committees held a total of ten meetings as follows (TeCEQA 2, IDC four FSAC three ARC one meeting). The Board remuneration/allowances is as guided by government circulars. To ensure proper conduct of the members, the Board has developed the Board of Directors Code of conduct and charter.

	Type of meeting	Date of Meeting	Type of meeting	Conflict of interest declared
1	Board meeting	22/03/2023	Special	Declared
		17/04/2023	Special	None
		25/04/2023	Special	None
	Committee Meetings			
2	Technical Committee on Education and Quality Assurance	26/05/2023	Regular	None
		30/06/2023	Regular	None
3	Inquiries and Disciplinary	12/04/2023	Special	None
		13/04/2023	Special	None
		14/04/2023	Special	None
		15/04/2023	Special	None
4	Finance, Strategy and Administration	20/04/2023	Special	None
		18/05/2023	Regular	None
		19/05/2023	Regular	None
5	Audit, Risk and Compliance	2/06/2023	Regular	None

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9. Management Discussion and Analysis

During the MTP III, the Board implemented one project and various programmes towards the realization of food and nutrition security and safety under the Big four Agenda banner.

The following were the key achievement of the Board during 2018 – 2022 strategic plan implementation period;-

- i. Completion of the Kenya Veterinary Board Resource Centre and Head Quarters, hosting the administration block with proposed business and learning centers.
- ii. Five regional office sites allocated in West Pokot, Kakamega, Nyeri, Wajir, Taita Taveta and Mombasa for establishment of regional offices.
- iii. Sensitized 645 law enforcement officers countrywide.
- iv. Inspected and licensed 944 veterinary practices (850 ambulatory facilities, 70 clinics, 18 NGOs 3 laboratories and 3 hospitals)
- v. Registered 3,574 practitioners (430 veterinary surgeons, 490 veterinary technologists' degree, veterinary technologists' diploma and 1,669 veterinary technicians)
- vi. Indexed 5,542 animal health students (709 BVM students, 536 BSc Degree, 1,487 Diploma and 2,810 certificate)
- vii. Supervised 508 Continuous Professional Development activities.
- viii. Collaborated with law enforcement arrested and cause prosecution of 900 offenders of the VSVP Act, 2011,
- ix. Engaged in corporate and social responsibility. 4,000 trees planted/ distributed and sponsored 5 KVA activities.
- x. Registered 5,542 interns for deployment across the country.
- xi. Accredited 7 animal health courses.
- xii. Internship guidelines developed for animal health graduates.
- xiii. Accredited 45 internship centers for quality control.

The Board financial performance in relation to resource mobilisation over the period is summarized below:

RESOURCE MOBILIZATION TREND

Revenue	2018/19 (KSH)	2019/20 (KSH)	2020/21 (KSH)	2021/22 (KSH)	2022/23 (KSH)	Total (KSH)
AiA	28.49	25.06	25.57	26.39	26.00	131.52
Recurrent	24.99	33.50	63.00	73.00	76.00	270.49
Development	80.00	80.00	70.00	75.00	24.00	329.00
	133.48	138.56	158.57	174.39	126.00	731.01

10. Environmental and Sustainability Reporting

i) Sustainability strategy and profile

Alive to the emerging trends and challenges, the Board is currently reviewing the VSVP Act 2011 and attendant VSVP regulations 2013. The review focus on governance gaps emerging issues in veterinary practice such technology and other dynamics to mate international standards as provided by the World Organisation for Animal Health. The Board has identified 13 regions to decentralize its regulatory function with an aim of improving delivery of services. Further, review of the organisation structure is inevitable to identify the right skill and number of staff necessary to realize the Board's vision of becoming a premier agency in regulation of veterinary practice in Kenya. Some of the emerging issues during the MPT III include Covid-19 pandemic affected the Board operations due to imposition of countrywide quarantine that restricted movement. This resulted to curtailed enforcement of veterinary standards and affected collection of internally generated funds and Amendment of Commission of University Education Act which barred the Board from inspecting and regulating animal health training in the universities affecting A.i.A. collection.

ii) Environmental performance

The Board has made significant efforts to manage biodiversity and waste management efforts to reduce environmental impact resulting from operations. The Board has installed solar systems for lighting heating, pumping and distribution of water. Installed a waste treatment plant and associated water irrigation system used to irrigate the lawns.

iii) Employee welfare

The KVB approved human resource policy instruments are in line with the Kenyan constitution, VSVP Act 2011, Labour law, Public Service Commission guidelines and other national policies and circulars. The instruments provide for hiring process, taking into account the gender ratio. All staff were trained as per the training needs assessment to improve the staff skills. To keep up with emerging issues, the Board has planned to review the guidelines in the FY 2023/24. The Board is compliant with the Occupational Safety and Health and disability requirements.

iv) Market place practices

To ensure quality veterinary service delivery in the animal resource sector, through inspects and licences practices and veterinary service delivery facilities country wide. The enforcement ensures no illegal practices are operating in the market which would endanger the safety of food of animal origin. The Board recognise the importance of utilizing suppliers to meet sustainable supply chain management goals. The Board has prequalified qualified suppliers and all procurement process is conducted in an open and free manner as provided in the Public Procurement and Disposal Act 2015 and attendant guidelines. Further payments are paid promptly evidenced by zero pending bills over the years.

In addition, to support the war against corruption and promote national values and principles of governance, the Board carried out the risk assessment and prepared a mitigation plan, developed the complaint handling mechanisms and reports annually on national values and to Ethics and Anti-corruption Commission.

v) Corporate Social Responsibility / Community Engagements

The Board distributed over 1000 fruit tree seedlings through the Soy Constituency Tree Growing Enterprise Project through the area member of parliament. This is aimed at promoting reforestation, increasing the country's forest cover, mitigating climate change and foster sustainable development. To recognize and motivate the young talented and upcoming veterinary practitioners, the Board participated in the University of Nairobi annual Prize awarding ceremony for best veterinary students.

Kenya Veterinary Board
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11. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2023, which show the state of the KVB affairs.

i) Principal activities

The principal activities of the Entity are registration and regulation of professional conduct of veterinary practitioners to ascertain adherence to set standards as stipulated by the Act and attendant regulations; inspection of veterinary practices to ascertain compliance and promotion of Continuous Professional Development; approval of Animal Health Training Courses and advice the Government in all aspects thereof. These regulatory activities are geared towards safeguarding animal health and welfare, promoting human health and protecting the economic interests of the stakeholders in the animal resources industry.

ii) Results

The results of Kenya Veterinary Board for the year ended June 30, 2023, are set out on page 27 to 31.

iii) Directors

The members of the Board of Directors who served during the year are shown on page 8 to 14.

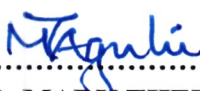
iv) Surplus remission

The Board did not make any surplus during the financial year ended June 30, 2023 and hence no remittance to the Consolidated Fund during the year under review.

v) Auditors

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

By Order of the Board


.....
DR. MARY THERESA AGUTU
CHIEF EXECUTIVE OFFICER

**Kenya Veterinary Board
Annual Report and Financial Statements
For the year ended June 30, 2023**

12. Statement of Directors Responsibilities

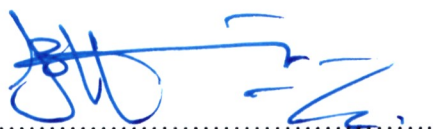
Section 81 of the Public Finance Management Act, 2012 and section 33 of the VSVP Act 2011 require the Directors to prepare financial statements in respect of the Board, which give a true and fair view of the state of its affairs at the end of the financial year and the operating results for that period. The Directors are also required to ensure that the Board keeps proper accounting records which disclose with reasonable accuracy the financial position of the Board. The Directors are also responsible for safeguarding the assets of the Board.

The Directors' 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 Board; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Board'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, 2012 and VSVP Act 2011. The Directors are of the opinion that the Board's financial statements give a true and fair view of the state of Kenya Veterinary Board transactions during the financial year ended June 30, 2023, and of the Board's financial position as at that date. The Directors further confirms the completeness of the accounting records maintained for the Board, which have been relied upon in the preparation of the Kenya Veterinary Board financial statements as well as the adequacy of the systems of internal financial control. In preparing the financial statements, the Directors have assessed the entity's ability to continue as a going concern.

Approval of the financial statements

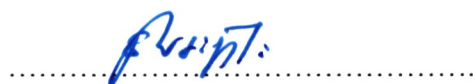
The Board's financial statements were approved by the Board on 28th September, 2023 and signed on its behalf by:



MR. BENSON AMEDA
For: CHAIRPERSON OF THE BOARD



DR. MARY THERESA AGUTU
CHIEF EXECUTIVE OFFICER



CPA, SIMON G. WAINAINA
FINANCE, HUMAN RESOURCE AND ADMINISTRATION OFFICER
ICPAK No. 8472

Kenya Veterinary Board
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14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

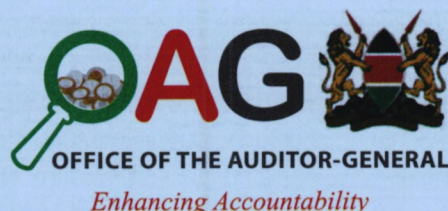
	Note	Jun-23	Jun-22
Revenue from Non-Exchange Transactions		Kshs	Kshs
Government Grant	6	76,000,000	73,000,000
Revenue from Exchange Transactions			
Licences and Fees	7	26,272,650	26,387,940
Total Revenue		102,272,650	99,387,940
Expenses			
Board Expenses	8	11,205,213	-
Operating Expenses	9	14,167,006	12,109,578
Employee Cost	10	32,492,577	34,025,721
Administrative Expenses	11	36,387,754	34,678,047
Depreciation and Amortization	12	13,940,075	6,662,776
Total Expenses		108,192,625	87,476,121
Surplus/(Loss) before Tax		(5,919,975)	11,911,819
Taxation*		-	-
Surplus/(Loss) after Tax		(5,919,975)	11,911,819

*The Board is exempt from taxation

The notes set out on pages 1 to 26 form an integral part of these Financial Statements

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 KENYA VETERINARY BOARD FOR THE YEAR ENDED 30 JUNE, 2023

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 the 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 the Kenya Veterinary Board set out on pages 1 to 25, 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 Kenya Veterinary Board 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 comply with the Veterinary Surgeons and Veterinary Para-professionals Act, 2011 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unconfirmed Land Ownership

As previously reported, the statement of financial position reflects property, plant, and equipment balance of Kshs.340,914,696 as disclosed in Note 16 to the financial statements. However, the balance excludes land measuring approximately one and half (1.5) acres situated near the Veterinary Sports Club, along the Kabete police – Ndumbuini access road, bordering House no. VET/NEW/B, House No. VET/2/17, House No. VET/NEW/3 and a flat (House Nos. VET/1/99A, VET/1/99B, VET/1/99C and VET/1/99D. The management provided a memorandum of understanding between State Department of Livestock, Directorate of Veterinary Services, and the Board. However, valuation and title deed for the parcel of land were not provided for audit review.

In the circumstances, the accuracy, completeness, and valuation of the value of property, plant, and equipment balance of Kshs.340,914,696 could not be confirmed.

2. Under Collection of Revenue

The statement of receipts and payments, and as disclosed in Note 7 to the financial statements, reflects licenses and fees amount of Kshs.26,272,650. Included in the fees is an amount of Kshs.3,434,100 and Kshs.11,526,000 for practice fees and retention fees respectively. However, recalculation of amount to be collected for the period revealed that there was an under collection amounting to Kshs.58,052,000 and Kshs.20,915,000 for practice fees and retention fees respectively. The amounts had also not been reflected as receivables for the year under review. Further, the Board did not apply provisions of Section 21(5) the Veterinary Surgeons and Veterinary Para-Professionals Act, 2011 that stipulates that any veterinary surgeon or veterinary para- professional who contravenes the provisions of Subsection 2 shall have his name deleted from the relevant register, and any reinstatement on the register shall be upon payment of the outstanding amount together with such penalty as the Board may, with the approval of the Cabinet Secretary, prescribe. No explanation has been provided on the failure to collect

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Board 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

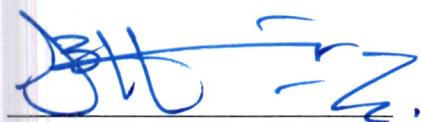
08 January, 2024

Kenya Veterinary Board
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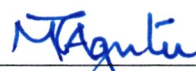
15. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	Jun-23	Jun-22
ASSETS		Kshs	Kshs
CURRENT ASSETS			
Cash and Cash Equivalents	13	18,218,032	56,148,920
Receivables from Non-exchange transaction	14	8,331,091	341,906
Inventories	15	1,303,395	647,151
Total Current Assets		<u>27,852,518</u>	<u>57,137,976</u>
NON-CURRENT ASSETS			
Property and Equipment	16	340,914,696	297,159,645
Intangible Assets	17	3,480,848	7,868,399
Total Non-current Assets		<u>344,395,544</u>	<u>305,028,045</u>
TOTAL ASSETS		<u>372,248,062</u>	<u>362,166,021</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	18	4,864,585	12,862,569
Total Liabilities		<u>4,864,584</u>	<u>12,862,569</u>
NET ASSETS			
Revenue Reserves	19	23,383,477	29,303,452
Capital Reserves	20	344,000,000	320,000,000
Total Net Assets		<u>367,383,477</u>	<u>349,303,452</u>
TOTAL NET ASSETS AND LIABILITIES		<u>372,248,062</u>	<u>362,166,021</u>

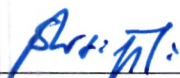
The Financial Statements set out on pages 1 to 4 were signed on behalf of the Board by:



MR. BENSON AMEDA
For: CHAIRMAN
KENYA VETERINARY BOARD



DR. MARY THERESA AGUTU
CHIEF EXECUTIVE OFFICER
KENYA VETERINARY BOARD



CPA, SIMON G. WAINAINA
FINANCE AND ADMINISTRATION OFFICER
ICPAK No. 8472

Kenya Veterinary Board
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16. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2023

	Accumulated Reserves	Capital Reserves	Total Reserves
	<u>Kshs</u>	<u>KShs</u>	<u>Kshs</u>
AS AT 30TH JUNE 2021	17,391,633	245,000,000	262,391,633
Increase in the period	11,911,819	75,000,000	86,911,819
Decrease in the period	-	-	-
Transfer of reserves	-	-	-
AS AT 30TH JUNE 2022	29,303,452	320,000,000	349,303,452
Increase in the period	(5,919,975)	24,000,000	18,080,025
Decrease in the period	-	-	-
Transfer of reserves	-	-	-
AS AT 30TH JUNE 2023	23,383,477	344,000,000	367,383,477

Kenya Veterinary Board
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For the year ended June 30, 2023

17. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

Cash generated from operations	Note	Kshs	Kshs
Surplus/(deficit) for the year before tax		(5,919,975)	11,911,819
<u>Adjustment for Non-Cash transactions</u>			
Depreciation and Amortisation		13,940,075	6,662,776
Net Cash flows from operating activities before changes in working capital		8,020,100	18,574,594
<u>Changes in Working Capital</u>			
Decrease/(Increase) in Receivables		(7,989,185)	33,578,185
Decrease/(Increase) in inventory		(656,244)	(541,664)
(Decrease)/Increase in payables		(7,997,984)	10,819
Net Change in Working Capital		(16,643,413)	33,047,341
Net Cash flows from operating Activities		(8,623,313)	51,621,935
Cash flows from investing activities			
Purchasing of Non-Current Assets	16	(22,342,217)	(48,383,400)
KVB Resource Centre Works in Progress	16	(30,673,271)	(53,566,996)
Purchase of Intangible assets	17	(292,087)	(3,336,760)
Net cash generated from (used in) Investing Activities		(53,307,575)	(105,287,156)
Net Cashflow from operating Activities			
Cash flows from Financing Activities			
Increase (Decrease) in Capital Grant		24,000,000	75,000,000
Net cash generated from (used in) Financing Activities		24,000,000	75,000,000
Cash and Cash equivalents at the beginning of the year		56,148,920	34,814,141
Increase/(Decrease) in Cash & Cash Equivalents		(37,930,888)	21,334,779
Cash and Cash equivalents at the end of the year	13	18,218,032	56,148,920

Kenya Veterinary Board
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18. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2023

	Budget	Adjustments	Adjusted Budget	Actual	Performance Difference	Variance %
Income						
Government Recurrent Grant	86,000,000	10,000,000	76,000,000	76,000,000	-	0%
Government Development Grant	18,000,000		18,000,000	18,000,000	-	0%
Internally Generated Funds	30,000,000	3,000,000	27,000,000	26,272,650	727,350	3%
Balance B/fwd	56,148,920		56,148,920	56,148,920	-	0%
Total Income	190,148,920	(13,000,000)	177,148,920	176,421,570	727,350	
Expenditure		-				
Employee Cost	55,448,920	7,700,000	47,748,920	32,492,577	15,256,343	47%
Remuneration of Board of Directors	13,500,000	2,300,000	11,200,000	11,205,213	(5,213)	0% i
Operating Expenses	17,200,000	2,500,000	14,700,000	14,167,006	532,994	4%
Administrative Expenses	37,000,000	500,000	36,500,000	36,387,754	112,246	0%
Depreciation and Amortization	14,000,000	-	14,000,000	13,940,075	59,925	0%
Capital Expenditure	53,000,000	-	53,000,000	53,307,575	(307,575)	-1%
Total Expenses	190,148,920	-13,000,000	177,148,920	161,500,200	15,648,720	
Difference	-	-	-	14,921,370	(14,921,370)	

Variance analysis

- i) The staff were not recruited as planned due to delayed gazettelement of Board of Directors

NOTES TO THE FINANCIAL STATEMENTS (Continued)

19. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Kenya Veterinary Board was established under the Veterinary Surgeons and Veterinary Paraprofessionals Act, CAP 366. The Board is wholly owned by the Government of Kenya and is domiciled in Kenya. The Board's principal activity is to exercise general supervision and control over training, business, practice and employment of veterinary surgeons and veterinary para-professionals in Kenya and advise the government in relation to all aspects thereof.

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 Board's accounting policies.

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

The financial statements have been prepared in accordance with the PFM Act, Veterinary Surgeons and Veterinary Paraprofessionals Act, CAP 366, 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

There were no new standards and amendments to published standards effective for the year ended 30 June 2023 that required the Board to adopt or affected the Board.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees and Licences

The Board recognizes revenues from fees, taxes and fines when the event occurs. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Board and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the

NOTES TO THE FINANCIAL STATEMENTS (Continued)

economic benefits or service potential related to the asset will flow to the Board and can be measured reliably.

ii) Revenue from exchange transactions

Rendering of services

The Board 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 labour hours incurred to date as a percentage of total estimated labour hours.

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 Board.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

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 Board. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or Board 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.

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

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the

NOTES TO THE FINANCIAL STATEMENTS (Continued)

statement of financial performance has been presented under statement of comparison of budget and actual amounts.

c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Board operates and generates taxable income.

Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit.

Deferred tax items are recognized in correlation to the underlying transaction in net assets.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable Board and the same taxation Board.

Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation Board, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation Board is included as part of receivables or payables in the statement of financial position.

d) 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 Board 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 administrative expenses. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

It is the Board policy to depreciate its assets using reducing balance method the following month after purchase as follows;

Asset Category	Depreciation Rate
Motor Vehicles	25.0%
Furniture and Fittings	12.5%
Computers and Printers	30.0%
Kitchen Equipment	30.0%
Office Equipment	12.5%

e) 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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

accumulated amortization and accumulated impairment losses. The Board policy is to amortize intangible assets using straight line method the following month after purchase as follows;

Asset Category	Amortization Rate
Software	33.0%

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

f) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Board determines the classification of its financial assets at initial recognition.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Board determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

g) 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:

- Raw materials: purchase cost using the weighted average cost method
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

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.

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

h) Provisions

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Provisions are recognized when the Board 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 Board 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.

i) Contingent liabilities

The Board 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.

j) Contingent assets

The Board 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 Board 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.

k) Nature and purpose of reserves

The Board does not create or maintain any reserves.

l) Changes in accounting policies and estimates

The Board recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

m) Employee benefits

(i) Defined contribution scheme

The Board contributes to the statutory National Social Security Fund (NSSF) whose rates are determined by Kenyan statutes and amount charged in the income statement in the year they relate.

(ii) Gratuity

Entitlements to gratuity are recognized when they accrue to qualifying employees at 31% of the basic pay.

n) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or

NOTES TO THE FINANCIAL STATEMENTS (Continued)

expenses in the period in which they arise. During the financial year there were no foreign exchange transactions.

o) 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 Standard Chartered Bank, Co-operative Bank and Safaricom MPESA Accounts at various commercial banks at the end of the financial year.

p) Comparative figures

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

q) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2023.

5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Board'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. There are no significant judgements, estimates and assumptions to be reported in this financial year.

Key going concern assumption

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

Useful lives and residual values

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 Board
- 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

Provisions

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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 Government Grant							
			Jun-23			Jun-22	
	AIE Number	Date	Kshs		AIE Number	Date	Kshs
	B101275	24-10-2022	21,500,000		A929019	23-07-2021	18,250,000
	A943359	12-01-2023	21,500,000		B101356	22-10-2021	18,250,000
	A943350	10-02-2023	11,500,000		B101411	24-01-2022	18,250,000
	B101196	04-04-2023	<u>21,500,000</u>		B101419	11-04-2022	<u>18,250,000</u>
			<u>76,000,000</u>				<u>73,000,000</u>

7	Licence and Fees	Jun-23	Jun-22
		Kshs	Kshs
	Application Fees	269,000	1,891,955
	CPD Fees	2,480,906	2,000,500
	Inspection Fees	5,627,201	5,050,000
	Internship Fees	499,501	388,500
	Licence Fees	239,740	529,650
	Practice Fees	3,434,100	3,832,200
	Registration Fees	2,195,500	1,280,811
	Retention Fees	11,526,702	11,414,324
		<u>26,272,650</u>	<u>26,387,940</u>

8	Board Expenses	Jun-23	Jun-22
		Kshs	Kshs
	Board and Committee Sitting Allowances	4,052,800	-
	Board Committee Transport	570,213	-
	Board and Committee Accommodation	3,926,400	-
	Board Chairman Honoraria and Telephone	258,000	-
	Board Training	2,397,800	-
		<u>11,205,213</u>	<u>-</u>

9	Operating Expenses	Jun-23	Jun-22
		Kshs	Kshs
	Conference and seminars	5,084,870	3,720,869
	Corporate Social Responsibility	153,950	417,892
	CPD Supervision	1,113,669	2,333,607
	Examination	-	685,700
	Inspection	1,709,771	2,687,275
	Magazines and Periodicals	-	232,000
	Publicity & communication	892,501	470,911
	Repairs and Maintenance	1,322,640	167,195
	Standards and Quality Assurance	3,889,605	1,259,728

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

9	Operating Expenses	Jun-23	Jun-22
		Kshs	Kshs
	Training Institution Inspection	-	134,400
		14,167,006	12,109,578

10	Employee Cost	Jun-23	Jun-22
		Kshs	Kshs
	GPA/WIBA Cover	89,415	75,541
	Gratuity	606,583	1,327,644
	NITA	8,350	103,553
	NSSF Pension	315,094	211,822
	Staff Medical	3,910,908	4,222,871
	Umberella Pension	2,341,317	1,363,663
	Wages and Stipend	3,475,586	1,591,189
	Staff Salaries	21,745,325	25,129,439
		32,492,577	34,025,721

11	Administrative Expenses	Jun-23	Jun-22
		Kshs	Kshs
	Auditing	348,000	348,000
	Award and Donations	245,990	140,000
	Bank Charges	295,556	271,555
	Cleaning Services	1,216,483	101,374
	Computer Maintenance	-	135,090
	Electricity	2,177,933	2,112,950
	Motor Vehicle Fuel	1,775,992	1,252,452
	Vehicle Insurance	233,377	275,688
	Vehicle Maintenance	1,714,457	1,984,225
	Generator	229,817	-
	Office Welfare	3,404,743	2,261,163
	Postage	14,900	27,860
	Printing & Stationeries	1,339,241	2,840,051
	Security	1,673,889	1,594,170
	Sewage and Garbage Collection	-	145,800
	Software Licences and Maintenance	1,760,275	364,312
	Subscription	-	65,000
	Subsistence Allowance	14,699,215	16,656,113
	Telephone Expenses	185,568	183,191
	Training and Education	2,032,774	2,365,320
	TRANSPORT	86,356	490,540
	Water	98,890	253,254
	Website E-mail and Networking	691,200	809,939
	Borehole maintenance	92,300	-
	Policy and Governance	2,070,800	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11	Administrative Expenses	Jun-23	Jun-22
		Kshs	Kshs
	Total	<u>36,387,754</u>	<u>34,678,047</u>

12	Depreciation and Amortization	Jun-23	Jun-22
		Kshs	Kshs
	Amortized-Software's	4,679,638	2,780,611
	Depreciation- Kitchen Equipment	417,189	153,960
	Depreciation-Computers	2,340,195	243,894
	Deprecation- Motor Vehicle	269,575	359,434
	Deprecation-Furniture & Fitting	1,898,100	1,129,240
	Deprecation-Office Equipment	4,335,378	1,995,637
		<u>13,940,075</u>	<u>6,662,776</u>

13	Cash and Cash Equivalents	Jun-23	Jun-22
		Kshs	Kshs
	Cooperative Bank	1,348,665	7,654,281
	M-Pesa Paybill 696891	98,620	98,620
	M-Pesa Paybill 787888	546,200	61,500
	Standard Chartered Bank	16,224,547	48,334,518
		<u>18,218,032</u>	<u>56,148,920</u>

14	Receivables from Non-Exchange Transactions	Jun-23	Jun-22
		Kshs	Kshs
	Capital Grant Receivable	6,000,000	-
	Postage Stamps	4,200	7,830
	Fuel Cards	161,069	119,820
	Salary Advances	121,779	66,072
	Insurance prepayments	2,044,043	148,184
		<u>8,331,091</u>	<u>341,906</u>

15	Inventory	Jun-23	Jun-22
		Kshs	Kshs
	Consumable Inventory	337,815	132,173
	Stationery Inventory	965,580	514,978
		<u>1,303,395</u>	<u>647,151</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

16		Furniture and Fittings	Office Equipment	Kitchen Equipment	Computers	Motor Vehicle	Land and Buildings	Total
	COST (Kshs)							
	01 July 2021 (b/fwd)	1,401,918	1,378,870	-	5,765,535	14,006,918	195,699,245	218,252,486
	Additions	14,224,595	27,867,332	3,491,472	2,800,000	-	53,566,996	101,950,396
	Disposals	-	-	-	-	-	-	-
	Transfer/Adjustments	-	-	-	-	-	-	-
	30th June 2022 c/fwd)	15,626,513	29,246,202	3,491,472	8,565,535	14,006,918	249,266,241	320,202,882
	01 July 2022 (b/fwd)	15,626,513	29,246,202	3,491,472	8,565,535	14,006,918	249,266,241	30,202,882
	Additions	2,011,900	12,448,206	-	7,882,111	-	30,673,271	53,015,488
	Disposals	-	-	-	-	-	-	-
	Transfer/Adjustments	-	-	-	-	-	-	-
	30th June 2023 (c/fwd)	17,638,413	41,694,408	3,491,472	16,447,646	14,006,918	279,939,512	373,218,369
	DEPRECIATION							
	01 July 2021 (b/fwd)	989,058	650,274	-	4,952,556	12,569,184	-	19,161,072
	Depreciation	1,129,240	1,995,637	153,960	243,894	359,434	-	3,882,165
	Disposals	-	-	-	-	-	-	-
	Impairment	-	-	-	-	-	-	-
	Transfer/Adjustments	-	-	-	-	-	-	-
	30th June 2022 (c/fwd)	2,118,299	2,645,912	153,960	5,196,449	12,928,617	-	23,043,236
	01 July 2022 (b/fwd)	2,118,299	2,645,912	153,960	5,196,449	12,928,617	-	23,043,236
	Depreciation	1,898,100	4,335,378	417,189	2,340,195	269,575	-	9,260,437
	Disposals	-	-	-	-	-	-	-
	Impairment	-	-	-	-	-	-	-
	Transfer/Adjustments	-	-	-	-	-	-	-
	30th June 2023 - c/fwd	4,016,398	6,981,290	571,149	7,536,644	13,198,193	-	32,303,674
	NET BOOK VALUES							
	30 June 2022- c/fwd	13,508,214	26,600,291	3,337,513	3,369,086	1,078,301	249,266,241	297,159,645
	30 June 2023 - c/fwd	13,622,015	34,713,119	2,920,324	8,911,001	808,725	279,939,512	340,914,696

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17	Intangible Assets: Software's	Amount	Total
	COST(Kshs)		
	01July2021(b/fwd)	13,645,695	13,645,695
	Additions	3,336,760	3,336,760
	Disposals	-	-
	Transfer/Adjustments	-	-
	30thJune2022c/fwd)	16,982,455	16,982,455
	01July2022(b/fwd)	16,982,455	16,982,455
	Additions	292,087	292,087
	Disposals	-	-
	Transfer/Adjustments	-	-
	30thJune2023(c/fwd)	17,274,542	17,274,542
	DEPRECIATION		
	01July2021(b/fwd)	6,333,445	6,333,445
	Amortization	2,780,611	2,780,611
	Disposals	-	-
	Impairment	-	-
	Transfer/Adjustments	-	-
	30thJune2022(c/fwd)	9,114,056	4,432,316
	01July2022(b/fwd)	9,114,056	9,114,056
	Amortization	4,679,638	4,679,638
	Disposals	-	-
	Impairment	-	-
	Transfer/Adjustments	-	-
	30thJune2023-c/fwd	13,793,694	13,793,694
	NETBOOKVALUES		
	30June2022-c/fwd	7,868,399	7,868,399
	30June2023-c/fwd	3,480,848	3,480,848

18	Trade and Other Payables from Exchange Transactions	Jun-23	Jun-22
		Kshs	Kshs
	Accounts Payable	3,250,479	9,213,616
	PAYE	604,214	500,740
	NITA	2,500	-
	Staff gratuity provision	162,983	3,148,212
	Staff Pension Arrears	844,409	-
		4,864,584	12,862,569

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

19	Revenue Reserve	Jun-23	Jun-22
		Kshs	Kshs
	Balance(B/fwd)	29,303,452	17,391,633
	Surplus/(Deficit)	(5,919,975)	11,911,819
	Balance(c/fwd)	23,383,477	29,303,452

20	Capital Reserves	Jun-23	Jun-22
		Kshs	Kshs
	Balance(B/fwd)	320,000,000	245,000,000
	Government Capital Grant	24,000,000	75,000,000
	Balance(C/fwd)	<u>344,000,000</u>	<u>320,000,000</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

21. TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES

	Kenya Veterinary Board	Amount recognized to Statement of Comprehensive Income	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant 2022/2023	Total grant 2021/2022
	<u>Development</u>	Kshs	Kshs	Kshs	Kshs	Kshs
1	Ministry of Agriculture and Livestock	76,000,000	-	-	76,000,000	73,000,000
	<u>Recurrent</u>				-	
1	Ministry of Agriculture and Livestock	-	-	24,000,000	24,000,000	75,000,000
	Total	76,000,000	-	24,000,000	100,000,000	148,000,000

The table is an extract of Appendix II

NOTES TO THE FINANCIAL STATEMENTS (Continued)

22. FINANCIAL RISK MANAGEMENT

The Board's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Board's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Board does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Board's financial risk management objectives and policies are detailed below:

(i) Credit risk

The Board has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, considering its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the Board of Directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Board's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the Board's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
At 30 June 2023				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	8,331,091	8,331,091	-	-
Bank balances	18,218,032	18,218,032	-	-
Total	26,549,123	26,549,123	-	-
At 30 June 2022				
Receivables from exchange transactions	-	-	-	-
Receivables from nonexchange transactions	341,906	341,906	-	-
Bank balances	56,148,920	56,148,920	--	-
Total	56,490,826	56,490,826	-	-

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Board has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The board of Board of Directors sets the Board's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Board's short, medium and long-term funding and liquidity management requirements. The Board manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the Board under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Lessthan1month	Between1-3months	Over5months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2023				
Trade payables	4,864,193	-	-	4,864,193
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	4,864,193	=	-	4,864,193
At 30 June 2022				
Trade payables	9,714,357	-	-	9,714,357
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	9,714,357	=	-	9,714,357

(iii) Market risk

The Board has no market risk exposure

NOTES TO THE FINANCIAL STATEMENTS (Continued)

23. RELATED PARTY BALANCES

Nature of related party relationships

Entities and other parties related to the Board 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.

Government of Kenya

The Government of Kenya is the principal shareholder of the Board, holding 100% of the Board's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Board, both domestic and external. Other related parties include:

- i) The National Government;
- ii) The Ministry of Agriculture and Livestock

The transactions with related party is as follows: -

Transactions with related parties	2022-2023	2021-2022
	Kshs	Kshs
Sales to related parties		
Sales of goods to National Government*	-	-
Sales of services Ministry of Agriculture and Livestock	-	-
Total	-	-
Grants from the Government		
Grants from National Govt	100,000,000	148,000,000
Donations in kind	-	-
Total	94,000,000	148,000,000
Expenses incurred on behalf of related party		
Payments of salaries and wages for employees	31,648,167	34,025,721
Payments for goods and services	62,351,833	49,304,235
Total	94,000,000	83,329,956
Director's Emoluments	11,205,213	-
Total	11,205,213	-
Balance due receivable from related party	6,000,000	-

24. EVENTS AFTER THE REPORTING PERIOD

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

25. ULTIMATE AND HOLDING BOARD

The Board is a State Corporation/ or a Semi- Autonomous Government Agency under the Ministry of Agriculture and Livestock, State Department of Livestock. Its ultimate parent is the Government of Kenya.

26. Currency

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

APPENDICES

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

S.No.	Issue	Management comments	Status	Timeframe
1	Lack of land ownership	The Board has initiated the process of acquiring the title through the Principal Secretary, State Department for Livestock Development.	a. Not Resolved	31/12/2024
2	Understaffing and Staff promotion	a. Management is reviewing the Human resource instruments, and will seek fresh relevant authority after Board sanction. b. Management has commenced the process of promoting the staff	a. Resolved b. Not Resolved	31/03/2024
3	Maintenance of Board registers and under collection of revenue	The following measures will be undertaken by the Board - To delete names of non-compliant members from the registers - To prescribe a penalty for late payment of annual subscription fees - To publish the names of bona fide members in	a. Resolved	

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S.No.	Issue	Management comments	Status	Timeframe
		the daily newspapers - To give notice to the public on non-compliant members - To allow for continuous update of members' registers instead of confining it to 31st December of each year.		
4	Presentation of the Financial Statement – Non-conformance with the reporting template	The Board has complied with the templates in the FY 2022/23 reporting	a. Resolved	
5	Non- compliance with the approved pension contribution rates.	The Board is yet to clear outstanding pension from July 2017 to Dec 2022	a. Not-resolved	31/10/2023
6	Lack of disaster recovery and Business Continuity planning and implementation	a. Critical Modules have been restored and restoration of other functionalities are ongoing. b. Disaster recovery Policy and business continuity plans (BCP) planned for development in FY 2023/24	a. Not Resolved b. Not resolved	a. 31/03/2024 b. 30/11/2023
7	Anomalies in Registration of Veterinary	The Registrar has complied with the VSVP	Resolved	

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S.No.	Issue	Management comments	Status	Timeframe
	Surgeons and Veterinary Paraprofessionals.	Act 2011 in regard to the registers		
8	Seconded or deployed staff	a. The Board will seek advisory from SRC on payment of top up allowance b. Management endeavours to adhere to the public service commission guidelines and Act 2007 on transfer of service.	a. Resolved b. Not Resolved	b. 30/08/2024
9	Lack of Enterprise-Wide Risk Management Strategy and Policies	The Policy has been approved by the Board	a. Resolved	
10	Lack of functional Board Members	The Board was Gazetted in January 2023	a. Resolved	



DR. MARY THERESA AGUTU
CHIEF EXECUTIVE OFFICER
KENYA VETERINARY BOARD

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APPENDIX II: INTER-BOARD TRANSFERS

	ENTITY NAME:	Kenya Veterinary Board		
	Break down of Transfers from the State Department for Livestock Development: FY 2022/2023			
a.	Recurrent Grants			
	AIE number	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Financial Year</u>
	B101275	24-10-22	21,500,000	2022/2023
	A943359	12-01-23	21,500,000	2022/2023
	A943350	10-02-23	11,500,000	2022/2023
	B101196	04-04-23	<u>21,500,000</u>	2022/2023
		Total	<u>76,000,000</u>	
b.	Development Grants			
	AIE number	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Financial Year</u>
	B101277	24-10-2022	6,000,000	2022/2023
	A943361	12-01-2023	6,000,000	2022/2023
	B101190	04-04-2023	6,000,000	2022/2023
		Total	18,000,000	
c.	Direct Payments			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Financial Year</u>
			N/A	
		Total	N/A	
Id.	Donor Receipts			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Financial Year</u>
			N/A	
		Total	N/A	

The above amounts have been communicated to and reconciled with the Ministry of Agriculture and Livestock Development

Signature.....
DR. MARY THERESA AGUTU
CHIEF EXECUTIVE OFFICER
KENYA VETERINARY BOARD

Signature.....
MR. JOSEPH NYAMORA
HEAD OF ACCOUNTING UNIT
MINISTRY OF AGRICULTURE AND LIVESTOCK

