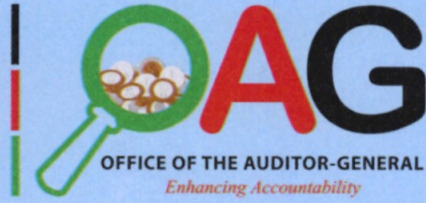


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ON

AGRI & CO-OPERATIVE TRAINING AND CONSULTANCY SERVICES LIMITED

 THE NATIONAL ASSEMBLY	
FOR THE YEAR ENDED	
DATE	DAY
30 JUNE, 2025	WEDNESDAY
TABLED BY:	HON. NAOMI WAQO, MP DEPUTY MAJORITY WHIP
CLERK-AT THE-TABLE:	ESTHER NAINYO



OFFICE OF THE AUDITOR GENERAL
P.O. Box 30084 - 00100, NAIROBI
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**AGRI & CO-OPERATIVE TRAINING AND CONSULTANCY SERVICES LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2025**

Prepared in accordance with the IFRS Accounting Standards

Agri & Co-operative Training and Consultancy Services Ltd
Annual Report and Financial Statements for the year ended June 30, 2025

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1. Acronyms and Definition of Key Terms

A. Acronyms

CEO	<i>Chief Executive Officer</i>
DG	<i>Director General</i>
IAS	<i>International Accounting Standards</i>
IASB	<i>International Accounting Standards Board</i>
IFRS	<i>International Financial Reporting Standards</i>
PFMA	<i>Public Finance Management Act.</i>
PSASB	<i>Public Sector Accounting Standards Board</i>
ATC	<i>Agri & Co-op Training and consultancy services limited</i>
CUK	<i>Co-operative University of Kenya</i>
SASRA	<i>SACCO Societies Regulatory Authority</i>

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

2. Key Entity Information

a) Background information

Agri and Co-operative Training and Consultancy Services (ATC), was launched in July 2004 as the then Agribusiness Training Centre. The then Co-operative College of Kenya (CCK) teamed up with five other organizations to establish ATC. The founding partners are: -

1. The Co-operative University of Kenya (CUK)
2. German Technical Co-operation
3. German Technical Service
4. American Co-operative Development International
5. Kenya Agricultural Commodity Exchange
6. Hanns-Seidel- Foundation

The purpose of ATC is to ensure the outreach of Co-operative University academic knowledge and fulfilling the needs of diverse groups within and outside the co-operative movement to improve their business by providing capacity development, training, consultancy & research.

ATC was formally registered as a private company wholly owned by CUK, by guarantee in August 2007. It operates on a commercial and cost-recovery basis and enjoys a great deal of institutional autonomy in order to deliver competitive services in a fast and cost-effective manner, in line with the expectations of clients. However, it works within the overall framework set by the Co-operative University of Kenya Governing Council.

Principal Activities

The principal activity of the ATC is to conduct training and consultancy services to governmental and non-governmental organizations such as co-operative movement and the associated sectors of the economy, farmers and their associations, small and medium enterprises, Development Partners, Community Based Organizations and other related clientele.

Vision

To be the most sought-after Consultancy firm in the region.

Mission

To provide innovative and competitive trainings, consultancy and applied research and develop commercial enterprises to meet the commercial expectations of the CUK, cooperatives, agribusiness and the associated economies

Agri & Co-operative Training and Consultancy Services Ltd
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VALUES

- Integrity
- Equity
- Quality
- Teamwork
- Innovation)

b) Directors

The Directors who served the entity during the year/period were as follows:

1.	Prof. Kamau Ngamau (PhD)	CUK– Vice Chancellor and Board Chairperson Appointed on 1 st Nov 2023
2.	Dr. Moses Gweyi	Ag. Chief Executive Officer and Secretary Appointed on 1 st Nov 2023
3.	Prof. Esther Njoki Gicheru (Mrs.) HSC	CUK- Deputy Vice Chancellor (Finance and Planning) Appointed on 1st Nov 2023
4.	Prof. Isaac Nyamongo	CUK - Deputy Vice Chancellor (Cooperative Development, Research and Innovation) – Appointed on 1st Nov 2023
5.	Mr. Zachary Njeru	CUK– Appointed on 7 th April 2025
6.	Dr Monica Nderitu	CUK - Appointed on 7th April 2025
7.	Mr. Timothy Mutwiri	Regional Financial Manager-We Effect- Appointed on 1st Nov 2023
8.	Mr. Daniel Marube	CEO - Co-operative Alliance of Kenya- Appointed on 1st Nov 2023

c) Registered Office

Agri and Co-operative Training and Consultancy Services Ltd
Co-operative University of Kenya
Ushirika Road Karen
P O Box 465 -00502
KAREN – NAIROBI.

Key Entity Information (continued)

d) Corporate Headquarters

Co-operative University of Kenya
Ushirika Road Karen
P O Box 465 -00502
KAREN – NAIROBI.

e) Corporate Contacts

Telephone: (254) 0735 866

E-mail: info@atc.co.ke

Website: www.atc.co.ke

f) Corporate Bankers

Kenya Commercial Bank
Karen Branch
P O Box 4042 - 00502
KAREN – NAIROBI.



g) Independent Auditors

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



h) Principal Legal Advisers

1. The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya.



3. The Board of Directors

Ref	Directors	Details
1.	 <p>Prof. Kamau Ngamau DOB 1966</p> <ul style="list-style-type: none"> • Vice Chancellor – The Co-operative University of Kenya. • Board Chairperson ATC 	<ul style="list-style-type: none"> • Full Professor, Horticulture – Jomo Kenyatta University of Agriculture and Technology (JKUAT). • Doctor of Philosophy, Horticultural Sciences – The University of Hanover, Germany. • Master of Science, Horticulture – University of Nairobi (UON). • Master's degree, Organizational Development – United States International University, Kenya • Bachelor of Science, Agriculture – The University of Nairobi. • Founder Member of Kenya Society of Professional Co-operators (KSPC)
2.	 <p>Prof. Esther N. Gicheru (Mrs) OGW</p> <ul style="list-style-type: none"> • DOB; 1952 • Deputy Vice Chancellor (Finance and Planning) – The Co-operative University of Kenya. • ATC Board Member and Chair HR, Finance Committee and 	<ul style="list-style-type: none"> • Associate Professor in Cooperative Management and Organization Development • Doctor of Philosophy, Organization Development and Transformation – Cebu Doctors' University, the Philippines. • Master's Degree, Co-operative Management and Organization Development – Leicester University, United Kingdom. • Bachelor of Science Agriculture – University of Nairobi (UON)

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	<p>Member of Business Promotion Committee.</p>	<ul style="list-style-type: none"> • Diploma in Counselling Psychology – Tangaza University College. • Founder Member of Kenya Society of Professional Co-operators (KSPC)
	 <p>Prof. Isaac K. Nyamongo</p> <ul style="list-style-type: none"> • DOB; 1963 • Deputy Vice Chancellor (Cooperative Development, Research and Innovation) – The Co-operative University of Kenya. • ATC Board Member and HR and Finance Committee. 	<ul style="list-style-type: none"> • Full Professor, Anthropology – University of Nairobi. • Doctor of Philosophy, Anthropology – University of Florida, USA. • Master of Science, Anthropology – Punjab University, India. • Bachelor of Science, Anthropology – Punjab University, India.
<p>3.</p>	 <p>Mr Zachary Njeru</p> <ul style="list-style-type: none"> • DOB. 1969 	<ul style="list-style-type: none"> • MSc-HRM- The University of Manchester-UK • Bachelor of Education- Science- Egerton University.


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	<ul style="list-style-type: none"> • A.g Registrar Academics, Co-operative Development, Research, and Innovation. (ACDRI). • ATC Board Member, Chairperson Business and Promotion Committee and Member Audit and Risk Committee. 	
<p>4.</p>	 <p>Dr. Monica Nderitu.</p> <ul style="list-style-type: none"> • DOB: 1976 • Lecturer - The Co-operative University of Kenya. • ATC Board Member, Business and Promotion Committee member and Audit and Risk Committee Member 	<ul style="list-style-type: none"> • PHD Business Administration- FINANCE- Jomo Kenya University of Agriculture and Technology (JKUAT). • Master's in business administration (MBA)-STRATEGIC MANAGEMENT- University of Nairobi. • MASTER OF SCIENCE IN FINANCE- University of Nairobi. • Bachelor of Education (Business Studies and Economics)- University of Nairobi.
<p>5.</p>		<ul style="list-style-type: none"> • Master of Business Administration (Finance) - University of Nairobi (UON) • Bachelor of Commerce (Accounting) (UON) - University of Nairobi (UON) • CPA-K



Agri & Co-operative Training and Consultancy Services Ltd
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	<p>Mr. Timothy Mutwiri</p> <ul style="list-style-type: none"> • DOB ;1975 • Regional Financial Manager-We Effect. • ATC Board Member, Chairperson Audit and Risk Committee and member Business and Promotion Committee 	
<p>6.</p>	 <p>Mr Daniel Marube</p> <ul style="list-style-type: none"> • DOB;1975 • Executive Director of the CAK council. • ATC Board Member and Member of HR and Finance Committee. 	<ul style="list-style-type: none"> • Master's in Business management, Post graduate in management (University of Cambridge). • Co-operative Alliance of Kenya – CEO
<p>7.</p>	 <p>Dr. Moses Gweyi, PhD. CCOP.</p> <ul style="list-style-type: none"> • DOB: 1983 • Secretary to the Board • Ag. Chief Executive Officer-ATC 	<ul style="list-style-type: none"> • PhD in Business Administration (Finance) – Jomo Kenya University of Agriculture and Technology (JKUAT) • Master's in Business (Finance) – Kenyatta University. • Bachelors of Co-operative Business (Finance) – Jomo Kenya University of Agriculture and Technology (JKUAT) • Diploma in Co-operative Management – Co-operative College of Kenya • Founder Member of Kenya Society of Professional Co-operators (KSPC)

4. Key Management Team

SN	Management	Details
1.	 <p>Dr. Moses Gweyi, PhD. CCOP.</p> <ul style="list-style-type: none"> • DOB: 1983 • PhD in Business Administration (Finance) – Jomo Kenya University of Agriculture and Technology (JKUAT) • Master’s in Business (Finance) – Kenyatta University. • Bachelors of Co-operative Business (Finance) – Jomo Kenya University of Agriculture and Technology (JKUAT) • Diploma in Co-operative Management – Co-operative College of Kenya • Founder Member of Kenya Society of Professional Co-operators (KSPC) 	<ul style="list-style-type: none"> • Secretary to the Board • Ag. Chief Executive Officer – ATC

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<p>2.</p>	 <ul style="list-style-type: none"> • DOB: 1979 • Bachelor of Business Management (Accounting) - Maasai Mara University. • Diploma In Co-operative Banking – Co-operative College Of Kenya • CPA-K • Member of Kenya Society of Professional Co-operators (KSPC) 	<p>Finance Officer –ATC</p>
<p>3.</p>	 <p>Joel Mahinda</p> <ul style="list-style-type: none"> • DOB: 1994 • Bachelors in Co-operative Business (Finance Option) - The Co-operative University of Kenya • Diploma in Co-operative Management – Co-operative University College of Kenya • Member of Kenya Society of Professional Co-operators (KSPC) 	<p>Administrator /BDO –ATC</p>

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5. Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	CEO	Dr Moses Gweyi

6. Fiduciary Oversight Arrangements

Name of the Committee	Members
Finance and HR Committee	<ol style="list-style-type: none"> 1. Prof.E.Gicheru- Chairperson 2. Prof.I.Nyamongo 3. Mr Daniel Marube
Audit and Risk Committee	<ol style="list-style-type: none"> 1. Mr Timothy Mutwiri – Chairperson 2. Dr. Lydia Mutua 3. Mr S. Miringu

7. Chairman's Statement

Introduction

The Board of Directors is pleased to present the Annual Report and Financial Reports for the 2024/2025 Financial Year.

The Financial Year 2024/2025

The financial performance for the fiscal year 2024/2025 reflects a decline compared to the previous year. The company's income decreased from Ksh 18,091,036 in 2023/2024 to Ksh 15,443,947 in 2024/2025, representing a drop in revenue. Similarly, net profit declined from Ksh 1,787,950 to Ksh 952,748 over the same period. This downturn can be attributed to reduced business activities, particularly in consultancy and research services. A significant factor affecting performance was the diminished engagement with partners, many of whom had relationships with USAID. The anticipated turnaround was hindered by these external factors, impacting the company's overall financial results for the year.

Outlook for 2025/2024 Financial Year

The company's economic outlook remains optimistic, buoyed by upcoming government initiatives to review the Sacco Societies Act 2008. This appraisal aims to strengthen and restore trust, transparency, and accountability within the cooperatives sub-sector, which is expected to create a more conducive environment for growth.

Our Board and management team are committed to ongoing efforts across various strategic areas that are anticipated to contribute positively to the company's performance in the 2025/2026 financial year. Central to this is our continued focus on delivering exceptional value for money, reliable service, and customer satisfaction. These efforts are intended to drive revenue growth and enhance both profitability and overall business stability moving forward.

Acknowledgment

Thanks to the ATC staff for their hard work and passion in overcoming economic challenges, which was crucial in reversing the negative trend and keeping the company afloat.



.....
Prof. Kamau Ngamau (PhD)

Board Chairperson

8. Report of the Chief Executive Officer

ATC management continues to benefit from the valuable guidance and strategic direction provided by our supportive Board of Directors. Our internal focus remains steadfast on two fundamental drivers of long-term business value:

- ❖ Execution
- ❖ Excellence

By prioritizing these core areas, we are dedicated to delivering the best possible value for money to our customers, ensuring timely and reliable service. This commitment to high standards aims to enhance our reputation and foster sustainable growth.

Looking ahead, I am confident that this mandate will be even more effectively achieved in the upcoming financial year, especially as the company transitions to a new identity—IATC, a newly incorporated private company limited by shares, wholly owned by CUK.

Financial Turnaround:

During the Financial Year 2024/2025, income decreased to Ksh 15,443,947 Compared to income of Ksh 18,091,036 in the Financial Year 2023/2024, the challenges Notwithstanding. Surplus went down to Ksh 952,748 from Ksh 1,787,950 in the Financial Year 2023/2024. However, the challenges notwithstanding, the total income decreased marginally, by 15% compared to the previous year.

Key Restructuring Strategies:

The improved performance is attributed to the successful implementation of three key restructuring strategies during the financial year 2024/2025:

- ❖ **Low-Cost Operation Strategy:** Focusing on cost rationalization and efficient expense management.
- ❖ **Market Development and Penetration:** Introducing new markets and products while aggressively marketing existing ones.
- ❖ **Diversification:** Designing new products for the associated economy.
- ❖ ATC to develop Marketing Strategy and ride on CUK strengths.

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- ❖ **Expand Marketing to Cooperatives beyond SACCOs-** ATC should broaden its marketing efforts to target a wider range of cooperatives, not just Savings and Credit Co-operatives (SACCOs). This would increase their client base and diversify their reach

Implemented Strategies:

The following specific strategies were implemented during the year:

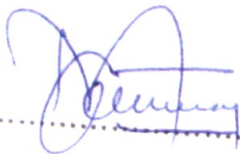
- ❖ **Performance Management System:** Implementing a strict performance management system that resulted in increased income generation.
- ❖ **Aggressive Marketing:** Engaging in aggressive marketing efforts.
- ❖ **New Product Development:** Introducing new products to the market.
- ❖ **Cost Management:** Managing costs effectively.
- ❖ **Partnerships and Customers:** The Company successfully created and maintained **partnerships and customers**, both new and existing. Partnerships include SACCOs, SASRA, CUK, County Government of Makueni, and NGO's.

Future Plans:

The company's plans for the upcoming year, 2025/2026, with a focus on growing income by 30%. This growth will be achieved through several means, including performance-based management, delivering superior value to stakeholders, investing in marketing activities, product development, and establishing strategic partnerships with counties and like-minded organizations in the East African region.

Acknowledgments

A special thanks to The Co-operative University of Kenya's Governing Council, Board of Directors, and ATC staff for their continued support, which has been instrumental in the company's continued success.



.....
Dr. Moses Gweyi (PhD).
Chief Executive Officer

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9. Statement of Performance against Predetermined Objectives for FY 2024/2025

ATC has 2 strategic pillars and objectives within the current Strategic Plan for the FY 2024- FY 2025. These strategic pillars/ themes/ issues are as follows:

Pillar 1: PEOPLE

Pillar 2: CUSTOMER.

ATC develops its annual work plans based on the above 2 pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The ATC achieved its performance targets set for the FY 2024/2025 period for its 2 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar/ theme/ issue 1: PEOPLE	Implementation of a revised and robust ATC's HR Policy.		Review and update ATC's HR policy	Revised HR policy approved by ATC staff & BoD by 2025.
	Recruit and retain an optimal human resource capacity.	No. Of Staff retain.	Carry out a job evaluation exercise. Recruitment of required staff. Update expert database.	-A revised organogram by 2025. -Revised job descriptions by 2025. -Recruitment of two required staff bdo/bdm by 2025.
	Nurture a better relationship with external experts who work for and with ATC.	No. of consultancies successfully implanted.	Ensure every ATC External Consultant:	Record of signed service contracts before all

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			Signs a service contract before every activity and, Signs a code of conduct annually.	commenced assignments. Record of signed code of conduct forms from active ATC external consultants
Pillar/ theme/ issue 2: CUSTOMER.	Continuously improve Customer satisfaction levels		Conduct a customer satisfaction survey after every activity using the survey monkey tool/questionnaire except for corporate clients.	80% of BTOR action points (for all closed activities) signed off by clients as successfully done
	Deliver high quality service/value for money to our customers		Ensure ATC quality standards are met before starting an assignment. Enforce internal delivery timelines 100%.	Audit issues on procedures before starting an assignment. Three red cards on internal delivery timelines

10. Corporate Governance Statement

The Board is fully constituted pursuant to Sections 192 to 195 of the Public Finance Management Act, 2012.

10.1 Composition of the Board

The Board is made up of eight directors who include the Co-operative University of Kenya Vice Chancellor as the chairperson of the Board, four members from the Co-operative University of Kenya Management, one member from one of the ATC's Development Partners, one member from the Co-operative Sector and the ATC Chief Executive Officer as the secretary to the Board. The composition of the Board is guided by the provisions of the Company's Articles and Memorandum of Association.

10.2 Appointment to the Board

Appointment of members to the Board of ATC is undertaken as per As Article Memorandum of ATC Sec 41- 47, they are appointed by CUK Council and ratified during AGM, The current Board was appointed during the FY2023/2024.

10.3 Board Diversity

The Board is constituted by Seven members

- ❖ Chairperson (council member).
- ❖ Managing director (CEO).
- ❖ One member from the CUK's senior management.
- ❖ Two members of CUK's academic staff.
- ❖ One member of CUK's non-teaching staff.
- ❖ One member from the private sector.

10.4 Roles and Responsibilities of Directors

The roles and responsibilities of members are outlined in section 49-61 of the Memorandum And Articles of Association of ATC. These roles and responsibilities are also detailed in the Board's five-year strategic plan, in the Board's annual work plans, and in the Board Charter. New members, once appointed, are given these documents to familiarize themselves with the roles and responsibilities outlined in the law. An induction training is also held for new Board members. The ATC is comprised of the following committees with the respective terms of reference.

i) Finance and Human Resource Committee

The Finance and Hr. Committee of the Board is responsible for Oversees financial performance and human resources policies. The Terms of Reference for the Governance and Strategy Committee shall include but not limited to:

- a) Reviewing and monitoring the organization's financial statements, budgets, and

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financial planning.

- b) Advising the Board on financial strategies, investments, and resource allocation to support organizational objectives.
- c) Providing oversight on HR policies, strategies, and practices to ensure alignment with organizational goals.
- d) Initiatives for organizational growth, sustainability, and capacity building.

ii) Audit and Risk Committee

The Terms of Reference for the Accounting Standards Committee shall include but not limited to:

- a) Reviewing and monitoring the organization's financial statements, ensuring accuracy, transparency, and compliance with applicable accounting standards.
- b) Ensuring the effectiveness of internal controls and financial reporting processes.
- c) Developing and recommending risk mitigation strategies.
- d) Promoting a culture of integrity and accountability within the organization
- e) Reporting to the Board on audit findings, risk issues, and the effectiveness of internal control.

iii) Business Promotion Committee

The Terms of Reference for the Internal Audit Standards Committee shall include but not limited to:

- a) Facilitating Collaboration: Promoting partnerships among businesses, industry associations, and educational institutions.
- b) Providing Support Services: Offering guidance on business planning, marketing, and access to funding.
- c) Review business activities undertaken by ATC

10.5 Board Attendance in the Financial Year

During the year, the Board held one meeting as summarised in the annual attendance summary as shown below.

Full Board and Special Meetings Summary FY 2024-2025						
No.	Name	Q1	Q2	Q3	Q4	TOTAL
1	Prof. Kamau Ngamau (PhD)	1	1	1		3
2	Prof. Esther Njoki Gicheru (Mrs.) HSC	1	1	1		3
3	Prof. Isaac Nyamongo	1	1	1		3

Agri & Co-operative Training and Consultancy Services Ltd
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4	Zachary Njeru	0	0	0	0	0
5	Dr. Monica Nderitu	0	0	0	0	0
6	Mr. Timothy Mutwiri	1	1	1		3
7.	Dr. Moses Gweyi	1	1	1		3

N/B Zachary Njeru and Dr Monica Nderitu were appointed on April 2025 and the last Board meeting for Q4 took place July 2025 in order to review end of Q4 reports and end of year.

i. Board Committee Meetings for the period ended 30th June 2025

During the Quarter, the committees attended meetings as shown below.

a. Finance and HR Committee

The Finance and Hr. Committee held twice (1) meetings during the year as summarised below

Finance & Hr. Committee Meetings Summary FY 2024-2025						
No.	Name	Q1	Q2	Q3	Q4	TOTAL
1	Prof. Esther Njoki Gicheru (Mrs.) HSC	1	0	1	0	2
2	Prof. Isaac Nyamongo	1	0	1	0	2
3	Mr. Daniel Marube	1	0	1	0	2
4	Dr. Moses Gweyi	1	0	1	0	2

b. Audit and Risk Committee

The Audit and Risk Committee didn't manage to meet due retirement of Mr Stanley Miringu and Dr Lydia Mutua who is currently on sabbatical leave. The only member was available was the chair Mr Timothy Mutwiri.

10.6 Compliance to Laws and other Legal Requirements

ATC as a responsible corporate citizen is alive to the tenets of the Constitution of Kenya and is fully compliant with the provisions of the Public Finance Management Act, 2012 and the Kenya Companies Act and under which the Board is established, since wholly owned by Co-operative university of Kenya. The Board also ensures compliance to the PFM Act, 2012 by public sector entities through sensitization and training.

10.7 Board Remuneration

As per Memorandum and Articles of Association, the remuneration payable allowances to the members of the Board. Details of Board and committee allowances are included in these financial statements.

10.8 Conflict of Interest and Declaration of Interest

The Board members have a statutory duty to avoid situations in which they have or may have interests that conflict with those of the Board. All transactions with all parties, directors or their related parties are carried out at arm's length. Board members are obligated to disclose to the Board any real or potential conflict of interest, which may come to their attention whether direct or indirect. During every Board meeting, an agenda item exists which requires members to make a declaration of any conflict of interest they may have in the business to be discussed.

10.9 Board Charter

The Board's Charter outlines powers and responsibilities of the Board and its members, appointment, remuneration, term of the Board members, conduct of meetings, committee's terms of reference, conflict of interest among others.

10.10 Board Evaluation

The performance of the Board and its members is evaluated regularly. A Board evaluation exercise is scheduled for July 2025.

11. Management Discussion and Analysis

11.1 Board's Financial Performance Highlights

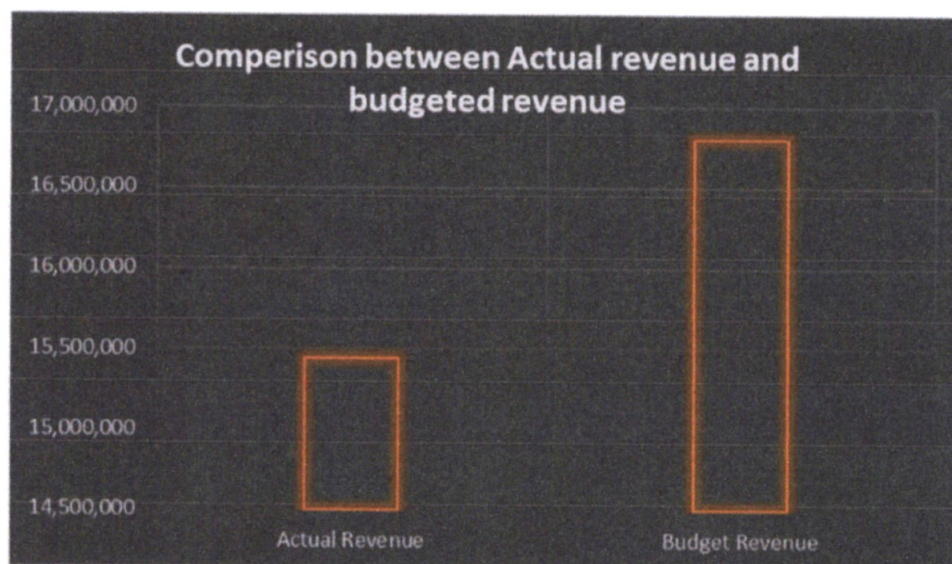
a) Trends in Revenue

The ATC draws its revenues solely from Trainings and Consultancy. The graph below indicates the trends and categories of income that the ATC was able to get from marketing Training products and Successful Consultancies applied to finance its activities and operations for the last two financial years 2024/2025 and 2023/2024.



As an institution we entirely depend generated income from activities implemented in the year, each year the company rollout a Training Calendar to market its Training Programmes to various Sacco's in Kenya. From the chart FY 2024/2025 decline compared to FY 2023/2024.

Comparison between Actual Revenue and Budgeted Revenue



12. Environmental and Sustainability Reporting

ATC exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

i) Sustainability strategy and profile -

ATC ensures the outreach of the University's academic knowledge and fulfils the needs of diverse groupings within and outside the co-operative movement and the agricultural sector at large. It provides business solutions that meet the country's social and economic developmental needs in line with the Agricultural Sector Development Strategy and the Kenya Vision 2030. ATC plays a critical role in promoting employability by providing internship programmes to students.

ii) Environmental performance

The strategy of the Board is to collaborate with like-minded institutions to conserve the environment through tree planting. Although due to limited resources ATC was not able to actualise however ATC CEO participate by representing ATC during CUK tree planting 2024/2025. ATC seeks to conserve, water, and electricity through effective use these resources to conserve the environment and its elements.

iii) Employee welfare

ATC endeavours to create conducive environment where each of our employees feels valued as a member of the team. The office was also cleaned regularly in line with the Ministry of Health guidelines.

iv) Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

As the company transition from ATC to IATC it's in the process of developing an Anti-corruption and Bribery Policy, and Communications Strategy to all its stakeholders.

b) Responsible supply chain and supplier relations

Ensured there was no pending bill as at the close of the financial year. This is to enhance working capital of suppliers by paying them within fourteen days of submission of comprehensive support documentation.

c) Responsible marketing and advertisement

- **Adherence to Legal Standards:** Ensure all marketing activities comply with relevant laws and regulations, including advertising standards, data protection laws, and consumer rights.
- **Transparency and Honesty:** Provide clear and accurate information about products and services. Avoid misleading claims, exaggerated benefits, or omitting critical details that could misinform consumers.
- **Respect for Consumer Privacy:** Protect consumer data by following stringent data privacy practices. Only collect, use, and store customer information with explicit consent and for legitimate purposes.

d) **Product stewardship**

- **Clear and Transparent Communication:** Provide consumers with clear, accurate, and easily understandable information about products and services, including pricing, terms of service, return policies, and any potential risks.
- **Data Protection and Privacy:** Implement robust data protection measures to ensure consumer information is securely stored and processed. Obtain explicit consent for data collection and usage, and offer consumers control over their personal data.
- **Honest Advertising and Marketing:** Ensure all marketing materials are truthful and not misleading. Avoid deceptive claims, exaggerated benefits, and hidden terms that could mislead consumers.

v) **Corporate Social Responsibility / Community Engagements**

The company didn't take up any CSR activity in the year under review.

13. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the ATC affairs.

i) Principal activities

The principal activities of ATC is to conduct training and consultancy services to governmental and non-governmental organizations such as co-operative movement and the associated sectors of the economy, farmers and their associations, small and medium enterprises, Development Partners, Community Based Organizations and other related clientele

ii) Results

The results of the entity for the year ended June 30, 2025, are set out on page 1 below is summary of the profit or loss made during the year.

iii) Dividends

ATC is formed through Guarantee, it does not declare dividends.

iv) Directors

The members of the Board of Directors who served during the year are shown on page V In accordance with Regulation of the ATC's Memorandum and Articles of Association.

v) Auditors

The Auditor-General is responsible for the statutory audit of the ATC in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended June 30, 2025, in accordance with section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



.....
Dr. Moses Gweyi (PhD)

Corporate Secretary/Secretary to the Board

Date: 21/11/ 2025

14. Statement of Directors' Responsibilities

Section 81 of the Public Finance Management Act, 2012 and the Kenya Companies Act requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the operating results of the company for that year. It also requires the Directors to ensure that the company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company. The directors are also responsible for safeguarding the assets of the Company.

The Directors are responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) Safeguarding the assets of the entity, (v) selecting and applying appropriate accounting policies, and (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors responsibility for the entity's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards (IFRS), and in the manner required by the PFM Act, 2012 and (the State Corporations Act)

Agri & Co-operative Training and Consultancy Services Ltd
Annual Report and Financial Statements for the year ended June 30, 2025

Statement of Directors' Responsibilities (Continued)

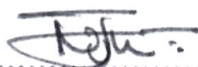
The Directors are of the opinion that the ATC's financial statements give a true and fair view of the state of ATC transactions during the financial year ended June 30, 2025, and of the ATC's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the ATC, which have been relied upon in the preparation of the ATC's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Directors have assessed ATC's ability to continue as a going concern. This assessment is supported by the company's positive economic outlook, which has demonstrated significant improvement since 2020 a year when the company nearly closed due to the effects of COVID-19, with retained earnings at KES (10,925,982). Since then, ATC has operated profitably, reducing the negative general reserve from KES (10,925,982) in 2019/2020 to KES 6,434,024 in 2024/2025. This substantial improvement is particularly notable given the organization's complete reliance on internally generated income. The enhanced performance is attributed to the successful implementation of three key restructuring strategies:

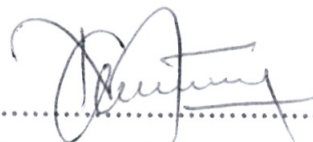
- ❖ **Low-Cost Operation Strategy:** Emphasis on cost rationalization and efficient expense management.
- ❖ **Market Development and Penetration:** Expansion into new markets and introduction of new products, alongside aggressive marketing of existing offerings.
- ❖ **Diversification:** Development of new products tailored to the evolving needs of the associated economy.

Approval of the financial statements

ATC's financial statements were approved by the Board on 21/11/ 2025 and signed on its behalf



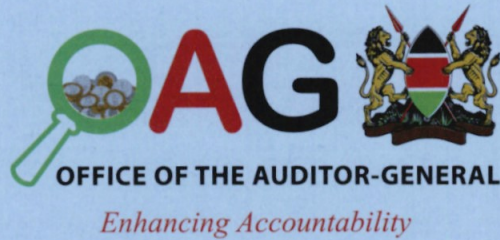
.....
Name: Prof. Kamau Ngamau (PhD)
Chairperson of the Board



.....
Name: Dr. Moses Gweyi (PhD)
Chief Executive officer

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: 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 AGRI & CO-OPERATIVE TRAINING AND CONSULTANCY SERVICES LIMITED FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

- A. Report on 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 the 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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 Agri & Co-operative Training and Consultancy Services Limited set out on pages 1 to 26 which comprise of the statement of financial position as at 30 June, 2025 and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows

Report of the Auditor-General on Agri & Co-operative Training and Consultancy Services Limited for the year ended 30 June, 2025

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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Agri & Co-operative Training and Consultancy Services Limited as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with the Companies Act, 2015 and the Public Finance Management Act, 2012.

Basis for Opinion

Long Outstanding Trade Payables

The statement of financial position and as disclosed in Note 22 to the financial statements reflect trade and other payables balance of Kshs.1,754,577. Included in the balance are arrears totalling Kshs.977,088 for the Office of the Auditor-General which have remained outstanding for more three (3) years. Further, records from the Office of the Auditor-General reflects an outstanding balance of Kshs.1,237,600 from the Company resulting in unreconciled variance of Kshs.260,512.

In the circumstances, the accuracy and completeness of the trade and other payables balance of Kshs.1,754,577 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Agri & Co-operative Training and Consultancy Services Limited Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects actual expenditure totalling Kshs.14,931,949 against actual receipts of Kshs.16,986,517 resulting to under absorption of Kshs.2,054,568 or approximately 12% of actual receipts.

The under-absorption affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effects of the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the prior years' audit report, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the Agri & Co-operative Training and Consultancy Services Limited in 2024/2025 revealed that the following matters remained unresolved.

	Financial Year	Audit Issue
1.	2023/2024	Anomalies in Governance and Governance Structure
2.	2023/2024	Failure to have a Risk Management Policy

Other Information

The Management is responsible for the Other Information set out on pages iii to xxvii which comprise of Key Entity Information, the Board of Directors, Key Management Team, Fiduciary Management, Fiduciary Oversight Arrangements, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Company's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on

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

Basis for Conclusion

1. Non-Submission of Budgetary Reports

The statement of comparison of budget and actual amounts reflects final revenue budget of Kshs.16,800,000 and a total expenditure budget of Kshs.15,245,261 for the year under review. However, the Company did not submit monthly financial and non-financial budget implementation reports to the Office of the Auditor-General, as required under Regulation 55(1) of the Public Finance Management (National Government) Regulations, 2015.

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

2. Lack of Integration of Climate Change Action Plans

The statement of profit or loss and other comprehensive income and as disclosed in Note 8 to the financial statements reflect Kshs.11,262,515 in respect to operating expenses. Review of the Company's systems of governance and operations revealed that there was no designated unit to handle climate change related matters. In addition, there was no budgetary allocation for climate related programs to be undertaken within the Company's operations for the year under review. This was contrary to Section 15(1) of the Climate Change Act, 2016 which requires integration of climate change action plans into the organization's strategies and operations.

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

3. Irregular Acting

The statement of profit or loss and other comprehensive income and as disclosed in Note 9 to the financial statements reflect staff cost totalling Kshs.2,885,261. Review of the entity's key management records revealed that the Chief Executive Officer, who was appointed on 01 November, 2023 on an acting capacity, had continued to serve in that capacity for more than six (6) months. This was contrary to Section 34(3) of the Public Service Commission Act, 2017 which states that an officer may be appointed in an acting capacity for a period of at least thirty (30) days but not exceeding a period of six months.

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

4. Non-Adherence to Quarterly Board Meetings

The statement of profit or loss and other comprehensive income reflects Board expenses amounting to Kshs.72,000 as disclosed in Note 10 to the financial statements. However, review of Board meeting records revealed that the Board held only three (3) full Board meetings during the year under review. This was contrary to Parameter 1.8(1)(b) of Mwongozo Code of Governance for State Corporations which states that Board members

should meet as regularly as required and at least quarterly in order to effectively lead the organization.

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

5. Unserviceable Motor Vehicle

The statement of financial position and as disclosed in Note 12(a) to the financial statements reflect property, plant and equipment balance of Kshs.421,901. Included in the balance is a motor vehicle valued at Kshs.232,031 which had been grounded for the last two (2) years due to mechanical breakdown and was unserviceable. This was contrary to Section 163(1) of Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer to establish a Disposal Committee as and when prescribed for the purpose of disposal of unserviceable, obsolete, obsolescent or surplus stores, equipment or assets.

In the circumstances, Management was in breach of the law and the unserviceable motor vehicle may not be of economic value to the Company.

6. Inconsistencies in Notes to the Financial Statements

Review of the financial statements revealed that disclosure Notes 12 to 22 do not correspond to the related components in the financial statements. This is contrary to the requirements of the reporting templates prescribed by the Public Sector Accounting Standards Board (PSASB).

In the circumstances, Management was in breach of the reporting template.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Conclusion

As required by the Companies Act, 2015, I report, based on my audit, that except for the matter described in the Basis for Qualified Opinion, I confirm that:

- i. 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;
- ii. The information given in the Directors' report on pages iii to xxvii is consistent with the financial statements; and
- iii. The auditable part of the Directors' remuneration report on page xix and page 17 has been properly prepared in accordance with the Companies Act, 2015.

Basis for Conclusion

The Companies Act, 2015 requires that I report on the legal or regulatory requirements, or on performance information disclosed. These matters require expressing a separate opinion as to the Agri & Co-operative Training and Consultancy Services Limited compliance with laws and regulations. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

The Board of Directors is responsible for overseeing the Company's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I also I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 December, 2025

Agri & Co-operative Training and Consultancy Services Ltd

Annual Report and Financial Statements for the year ended June 30, 2025

16. Statement of Profit/Loss & Other Comprehensive Income for the Year Ended 30th June 2025.

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2025			
	Notes	Ksh	
INCOMES		2024 - 2025	2023 - 2024
Seminar	6	15,256,947	17,847,036
Other	7	187,000	244,000
Total Income		15,443,947	18,091,036
Gross Income		15,443,947	18,091,036
EXPENSES			
Operating Expenses	8	11,262,515	13,970,447
Staff Cost	9	2,885,261	1,677,737
Board Expenses	10	72,000	100,000
AGM Expenses	11	0	253,250
Depreciation charge for the year	12(A)	119,301	149,963
Provisions for Audit Fees	13	100,000	100,000
Financial costs	14	52,121	51,689
Tax Payable	15	0	0
Total expenses		14,491,198	16,303,086
PROFIT / LOSS		952,748	1,787,950

Agri & Co-operative Training and Consultancy Services Ltd
Annual Report and Financial Statements for the year ended June 30, 2025

17. Statement of Financial Position as at 30 June 2025

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025			
ASSETS		Ksh	
NON-CURRENT ASSETS		2024 - 2025	2023 - 2024
Property Plant & Equipment's	12(A)	421,901	541,202
		-	-
CURRENT ASSETS			
Trade & other receivables	16	3,129,940	4,091,758
Cash & Bank Balances	17	2,054,568	580,752
		5,184,508	4,672,510
TOTAL ASSETS		5,606,409	5,213,712
EQUITY & LIABILITIES			
FUND BALANCES			
Retain Earnings	18	(6,434,024)	(7,386,772)
Co-operative University of Kenya Control Account	19	8,425,530	8,470,870
Development Partners Fund Account	20	745,400	745,400
Revaluation Reserve	21	1,114,926	1,114,926
		3,851,832	2,944,424
CURRENT LIABILITIES			
Trade & Other Payables	22	1,754,577	2,269,288
		1,754,577	2,269,288
TOTAL EQUITY & LIABILITIES		5,606,409	5,213,712

The financial statements were approved by the Board on 21/11/2025 and signed on its behalf by:

.....
**Name: Prof. Kamau
 Ngamau (PhD)
 Chairman of the Board**

.....
**Name: Dr. Moses Gweyi
 (PhD)
 C.E.O**

.....
**Name: CPA Stanley Ngeno
 Finance Officer
 ICPAK M/NO: 290059**

18. Statement of Changes in Equity for the year ended 30 June 2025

STATEMENT OF CHANGES IN EQUITY					
FOR THE YEAR ENDED 30TH JUNE 2025					
	Ksh	Ksh	Ksh	Ksh	Ksh
	Retain Earnings	Co-operative University Control Account	Development Partners Fund Account	Revaluation Reserve	TOTAL
Balance as at 01/07/2024	(7,386,772)	8,470,870	745,400	1,114,926	2,944,424
Liabilities previously treated as part capital paid to CUK		(45,340)			(45,340)
Profit / (Loss) for the year	952,748				952,748
Balance C / Forward as at 30/06/2025	(6,434,024)	8,425,530	745,400	1,114,926	3,851,832
FOR THE YEAR ENDED 30TH JUNE 2024					
	Ksh	Ksh	Ksh	Ksh	Ksh
	Retain Earnings	Co-operative University Control Account	Development Partners Fund Account	Revaluation Reserve	
Balance as at 01/07/2023	(9,174,722)	8,470,870	745,400	1,114,926	1,156,474
Profit / (Loss) for the year	1,787,950	0	0	0	1,787,950
Balance C / Forward as at 30/06/2024	(7,386,772)	8,470,870	745,400	1,114,926	2,944,424

Agri & Co-operative Training and Consultancy Services Ltd
Annual Report and Financial Statements for the year ended June 30, 2025

19. Statement of Cash Flows for the year ended 30 June 2025

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Cash generated from/(used in) operations	23	1,519,156	(263,585)
Interest received		0	0
Interest paid		0	
Taxation paid		0	0
Net cash generated from/(used in) operating activities		1,519,156	263,585)
Cash flows from investing activities			
Purchase of Laptop		0	
Liabilities previously treated as part capital paid to CUK		(45,340)	0
Net cash generated from/(used in) investing activities		(45,340)	0
Increase/(decrease) in cash and cash equivalents		1,473,816	(263,385)
Cash and cash equivalents at beginning of year		580,752	844,337
Cash and cash equivalents at end of the year	17	2,054,568	580,752

20. Statement of Comparison of Budget & Actual amounts for the period ended 30 June 2025

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization	NOTES
	Kshs	Kshs	Kshs	Kshs	Kshs		
	a	b	c = a + b	d	E= c - d	d/c%	
Budget carryovers from the previous year*				580,752			
Receipts							
Consultancy and Training Income	17,500,000	-1,000,000	16,500,000	16,218,765	281,235	98%	a
Other income	400,000	-100,000	300,000	187,000	113,000	62%	b
Total Receipts	17,900,000	-1,100,000	16,800,000	16,986,517	-186,517		
Payments		0					
Operating Expenses	10,350,000	1,430,000	11,780,000	11,777,226	2,774	100%	c
Staff Cost	2,991,246	-105,985	2,885,261	2,885,261	0	100%	d
Board Expenses	200,000	-80,000	120,000	72,000	48,000	60%	e
AGM	300,000	0	300,000	0	300,000	0%	f
Audit fees	100,000	0	100,000	100,000	0	100%	g
Financial Cost	80,000	-20,000	60,000	97,462	7,879	87%	h
Total expenditure	13,721,246	1,224,015	15,245,261	14,931,949	58,653		
Profit/loss for the period	4,178,754	-2324015	1,554,739	2,054,568	(245,170)		

N/B

- Nature: Commercial arm of Co-operative University of Kenya (CUK)
- Funding: Entirely self-funded through business activities it undertakes during the year
- Funding Source: Ploughing back profit made.
- Primary Goal: Maximize profit to finance operations and asset acquisitions

Budget notes: Explanation of differences between actual and budgeted amounts

- a) ATC met most projected business activities for the year, though consultancy revenue declined due to a partner's cancellation of funding by USAID.
- b) Other income comprises revenue from Expert subscriptions and Institute of Directors Kenya fees which was 62%, which declined slightly due to a reduction in training activities during the year.
- c) Operating expenses was fully utilised from balances brought forward from previous financial year.
- d) Staff cost was fully utilised as per the budget.
- e) Board expenses totalled KES 72,000, achieving a 60% absorption rate. The under-absorption resulted from postponed Board Development activities, the retirement of one director, and another taking long-term sabbatical leave.
- f) AGM expenses of KES 300,000 were not incurred in the current financial year, as the AGM was postponed to November 2025 due to stakeholders' availability.
- g) Audit fees total KES 100,000 achieving 100% this is due to the current payment plan to clear long outstanding payable with OAG.
- h) Financial cost expenses was KES 52,121 achieving an 87 absorption rate .The underutilisation was due to reduction of business activities.

Budget Reconciliation

Description of Particulars	Amount in Kshs
Actual Surplus Amounts as per the statement of Budget	2,054,568
Closing Cash and Cash Equivalent as per the statement of Cash flows	2,054,568

21. Notes to the Financial Statement

1. General Information

ATC is established by and derives its authority and accountability from Company Act. The entity is wholly owned by the Co-operative University of Kenya and is domiciled in Kenya. The entity's principal activity is Training, Consultancy and Research.

For Kenyan Companies Act reporting purposes, the balance sheet is represented by the statement of financial position and the profit and loss account by the statement of profit or loss and other comprehensive income in these financial statements.

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 Financial Reporting Standards (IFRS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the ATC, and all values are rounded off to the nearest Kenya shillings. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act (*include any other applicable legislation*), and International Financial Reporting Standards (IFRS). The accounting policies adopted have been consistently applied to all the years presented.

3. Application of New and Revised International Financial Reporting Standards (IFRS)

i. New and amended standards and interpretations in issue and effective in the year ended 30 June 2025.

Title	Description	Effective Date
Amendments to IAS 1 titled Classification of Liabilities as Current or Non-current (issued in January 2020, amended in October 2022)	The amendments, applicable to annual periods beginning on or after 1st January 2024, clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period	The amendments are effective for annual periods beginning on or after January 1, 2024. Earlier application is permitted.
Amendment to IFRS 16 titled Lease Liability in a Sale and Leaseback (issued in September 2022)	The amendment, applicable to annual periods beginning on or after 1st January 2024, requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss.	The amendments are effective for annual periods beginning on or after January 1, 2024. Earlier application is permitted.
Amendments to the Classification and Measurement of Financial Instruments Amendments to IFRS 9 and IFRS 7	The amendments specify: <ul style="list-style-type: none"> i. When a financial liability settled using an electronic payment system can be deemed to be discharged before the settlement date. ii. how to assess the contractual cash flow characteristics of financial assets with contingent features when the nature of the contingent event does not relate directly to changes in basic lending risks and costs; and iii. New or amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs. 	1 January 2026

(The Directors have assessed the applicable standards and amendments. Based on their assessment of the impact of the application of the above, they do not expect that there will be a significant impact on the company's financial statements. Or the following has been assessed to be significant for the company and has been addressed as follows....)

Application of New and Revised International Financial Reporting Standards (IFRS)

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.

Title	Description	Effective Date
IFRS 18 Presentation and Disclosure in Financial statements	The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.	The new standard is effective for annual periods beginning on or after January 1, 2027. Earlier application is permitted.
IFRS 19 Subsidiaries without Public Accountability	IFRS 19 Subsidiaries without Public Accountability: Disclosures IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued in May 2024. IFRS 19 permits some subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. These entities apply the requirements in other IFRS Accounting Standards except for their disclosure requirements. Instead, these entities apply the requirements in IFRS 19	An entity may elect to apply this Standard for reporting periods beginning on or after 1 January 2027. Earlier application is permitted.

(The Directors do not plan to apply any of the above until they become effective. Based on their assessment of the potential impact of application of the above, they do not expect that there will be a significant impact on the company's financial statements).

iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)

4. Summary of Accounting Policies

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

a) Revenue recognition

Revenue is measured based on the consideration to which the entity expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The entity recognizes revenue when it transfers control of a product or service to a customer.

i) **Revenue from the Training and Consultancy** is recognized in the year in which the ATC delivers service to the customer, the customer has accepted the service and collectability of the related receivables is reasonably assured.

ii) **Other income** is recognized as it accrues

b) In-kind contributions

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

c) Property, plant and equipment

All categories of property, plant and equipment are initially recorded at cost less accumulated depreciation and impairment losses.

Certain categories of property, plant and equipment are subsequently carried at re-valued amounts, being their fair value at the date of re-valuation less any subsequent accumulated depreciation and impairment losses.

Increases in the carrying amounts of assets arising from re-valuation are credited to other comprehensive income. Decreases that offset previous increases in the carrying amount of the same asset are charged against the revaluation reserve account; all other decreases are charged to profit or loss in the income statement. Gains and losses on disposal of items of property, plant and equipment are determined by comparing the proceeds from the disposal with the net carrying amount of the items, and are recognised in profit or loss in the income statement.

Summary of Accounting Policies

d) Depreciation and impairment of property, plant and equipment

Freehold land and capital work in progress are not depreciated. Capital work in progress relates mainly to the cost of ongoing but incomplete works on buildings and other civil works and installations.

Property plant & equipment is stated at cost less accumulated depreciation. Depreciation is calculated using reducing balance method in all categories of assets and the applied depreciation rate is as shown below;

i.	Motor Vehicles	25%
ii.	Furniture & Fittings, Equipment	12.5%
iii.	Computers & Office Machine	33.3%
iv.	Loose Tools	33.3%

A full year's depreciation charge is recognized both in the year of asset purchase and in the year of asset disposal.

Items of property, plant and equipment are reviewed annually for impairment. Where the carrying amount of an asset is assessed as greater than its estimated recoverable amount, an impairment loss is recognized so that the asset is written down immediately to its estimated recoverable amount.

In fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

e) Trade and other receivables

Trade and other receivables are recognized at amortized cost less allowances for any uncollectible amounts. These are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off after all efforts at recovery have been exhausted.

f) Taxation

i) 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 Entity 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.

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 Entity operates and generates taxable income.

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.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the two accounts at Kenya Commercial Banks at the end of the reporting period.

h) Trade and other payables

Trade and other payables are non-interest bearing and are carried at amortized cost, which is measured at the fair value of contractual value of the consideration to be paid in future in respect of goods and services supplied, whether billed to the entity or not, less any payments made to the suppliers.

i) Retirement benefit obligations

The entity pays its employees gratuity at the end of the contract.

j) Provision for staff leave pay

Employees' entitlements to annual leave are recognized as they accrue at the employees. A provision is made for the estimated liability for annual leave at the reporting date.

k) Budget information

The original budget for FY 2024/25 was approved by the ATC Board on Feb 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. 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 statement of Cash flows has been presented under section 19 page 4 of these financial statements.

N/B ATC is a commercial arm of CUK and does not receive any funding from CUK or exchequer .

Summary of Accounting Policies

l) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

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

State all judgments, estimates and assumptions made: e.g.

a) Estimates and assumptions

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

b) 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 Entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the assets

Agri & Co-operative Training and Consultancy Services Ltd
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Notes to the Financial Statements (Continued)

c) Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 22a.

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. Revenue from Seminars

Description	2024-2025	2023-2024
	Kshs	Kshs
Training Income	11,484,664	7,998,949
Consultancy Income	3,772,283	9,848,087
Total	15,256,947	17,847,036

7. Other Income

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Experts Subscription Fee Income	10,000	40,000
IOD fees Mobilization	177,000	204,000
Total	187,000	244,000

8. Operation Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Direct Expenses - Seminar Expenses	8,643,418	10,533,015
Motor Vehicle Running Cost	1,724	54,448
Office Administration Expenses	1,090,987	863,362
Marketing and Promotions	316,500	89,900
General Repairs & Maintenance	9,886	17,800
Provision for Bad Debts	0	1,211,922
Rent & Water	1,200,000	1,200,000
Total	11,262,515	13,970,447

9. Staff Cost

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and Wages	2,441,112	1,446,967
Gratuity	444,149	230,770
Total	2,885,261	1,677,737
The average number of employees at the end of the year was:		
Permanent employees – management	2	2
Permanent employees – union sable	1	1
Temporary and contracted employees	0	0
Total	3	3

10. Board Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Sitting Allowance	72,000	100,000
Total	72,000	100,000

11. AGM

Description	2024-2025	2023-2024
	Kshs	Kshs
Share holder allowances	0	253,250
Total	0	253,250

AGM was Re-schedule to November 2025 from Month of May 2025 due changes in the board management.

12. (A) Property, Plant and Equipment 2024/2025

Property Plant and Equipment for 2024/2025 Financial Year						
DETAILS	MOTOR VEHICLES	EQUIPMENTS	COMPUTER & OFFICE ELECTRONICS	FURNITURE & FITTINGS	LOOSE TOOLS	TOTAL
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh
COST / VALUATION	25.00%	12.50%	33.30%	12.50%	33.30%	
As at 01/07/2024	550,000	603,080	2,214,700	845,635	159,879	4,373,294
As at 30/06/2025	550,000	603,080	2,214,700	845,635	159,879	4,373,294
DEPRECIATION						
As at 01/07/2024	317,969	506,882	2,115,616	741,542	150,083	3,832,092
Charge for the year	58,008	12,025	32,995	13,012	3,262	119,301
As at 30/06/2025	375,977	518,906	2,148,611	754,553	153,345	3,951,392
NET BOOK VALUE						
As at 30/06/2025	174,023	84,174	66,089	91,082	6,533	421,901
As at 01/07/2024	232,031	96,198	99,084	104,094	9,795	541,202

12 (B) Property Plant and Equipment for 2023/2024 Financial Year

Property Plant and Equipment for 2023/2024 Financial Year						
DETAILS	MOTOR VEHICLES	EQUIPMENTS	COMPUTER & OFFICE ELECTRONICS	FURNITURE & FITTINGS	LOOSE TOOLS	TOTAL
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh
COST / VALUATION	25.00%	12.50%	33.30%	12.50%	33.30%	
As at 01/07/2023	550,000	603,080	2,152,500	845,635	159,879	4,311,094
ADDITION Nov 2023			62,200			62,200
			0			
As at 30/06/2024	550,000	603,080	2,214,700	845,635	159,879	4,373,294
DEPRECIATION						
As at 01/07/2023	240,625	493,139	2,076,501	726,671	145,193	3,682,129
Charge for the year	77,344	13,743	39,115	14,871	4,890	149,963
As at 30/06/2024	317,969	506,882	2,115,616	741,542	150,083	3,832,092
NET BOOK VALUE						
As at 30/06/2024	232,031	96,198	99,084	104,094	9,795	541,202
As at 01/07/2023	309,375	109,941	75,998	118,964	14,686	628,964

Summarized Information of PPE 2024/2025

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Motor Vehicles	550,000	317,969	174,023
Equipment's	603,080	506,882	84,174
Computer & Office electronics	2,214,700	2,115,616	66,089
Furniture & Fittings	845,635	741,542	91,082
Loose Tools	159,879	150,083	6,533
	4,373,294	3,832,092	421,901

Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

12. Audit Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Provision for Audit Fee (VAT exclusive)	100,000	100,000
Total	100,000	100,000

13. Bank charges

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank charges and interests	52,121	51,689
Total	52,121	51,689

14. Tax Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Profit / (Loss) for the year	952,748	1,787,950
Less adjustment for loss B/F	(27,082,918)	(29,020,831)
Add: Disallowable		
Depreciation	119,301	149,963
Taxable profit / (Loss)	(26,010,869)	(27,082,918)
Tax at Applicable rate (30%)	-	-

15. Trade and Other Receivables

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Receivables (Note 16 (a))	3,129,940	5,803,680
Gross Trade and Other Receivables	3,129,940	5,803,680
Provision for Bad And Doubtful Receivable	0	(1,711,922)
Net Trade and Other Receivables	3,129,940	4,091,758
Analysed as:		
Short- Term Trade and Other Receivables	3,129,940	4,091,758
Long- Term Trade and Other Receivables	0	0

16 (a) Trade Receivables

Description	2024-2025	2023-2024
	Kshs	Kshs
Gross Trade Receivables	3,129,940	5,803,680
Provision for Doubtful Receivables	0	(1,711,922)
Net Trade Receivables	3,129,940	4,091,758
ageing analysis of gross Trade Receivables		
Less than 30 Days	1,565,888	1,678,658
Between 30 and 60 Days	1,564,052	1,072,100
Between 61 and 90 Days	0	666,000
Between 91 and 120 Days	0	675,000
Total	3,129,940	4,091,758

16. Cash and cash Equivalent

Description	2024-2025	2023-2024
	Kshs	Kshs
Kenya Commercial Bank Account	1,466,785	440,363
Kenya Commercial Bank Privilege Account	579,436	135,763
Cash at Hand Office	8,347	4,626
Total	2,054,568	580,752

Detailed analysis of the cash and cash equivalents

Description		2024-2025	2023-2024
Financial institution	Account number	Kshs	Kshs
a) Current Account-KCB1	1110226659	1,466,785	440,363
Other Commercial banks-KCB2	1126870331	579,436	135,763
Sub- Total		2,046,221	576,126
b) Others (Specify)			
Cash in transit		0	0
Cash in hand		8,347	4,626
Mobile money account		0	0
Sub- Total		8,347	4,626
Grand Total		2,054,568	580,752

17. Retain Earnings

Description	2024-2025	2023-2024
	Kshs	Kshs
Balance B / Forward	(7,386,772)	(9,174,722)
Adjustments		
Profit / (Loss) for the year	952,748	1,787,950
Balance C / F	(6,434,024)	(7,386,772)

18. Co-operative University of Kenya Control Account

Description	2024-2025	2023-2024
	Kshs	Kshs
Balance C/F	8,470,870	8,470,870
Liabilities previously treated as part capital paid to CUK	(45,340)	
Balance C/F	8,425,530	8,470,870

This refers to the Net Asset and Liabilities that were transferred from the then Co-operative College of Kenya to ATC when the company was registered formally in 2007 as private company. Also includes Rent and Water Liabilities of Ksh 5,600,000 which was converted to capital in the year 2020/2021 by the CUK council. To unreconciled difference of Ksh 45,340 with CUK Investment ATC paid the difference on 24th March 2025 cheque no. 3976.

19. Development Partners Fund Account

Description	2024-2025	2023-2024
	Kshs	Kshs
Balance C/F	745,400	745,400
TOTAL	745,400	745,400

This refers to capital grants received from GTZ during initial formation of ATC in the year 2007.

20. Revaluation Reserve

Description	2024-2025	2023-2024
	Kshs	Kshs
Revaluation A/c B/f	1,114,926	1,114,926
Total	1,114,926	1,114,926

21. Trade and Other payables

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade payables	1,754,577	1,637,089
Provisions 22(a)	0	611,699
Paymaster General	0	20,500
Total	1,754,577	2,269,288

Aging Analysis for Trade and other Payables

	2024/2025	% of the total	2023/2024	% of the total
Under one year	777,489.00	45%	992,199	89%
1-2 years	0	0	0	0
2-3 years	0	0	0	0
Over 3 years	977,089	55%	1,277,089	11%
Total	1,726,577	100%	2,269,288	100%

23 . Statements of Cash Flows

Description	2024-2025	2023-2024
	Kshs	Kshs
(a) Reconciliation Of Operating Profit/(Loss) To Cash Generated From/(Used In) Operations		
Profit or Loss before tax	952,748	1,787,950
Depreciation	119,301	149,963
Operating Profit/(Loss) before Working Capital changes	1,072,049	1,937,913
(Increase)/Decrease in Inventories		
(Increase)/Decrease in Trade and Other Receivables	961,818	(183,199)
Increase/(Decrease) in Trade and Other Payables	(514,711)	(1,956,099)
Cash Generated from/(used In) operations	1,519,156	(263,585)
(c) Analysis of Cash and Cash equivalents		
Cash At Bank	2,046,221	576,126
Cash In Hand	8347	4,626
Balance At End Of The Year	2,054,568	580,752

24. Related Party Disclosures

Co-operative University of Kenya

The Agri and Co-operative Training and Consultancy Services Ltd. (ATC) is a capacity development and consultancy services provider registered as a private company by guarantee, wholly owned by the Co-operative University of Kenya (CUK) .

Other related parties include:

- v) Key management
- vi) Board of directors

25. Incorporation

Agri & Co-operative Training and Consultancy Services Ltd is incorporated in Kenya under *the Kenyan Companies Act* and is domiciled in Kenya.

26. Events after the Reporting Period

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

27. Transition from ATC to the Institute of Agri-Cooperative Training and Consultancy Limited (IATC) FY 2024/2025

Agri & Co-operative Training and Consultancy Services Ltd (ATC) was initially incorporated as a company limited by guarantee, with the purpose of serving as an income-generating entity for the University. However, the company's ability to generate profits was limited by its registration status as a company limited by guarantee.

To address this limitation, Management proposed a change to the CUK Council, recommending the incorporation of a private company limited by shares. This proposal was approved, resulting in the establishment of a new entity called the Institute of Agri-Cooperative Training and Consultancy Limited (IATC).

The Co-operative University of Kenya is the sole shareholder of IATC. The plan is for IATC to assume ATC's business activities through an assimilation process, which will take place following the final Audit Review Report in the upcoming 2024/2025 financial year.

28. Appendices

Appendix 1: Implementation Status of Auditor-General prior year recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
2023/2024. 1.	Long Outstanding debts and other receivables	<ul style="list-style-type: none"> Part of it has been cleared -Narok County -Kshs 380,000 on Feb 2025. ATC, the Board passed resolutions during meetings held on 28th September 2023 and 17th September 2024; to provision the debts dating back to 2015–2018. This provision aligns with prudent financial management and accounting standards, ensuring the financial statements of ATC provide a true and fair view of its assets and receivables. 	Resolved	
2023/2024. 2.0	Long Outstanding payables	ATC has had long-standing debts owed to the Office of the Auditor General (OAG) Ksh1, 277,089 primarily due to high fees charged by the OAG and the company's financial losses over the past five years. However, in February 2024, ATC held a meeting with the Finance Director of OAG, during which a payment plan was established to settle the outstanding amounts.	Resolved	
2023/2024.3.0	Anomalies in Governance and Governance Structure	It's true that as per Memorandum and Articles of Association it states that ATC board will consist of nine members, two directors from private sector are yet to be filled. The company is in the process of filling up the two slots.	Not resolved	30 th Dec 2025
2023/2024.4.0	Failure to have A risk management policy.	ATC has developed Risk Management policy	Resolved	



Name: Dr. Moses Gweyi (PhD)

A.g C.E.O