

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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REPORT

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THE TABLE:

THE AUDITOR-GENERAL

ON

**CENTRE OF EXCELLENCE IN
SUSTAINABLE AGRICULTURE AND
AGRIBUSINESS MANAGEMENT**

**FOR THE YEAR ENDED
30 JUNE, 2024**

EGERTON UNIVERSITY



Project Name: Centre of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM)

Implementing Entity: EGERTON UNIVERSITY

PROJECT CREDIT NUMBER: 5798-KE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR
ENDED JUNE 30, 2024**

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



02/02/2024



Project Name: Centre of Excellence in Sustainable Agriculture and
Agribusiness Management (CESAM)

For Accounting Period: ESRON UNIVERSITY

PROJECT (FROM 01/01/2024 TO 31/12/2024)

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE PERIOD 01/01/2024
ENDED UNTIL 31/12/2024

Prepared in accordance with the Financial Reporting Framework and the Information of Public
Sector Accounting Standard (IFRS)

TABLE OF CONTENTS

1.	Acronyms, Abbreviations and Glossary of Terms.....	ii
2.	Project Information and Overall Performance.....	iii
3.	Statement of Performance Against Project's Predetermined Objectives.....	xvi
4.	Environmental and Sustainability Reporting.....	xix
5.	Statement of Project Management Responsibilities	xxii
6.	Report of the Independent Auditors on the Financial Statement of CESAAM Project.....	xxiv
7.	Statement of Receipts and Payments for the year ended 30th June 2024.....	1
8.	Statement of Financial Assets as at 30th June 2024	2
9.	Statement of Cashflow for The Year ended 30th June 2024	3
10.	Statement of Comparison of Budget and Actual amounts for Year Ended 30th June 2024.....	4
11.	Significant Accounting Policies	5
12.	Notes to the Financial Statements.....	12
13.	Annexes	18

1. Acronyms, Abbreviations and Glossary of Terms

WB	World Bank
CESAAM	Centre of Excellence in Sustainable Agriculture and Agribusiness Management.
VC	Vice Chancellor
ACE II	Africa Center of excellence.
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OAG	Office of the Auditor General
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
DLIs	Disbursement Linked Indicators

2. Project Information and Overall Performance

2.1 Name and registered office

Name: The project's official name is **Centre of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM)**

Overall Objective: Sustainable Agriculture and Agribusiness Management through capacity development, research and technology transfer for enhanced food security.

Address: The project headquarters offices are; Egerton University, Nakuru

County, Kenya. The address of its registered office is:

Egerton University P.O. Box 536 - 20115 Egerton, Kenya.

Contacts: The following are the project contacts

Email: cesaam@egerton.ac.ke

Website: cesaam.egerton.ac.ke | **Twitter:** @CESAAM_EGERTON | **Facebook:** CESAAM Egerton University

Mobile: +254725809214 | +254700822859 | +254722831634

2.2 Project Information

Project Start Date:	The project start date is 04-07-2016
Project End Date:	The project end date is 30.04.2024
Project Manager:	The project manager is Prof. George Owuor
Project Sponsor:	The project sponsor is International Development Association

2.3 Project Overview

Line Ministry/State Department of the Project	The project is under the supervision of the Education Ministry. (State Department for University Education)
Project number	IDA Credit 5798-KE
Strategic goals of the Project	The strategic goals of the project are as follows: i) Capacity development along the Agricultural Value Chain in the Eastern and Southern Africa region, especially for the fragile and post conflict states. ii) To undertake innovative research, including use of biotechnology and climate smart agriculture, for increased crop and livestock productivity. iii) Enhance the capacity of the University's Agro-Science Park to assist partner universities establish a similar model for incubation of

Project information and overall performance (continued)

	<p>technological innovations.</p> <p>iv) Develop evidence based agricultural policy briefs and disseminate best practices through Agricultural Knowledge Centres in Egerton (CESAAM) and partner universities</p>
Achievement of strategic goals	<p>Expected outputs include:</p> <ol style="list-style-type: none"> 1) Increased capacity to conduct quality training and research nationally and regionally. 2) Equipped research laboratories. 3) Increased innovation products. 4) Increased dissemination of agricultural best practices and evidence-based policy briefs. <p>The cumulative impacts of these outputs are increased productivity along the value chain and improved food security.</p>
Other important background information of the project	<p>CESAAM aims at leveraging fragile and post-conflict countries through offering opportunities to their faculty and students. The program does this through Post graduate training, Research, Retooling workshops, Exchange programs, Summer schools and admission of students from these countries.</p>
Current situation that The project was formed to intervene	<p>The project was formed to intervene in the following areas:</p> <ol style="list-style-type: none"> 1) Address Food insecurity and persistent hunger and poverty affecting poverty affecting about 33% of African population. 2) Occurrence of frequent droughts, rampant crop and livestock diseases, 3) Poor Policies and market information access. 4) Inadequate technical capacity and limited technologies and innovations to address emerging challenges including diseases and pests. 5) Climate change effects and inability to sustainably ameliorate the climate impacts. 6) Low involvement in Agri-entrepreneurship, particularly among the Youth
Project duration	<p>The project was effective as from 24th August 2016 and is expected to run until 31 December 2023 plus a four months extension.</p>

Project information and overall performance (continued)

2.4 Bankers

The following is the banker for the current year:

- (i) Kenya Commercial Bank (Egerton Branch)

2.5 Independent Auditor

The project is audited by the Auditor General- Kenya.

2.6 Roles and Responsibilities

In line with the Project Organogram, the Project Management is in two Levels: The CESAAM Steering or Management Core Team and Thematic Leaders. The Core teams are involved in day-to-day decision making, while thematic leaders are Professors drawn from different disciplines and which comes handy during project research thematic areas. Thus, the main management team is the core team as below:

The CESAAM Project Management Team

Names	Title designation	Key qualification	Responsibilities
Prof. Isaac O. Kibwage Ph. D, HSC	Vice Chancellor	Professor of Pharmaceutical Chemistry	Overall governance and leadership issues at
Prof. George Owuor	Centre Leader	PhD in Agribusiness	Deputy Centre Leader- and in charge of Academics
Prof. Samuel M. Mwangi	Deputy Centre Leader	University Level and represent the Council	Member of the Steering Committee in Charge of Overseeing Procurement
Prof. Josephine P. Ouma	Member of the Steering Committee	PhD in Agronomy	Member of the Steering Committee in charge of Logistics
Dr. Mary Omwamba	Member of the Steering Committee	PhD in Food science	Preparation of financial statements
Gabriel Ndung'u	Project Accountant	MBA (Finance), CPA-K	In charge of Research and Innovation
Prof. Joshua Ogendero	Member of the Steering Committee	PhD in Crop Protection	

Project information and overall performance (continued)

	Partners with MoU and Agreement signed	Activities involved in:
Partners and partnership involved:	<ol style="list-style-type: none"> 1. Community Action for Rural Development (CARD) 2. Kenya Association of Manufacturers (KAM) 3. Kenya Private Sector Alliance (KEPSA) 4. The Hive Limited Limited 5. University of Rwanda 6. University of Burundi 7. Nelson Mandela African Institute of Science and Technology (NM-AIST CREATES) 8. Gulu University, 9. University of Juba, 10. Jaramogi Oginga Odinga University of Science and Technology (JOOUST) 11. Virginia Tech, 12. Pwani University, 13. University of Namibia, 14. Florida A&M University (FAMU) 15. University of Edinburg 16. Zheijiang University 17. Nanjing Agricultural University 18. Kenya Agricultural & Livestock Research Organization. (KALRO). 19. The Biosciences eastern and central Africa (BeCA)-ILRI HubBeCA ILRI 20. The International Maize and Wheat 	<ol style="list-style-type: none"> 1. Retooling of faculty staff 2. Research & Innovation 3. Exchange Programmes 4. Product development and commercialization 5. Internship opportunities for Students 6. Benchmarking and development of new and/or existing programs 7. Joint teaching and/or co-supervision 8. Joint events that booster research and capacity Building 9. Joint private Sector engagement/mapping 10. Development and mounting of short/skill-based Courses 11. Specialized Research Opportunities 12. Collaborative research projects 13. Joint proposal Writing

	<p>Improvement Center (CIMMYT)</p> <ol style="list-style-type: none">21. International Centre of Insect Physiology and Ecology (ICIPE).22. Hand in Hand East Africa23. Kenya Plant Health Inspectorate Service (KEPHIS)24. Lian Farm Ltd	
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Project information and overall performance (continued)

2.7 Funding summary

The Project is from 2016 to 2024 with an approved budget of XDR 5,999,905 equivalent to KShs 619,490,191 Six hundred nineteen Million, four hundred ninety thousand, one hundred and ninety-one only as highlighted in the table below: Below is the funding summary:

A. Source of Funds

Source of funds	Donor Commitment-		Amount received to date – (30 06 2024)		Undrawn balance to date (30 06 2024)	
	Donor currency	KShs	Donor currency (XDR)	KShs	Donor currency (XDR)	KShs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Loan	5,999,905	619,490,191				
International Development Association 2016/2017	-	-	1,080,823.00	111,595,000		
International Development Association 2018/2019	-	-	845,458.04	85,477,343		
International Development Association 2019/2020			1,139,146.95	117,616,922		
International Development Association 2020/2021			1,285,127.86	132,689,452		
International Development Association 2021/2022			777,571.35	80,284,242		
International Development Association 2022/2023			274,357.91	28,327,454		
International Development Association 2023/2024			774,081.35	104,500,983		
TOTAL	5,999,905	619,490,191	6,176,566	660,491,395	(176,661)	(41,001,204)
(ii) Counterpart funds						
Egerton University	-	1,000,000	0	1,000,000	0	0
Total	5,999,905	620,490,191	6,176,566	661,491,395	(176,661)	(41,001,204)

Project information and overall performance (continued)

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2024)		Cumulative Amount paid to date – (30 th June 2024)	Unutilized balance to date(30 th June 2024)	
	Donor currency	Kshs	Kshs	Donor currency	Kshs
	(A)	(A')	(B')	(A)-(B)	(A')-(B')
(i) Loan					
International Development Association	6,397,011	660,491,395	592,806,104	655,548	67,685,291
(ii) Counterpart Funds					
Egerton university	35,630	3,678,822	2,688,059	9,596	990,763
Total	6,432,641	664,170,217	595,494,163	9,596	68,676,054

Project information and overall performance (continued)

2.8 Summary of Overall Project Performance; Disbursement Linked Results (DLR) during the Financial Year 2023/24

1. DLR 2.2 – CESAAM now has 240 graduate students- (MSc 168: PhD 72) - 52% female and 23% regional) and 63 graduated.
2. Total direct project beneficiaries – 750; includes an international conference, virtual forums, and training, research grants awarded, and short courses offered.
3. DLR 2.3 – CESAAM has fully achieved national accreditation. - International Accreditation: 2 Programs: MSc Food Science & MSc Animal Nutrition currently have undergone for international accreditation by ASIIN, waiting for the final report.
4. DLR 2.5: 214 publications in internationally refereed journals; this is fully achieved as per initial and re-structuring targets (20 publications in this quarter). Fully achieved
5. CESAAM jointly held an International Conference with Africa Farm Management Association (AFMA) in Nov 2021 in Nairobi and planning for another joint conference in September 2024.
6. CESAAM students presented their papers at the Africa Farm Management Association (AFMA) 12th International conference.
7. CESAAM students presented their papers at the Egerton University 14th Biennial International conference.
8. DLR 2.6: **Exchange (A total of 111 supported** and been verified.
9. DLR 2.7: **on Externally generated revenue (Fully Achieved)**
10. **New projects in 2024:** NEXUS Project and Food Safety Project funded by European Union.
11. DLR 2.8: on The Partnership for skills in Applied Sciences, Engineering and Technology (PASET) Benchmarking – Fully achieved
12. DLR 3.2 – 3.4: **Financial Management**, successfully verified for years 1,2 &3 with unqualified opinion. Disbursement for year 4 done.
13. DLR 4.1 – 4.2: **Procurement:** Procurement for the years 2022/23 and 2023/24 were completed.

Centre of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM)
Reports and Financial Statements for The Financial Year Ended June 30,2024

1. Safeguards actions

Action	Status
Grievance Redress Mechanism	<ul style="list-style-type: none"> - An online GRM System set up. Available on CESAAM and University websites - It is anonymous but an optional provision for a name and email is provided incase someone requires feedback - Students are sensitized on use
An inclusive CESAAM Steering Committee	<ul style="list-style-type: none"> - CESAAM has a steering committee that comprises students, faculty members, industry partners, academic partners and co-opted members when necessary.
Students - Supervisors Consultative Meetings	<ul style="list-style-type: none"> - FIVE consultative meetings have been organized to discuss supervision
Co-supervision and advising of graduate students with partners	<ul style="list-style-type: none"> - To help meet the need for regional research interventions and for dynamism, CESAAM shared with students' profiles of faculty members from partner university and research institutions to select supervisors - CESAAM has planned a joint supervisors and students' regional forum to discuss matters relating to research in the region and student-supervisor relationship enhanced - CESAAM is in constant touch with the Graduate School and relevant academic units on students' progress and complaints.
Social & Environmental safeguards focal points	<ul style="list-style-type: none"> - CESAAM's Social safeguards is also the Director University Welfare Services and former Director Institute of Women, Gender and Development Studies at Egerton University. She is also an expert in sexual harassment. - The Environmental safeguards focal point is a certified environmentalist and former immediate former Dean Faculty of Environment and Resource Development at Egerton University
Special accommodation and fund for student mothers	<ul style="list-style-type: none"> - Female students are now supported with special accommodation and additional subsistence to cater for toddlers
Community dissemination workshops	<ul style="list-style-type: none"> - Dissemination workshops where students are sent back to places of research to disseminate information to the community
Asbestos disposal	<ul style="list-style-type: none"> - CESAAM procured a NEMA-approved consultant who successfully executed disposal of asbestos
CESAAM Complex	<ul style="list-style-type: none"> - There was a community engagement program where there were no objections to the building - CESAAM also presented an ESIA report that was approved by the World Bank, NEMA, County Government and CESAAM Steering Committee. The complex is now complete and the secretariat are operating at the complex.
Research funding	<ul style="list-style-type: none"> - The Steering Committee approved an increase in research funding for students. PhD now earns USD 12,000 for research and MSc USD 3,000 for research. Additional depending on the nature of research.

2. Impact to date (on community, policy etc.)

IMPACT																																									
Deliberate support of female scientists	CESAAM now has a total of 240 students enrolled. Of this number 52% are female and 23% being regional students. CESAAM also provides affirmative fund for female scientists (students) with toddlers.																																								
Student enrollment to enhance quality research in the region	Total enrollment: 240 Female: 52% Regional: 23%																																								
CLASS 2019																																									
	<table border="1"> <thead> <tr> <th></th> <th colspan="3">MASTERS</th> <th colspan="3">PhD</th> <th>SUMMARY</th> </tr> <tr> <th></th> <th>MALE</th> <th>FEMALE</th> <th>TOTAL</th> <th>MALE</th> <th>FEMALE</th> <th>TOTAL</th> <th>MSc & PhD</th> </tr> </thead> <tbody> <tr> <td>NATIONAL</td> <td>10</td> <td>16 (62%)</td> <td>26</td> <td>05</td> <td>04 (44%)</td> <td>09</td> <td>Male: 24 (41%)</td> </tr> <tr> <td>REGIONAL</td> <td>07</td> <td>10 (59%)</td> <td>17</td> <td>02</td> <td>04 (67%)</td> <td>06</td> <td>Female: 34(59%)</td> </tr> <tr> <td>TOTAL</td> <td>17</td> <td>26(58%)</td> <td>43</td> <td>07</td> <td>08 (53%)</td> <td>15</td> <td>SUB-TOTAL: 58</td> </tr> </tbody> </table>		MASTERS			PhD			SUMMARY		MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MSc & PhD	NATIONAL	10	16 (62%)	26	05	04 (44%)	09	Male: 24 (41%)	REGIONAL	07	10 (59%)	17	02	04 (67%)	06	Female: 34(59%)	TOTAL	17	26(58%)	43	07	08 (53%)	15	SUB-TOTAL: 58
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	MASTERS			PhD			SUMMARY																																		
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TOTAL	4	7	11	1	1	02	SUB-TOTAL: 13																																		
SELF-PAYING STUDENTS																																									
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*Centre of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM)
Reports and Financial Statements for The Financial Year Ended June 30, 2024.*

	TOTAL	9	15	24	2	1	3	SUB-TOTAL: 27
								TOTAL: 240
1 st Regional Summer School for Graduate Students	CESAAM organized and hosted its 1 st Regional Summer School for Graduate Students. This, in our understanding, is the largest event that has brought together ACE II students in the agriculture field. Over 200 students participated from INSEFOODS, MaRCCI, CSABC, CREATES and CESAAM.							
High profile regional exhibitions	Meant to market the centre in the region.							
Open/Field days	To train farmers on emerging agricultural technologies. CESAAM organized a joint Seeds of Gold Field Day with Nation Media for farmers and industry at Egerton University. Over 400 participants and exhibitors attended. This was in January 2020.							
Skill-based short courses	Organized for the community, farmers and students. (Feed formulation, Research Analytics for students, Proposal writing for students, Policy Brief Preparation course).							
Youth-led extension	CESAAM students underwent direct outreach to farmers using the Seeds of Gold model of extension.							
Community Dissemination workshops	All students and faculty supported by CESAAM to carry out research are expected to carry out dissemination workshops of research findings in their areas of study. A dissemination workshop is planned post-COVID for 4 students who have graduated and collected data in Kenya.							
1st CESAAM Competitive Research Grant	CESAAM competitively awarded proposal research grants, which will be community oriented and that which must have policy implications, to faculty members. A key criterion for selection was whether the proposal had a strong component on collaboration with industry players.							
Regional sensitization visits	Joint Sensitization visit CESAAM, INSEFOODS, Internet of Things, Rwanda College of Agriculture and Veterinary Medicine (Kenya, Tanzania and Rwanda)							
Dissemination of best-practices and policies	Side Events Held at the RUFORUM international Conference in Nairobi, Kenya. The side events were on social safeguards (sexual harassment in HEIs) and on Role of Partnerships in Research and Academic Excellence							

Upcoming Activities.

Activity	Dates	Purpose
Short course training of farmers	September, 2024	Enhance capacity for farmers and community at large.
Exchange programme	October, 2024	Staff and students exchange programme to Virginia Tech University
Community outreach programme in Siaya County	November, 2024	Training of farmers on the farming.

1. Key challenges and risks

Issue/Risk	Status and proposed action
Procurement	<ul style="list-style-type: none"> - Slow procurement process - Unwillingness of suppliers to supply items due to main university debts - CESAAM plans to have a suppliers' sensitization workshop to help them understand the different nature of the project. - Relatively high procurement staff turn-over - Procuring of the international institutions
Risk of extension for students	<ul style="list-style-type: none"> - Due to COVID-19 related delays and industrial action by lecturers, students are likely to provide reasons for extension. This will have financial implications on the centre

2. Sustainability of the Centre

Action	Status (including timelines)
CESAAM is attracting Fee paying students	<ul style="list-style-type: none"> - 26 self-paying students now admitted at CESAAM - 56 new applicants including those from the region
Have CESAAM as a directorate/institutionalization of the centre	<ul style="list-style-type: none"> - A committee to over-see this sustainability plan is already set-up - Discussions are underway for this
Research proposals for funding	<ul style="list-style-type: none"> - Several groups supported to write proposals for funding. - Externally generated funds attracted. - The centre has now attracted a sum of Ksh 282,607,761 as at at 30th June 2024.
Regional gate-way for agricultural interventions	<ul style="list-style-type: none"> - CESAAM is positioning itself, through partnership, as a regional gateway for agriculture-related interventions in the region. This is due to its regional appeal because its presence in the region.
Phase II Proposal writing	<ul style="list-style-type: none"> - CESAAM together with 2 other Kenyan ACES (Insefoods – JOOUST & PTRE - Moi University) were involved in joint proposal writing for Phase II of ACE II.

2.9. Summary of Project Compliance:

The centre has complied with the Egerton financial rules and regulations, the Public Finance Management Act (PFM Act 2012) and the Financing agreement with the development partners.

3. Statement of Performance Against Project's Predetermined Objectives

The objective of the Project is to support the University to establish a center of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM) through capacity development, research and technology transfer for enhanced food security. The Project shall finance eligible activities aimed at achieving the following Disbursement Linked Indicators (DLIs).

- (a) Regional specialization endorsed and institutional readiness
- (b) Excellence in education and research capacity and development impact
- (c) Timely, transparent and institutionally reviewed Financial Management
- (d) Timely and audited Procurement

The following table specifies the categories of the proceeds of the grants and the allocations of the amounts to each DLI.

Disbursement Linked Indicator	Amount of the Financing Allocated expressed in US\$)
DLI 1: Regional specialization endorsed and institutional readiness	1,100,000
DLI 2: Excellence in education and research capacity and development impact	4,300,000
DLI 3: Timely, transparent and institutionally reviewed Financial Management	300,000
DLI 4: Timely and audited Procurement	300,000
TOTAL (US\$)	6,000,000

The Center shall:

- a. Implement the Project in accordance with the Project implementation plan;
- b. Not assign, amend, abrogate or waive any of the provisions of the Project implementation plan without the Governments and the Association's prior written concurrence.
- c. Implement the project with due diligence and efficiency and in conformity with appropriate administrative, technical, financial, economic, environmental and social standards and practices and in accordance with the provisions of this Subsidiary Grant Agreement;
- d. Implement all contractual obligations with the Association and other implementation Agreements to which it is a party in such a manner as to protect the interest of the Government and the Association and to accomplish the purposes of the Financing;
- e. Prepare the relevant Project reports under the project; and Participate in the mid-term Review of the operations under the project which shall cover progress achieved in the implementation of the project and to implement the relevant recommendations of the mid-term review as agreed with the Association.
- f. Promptly inform the Government of any conditions which interfere or threaten to interfere with the progress of the project or the performance of its obligations under this Subsidiary Grant Agreement.

Summary of achievement

DLR 2.2 – CESAAM now has **240 graduate students- (MSc 168 : PhD 72) - (52% female and 23% regional)**. 100 (88 MSc and 12 Ph.D.) have been verified. **Graduated = 63 (10 PhDs, 53-MScs: 40% female)**,- 31 Awaiting graduation. Total direct project **beneficiaries – 630**; includes an international conference, virtual forums, and training, research grants awarded, and short courses offered.

DLR 2.3 – CESAAM has **fully achieved national and international**

accreditation. Two programs have under gone **International Accreditation:** -
MSc Food Science & MSc Animal Nutrition

DLR 2.4: 2 new **partnership** with Kentaste Coconut processor, Malindi Fruit processors, and AFMA (**partnerships, is currently fully achieved**)

DLR 2.5: 241 **publications** in internationally refereed journals; this is fully achieved as per initial and re-structuring targets (**16 publications in this quarter**).

Fully achieved

DLR 2.6: **Exchange (100%- A total of 111 supported** out of which 10 have been verified.

Academic staff to JOOUST, 3 Academic Staff to Virginia Tech, 4 Academic staff to MaRCCI, Makerere, Uganda, 10 Ph.D. students to JOOUST and 3 Ph.D students KALRO Muguga Research Centre.

DLR 2.7: **Externally generated revenue (Fully Achieved)** – To date **attracted a total of Ksh 342,172,834**

DLR 2.8: **on PASET Benchmarking – Fully achieved**

DLR 3.2 – 3.4: **FM**, successfully verified for years 1,2 &3 with an unqualified opinion.

DLR 4.1 – 4.2: **Procurement:** 2022/2023 done with 78.9% compliance.

4. Environmental and Sustainability Reporting

1. Sustainability strategy and profile.

The project is committed to implementing the following measures for its sustainability plan;

1. Proposal Development for new funding. New Projects Already earned USD 1.9 Million, e.g.
 - a) IFC. 2021 on creating model farms – USD 290,000
 - b) Laser Pad Project-on ICT Block chain value chain system-USD 150,000
 - c) 7 County based value chain projects- Over USD -500,000
 - d) INCiTis Food Project – Over USD 1,200,000
 - e) Future proposals will continue through existing teams of experts already trained on fundable proposal development
2. Product development (Innovated Products ongoing development) :
 - Animal feeds
 - Marmalade jam
 - Sorghum Bread (seed unit, flour targeting bakery & confectionery)
3. New Fee-Paying Cohort 2022/23- 10 PhD & 20 Msc in Popular programmes (Agribusiness, Animal Nutrition, Crop Protection and Food Science) CESAAM will link them for internships, research attachments and publications)
4. Popular paid Short Courses (Value Addition, Feed formulation, Poultry production, Dairy MgtCow Signal & Agribusiness Value chain Development, Conservation Agriculture)
5. Institutionalization of the Centre to the university structure.

2. Environmental performance

The University shall carry out its Respective Part of the Project in accordance with the requirements of the Environmental and Social Management Framework (ESMF) dated April 18, 2016 and the Environmental and Social Management Plan, as appropriate, and except as the Government and the Association shall otherwise agree in writing. The University shall not amend or waive any provision of the safeguard instruments if any such amendment or waiver may, in the opinion of the Association, materially or

adversely affect the implementation of its Respective Part of the Project or the Project.

The University shall in its progress report include progress made on compliance with environmental and social safeguard measures under the Project, giving details of measures taken in furtherance of the environmental and social safeguard and any conditions which interfere or threaten to interfere with the smooth implementation of the said plans and frameworks, and remedial measures taken or required to be taken to address such conditions.

The university and the project have taken the following measures;

- a) Availability of waste disposal points within the CESAAM building
- b) CESAAM Building NEEMA approval plus World Bank approval for construction executed
Further: waste disposal and safety gear followed
- c) CES Ethical Certificate for our Graduate students during their fieldwork.
- d) CESAAM students and staff participated in EMS public waste removal, tree planting and training
- e) CESAAM in collaboration with National Environmental Authority Disposed Asbestos successfully

3. Employee welfare

The Project takes into account the gender ratio, stakeholder engagement through public participation. It manages staff careers, appraisal and reward system during Founder's Days, Mau X-Country among others guided by the following policies:

1. EU- Human Resource Policies and Procedures Manual, 2023
2. Training Policy,
3. Gender Policy
4. OSHA Policy
5. Staff Training and Development through retooling and exchange programs.

CESAAM Project through the university also adheres to the Occupational Safety & Health Act, 2007 (OSHA) through an established Committee. These policies are reviewed from time to time on need basis.

4. Market place practices

a) Responsible Supply chain and supplier relations-

The procurement of goods, works and consultancy services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with Annex II of the financing agreement.

b) Responsible ethical practices

The University shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines and the relevant laws of Kenya.

c) Regulatory impact assessment

The university and the project are committed to safeguard and citizen stakeholder's rights that's; a) Dignity.

b) Non-discrimination.

c) Equality.

d) Autonomy.

e) Accountability.

f) Participation.

g) Proportionality.

5. Community Engagements

The project is committed to sharing its output and input with the community. The following events have so far been conducted;

1. Youth-led extension and 4-k club revival plan
2. Regional summer school for graduate students
3. Skilled based short courses for farmers
4. Open field days and communication dissemination
5. Thesis disseminations of best practice

5. Statement of Project Management Responsibilities

Centre leader for the Centre of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM) are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year (period) ended on June 30, 2024. This responsibility includes:

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

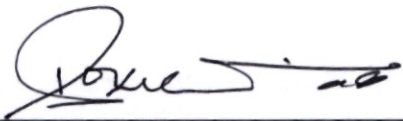
The Vice Chancellor of Egerton University and the Centre leader for the Centre of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM) accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Vice Chancellor of Egerton University and the Centre leader for the Centre of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM) are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year/period ended June 30, 2024, and of the Project's financial position as at that date. The Vice Chancellor of Egerton University and the Centre leader for the Centre of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM) further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

The Vice Chancellor of Egerton University and the Centre leader for the Centre of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM) confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project financial statements

The Project financial statements were approved by the Egerton University Council on 26th September 2024 and signed by the Vice Chancellor of Egerton University and the Centre leader for the Centre of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM) on 26th September, 2024.



Prof. Isaac O. Kibwage Ph. D, HSC
Vice Chancellor



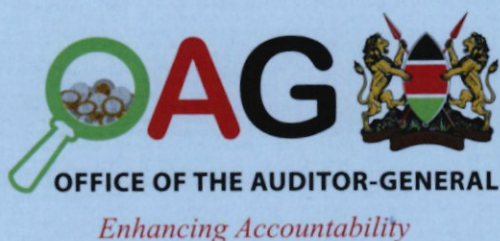
CESAAM Centre Leader
Name: Prof. George Owuor



Ag Chief Finance officer
Name: CPA Charles Wanjohi.
ICPAK Member Number: 8804

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 CENTRE OF EXCELLENCE IN SUSTAINABLE AGRICULTURE AND AGRIBUSINESS MANAGEMENT FOR THE YEAR ENDED 30 JUNE, 2024 – EGERTON UNIVERSITY

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 the 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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- 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, 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 specific issues, the financial statements present a true and fair view in accordance with the applicable financial reporting framework. The Qualified Opinion indicates that the financial statements are to a large extent in agreement with the books of accounts and the underlying records, except for a few cases where material misstatements or omissions were noted in the books of accounts and the financial statements. The issues though material, are not widespread or persistent.

The Qualified Opinion on the report on the financial statements should be read together with the report on the Lawfulness and Effectiveness in the Use of Public Resources, and the report on the Effectiveness of Internal Controls, Risk Management and Governance.

Report of the Auditor-General on Centre of Excellence in Sustainable Agriculture and Agribusiness Management for the year ended 30 June, 2024-Egerton University

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

Opinion

I have audited the accompanying financial statements of Centre of Excellence in Sustainable Agriculture and Agribusiness Management set out on pages 1 to 20, which comprise the statement of financial assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, 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, the financial statements present fairly, in all material respects, the financial position of Centre of Excellence in Sustainable Agriculture and Agribusiness Management as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Loan Agreement Credit Number 5798-KE dated 4 July, 2016 between International Development Association (IDA) and the Republic of Kenya and the Public Finance Management Act, 2012.

In addition, the special Accounts statement present fairly transactions for the year, and the closing balance has been reconciled with the books of account.

Basis for Opinion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Centre of Excellence in Sustainable Agriculture and Agribusiness 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 opinion.

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. There are no other key audit matters to communicate in my report.

Report of the Auditor-General on Centre of Excellence in Sustainable Agriculture and Agribusiness Management for the year ended 30 June, 2024-Egerton University

Other Information

The Management is responsible for the other information set out on page iii to xxiii which comprise of Project Information and Overall Performance, Statement of Performance Against Predetermined Objectives, Environmental and Sustainability Reporting and the Statement of Project Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Project'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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with ISSAIs 3000 and 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 ISSAIs 2315 and 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 International Development Association (IDA) Credit No. 5798-KE financing Agreement, I report based on my audit 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. In my opinion, adequate accounting records have been kept by the project, so far as appears from examination of those records: and,
- iii. The project's financial statements are in agreement with the accounting records and returns.

The Financing Agreement 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 Centre of Excellence in Sustainable Agriculture and Agribusiness Management 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 those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Project'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.

Report of the Auditor-General on Centre of Excellence in Sustainable Agriculture and Agribusiness Management for the year ended 30 June, 2024-Egerton University

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 Project Management is responsible for overseeing the, Project's, financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to 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 INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires 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 IFPP 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 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

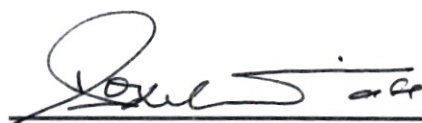
Nairobi

22 November, 2024

7. Statement of Receipts and Payments for the year ended 30th June 2024

	Note	2023/24			2022/23			Cumulative to-date PROJECT LIFE Cumulative to-date
		Receipts and payments controlled by the entity	Receipts and Payments made by third parties	TOTAL	Receipts and payments controlled by the entity	Receipts and Payments made by third parties	TOTAL	
		KShs	KShs		KShs	KShs	KShs	
RECEIPTS								
Transfer from Government entities	1	517,478		517,478	476,543		476,543	3,678,822
Loan from external development partners	2	104,500,983		104,500,983	28,327,454		28,327,454	660,491,395
Other Attracted funds	3	37,054,182		37,054,182	44,065,674		44,065,674	282,607,761
TOTAL RECEIPTS		142,072,643	-	142,072,643	72,869,671	-	72,869,671	946,777,978
PAYMENTS								
Transfers To Other Government Entities	4	-	-	-	-	-	-	1,000,000
Other Grants And Transfers And Payments	5	36,382,255		36,382,260	53,889,554		53,889,554	255,805,474
Excellence In Education And Research	6	30,609,602	-	30,609,608	16,443,960	-	16,443,960	341,918,953
Exchanges To Promote Regional Research & Teaching	7	17,744,992	-	17,744,999	18,729,169	-	18,729,169	101,182,367
External Generation Of Revenue	8	2,832,752	-	2,832,760	1,609,235	-	1,609,235	9,573,975
Enhancing Institutional Readiness & Operations	9	5,676,971	-	5,676,980	7,507,178	-	7,507,178	80,386,587
Timely And Transparency Financial Management	10	15,829,423	-	15,829,433	6,687,207	-	6,687,207	59,744,223
TOTAL PAYMENTS		109,075,995	-	109,075,995	104,866,303	-	104,866,303	849,611,533
SURPLUS/DEFICIT		32,996,648	-	32,996,648	(31,996,631)	-	(31,996,631)	97,166,444

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



Prof. Isaac O. Kibwage Ph.D, HSC
Vice Chancellor



CESAAM Centre Leader
 Name: Prof. George Owuor

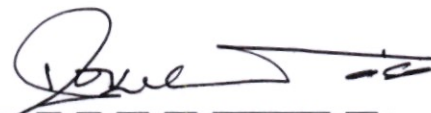



Ag Chief Finance officer
 Name: CPA Charles Wanjohi
 ICPAK Member Number: 8804


3. Statement of Financial Assets as at 30th June 2024

	Note	2023/24	2022/23
		KShs	KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	11	83,788,775	54,416,503
Accounts receivables – Imprests and Advances	13	13,377,670	9,886,101
Total Cash and Cash Equivalents	12	97,166,445	64,302,604
TOTAL FINANCIAL ASSETS		97,166,445	64,302,604
FINANCIAL LIABILITIES			
Uncalimed Imprest Refund	13	-	132,807
TOTAL FINANCIAL LIABILITIES		-	132,807
NET ASSETS		97,166,445	64,169,797
REPRESENTED BY			
Fund balance b/fwd	14	64,169,798	96,166,429
Surplus/Deficit for the year		32,996,648	(31,996,631)
NET FINANCIAL POSITION		97,166,445	64,169,798

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 26th September, 2024 and signed by:


Prof. Isaac O. Kibwage Ph.D, HSC
Vice Chancellor

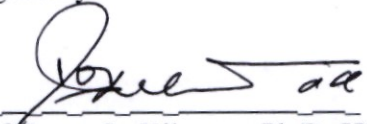

CESAAM Centre Leader
Name: Prof. George Owuor



Ag Chief Finance officer
Name: C.P.A Charles Wanjohi
ICPAK Member Number: 8804


9. Statement of Cashflow for The Year ended 30th June 2024

		2023/24	2022/23
	Note	KShs	KShs
Receipts for operating activities			
Transfer from Government entities	1	517,478	476,543
Proceeds from domestic and foreign grants	2	-	-
Other Attracted funds	3	37,054,182	44,065,674
Total Receipts		37,571,660	44,542,217
Payments for operating activities			
Transfers to Egerton University	4	-	-
Other Grants And Transfers And Payments	5	36,382,255	53,889,554
Excellence In Education And Research	6	30,609,602	16,443,960
Exchanges To Promote Regional Research & teaching	7	17,744,992	18,729,169
External Generation Of Revenue	8	2,832,752	1,609,235
Enhancing Institutional Readiness & Operations	9	5,676,971	7,507,178
Timely And Transparency Financial Management	10	15,829,423	6,687,207
Total Payment		109,075,995	104,866,303
Net cash flow from operating activities		(71,504,335)	(60,324,085)
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets		0	0
Net cash flows from Investing Activities		0	0
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Foreign Borrowings	2	104,500,983	28,327,454
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		32,996,648	(31,996,631)
Cash and cash equivalent at beginning of the year		64,169,798	96,166,429
Cash and cash equivalent at END of the year		97,166,445	64,169,798

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 26th September, 2024 and signed by:


Prof. Isaac O. Kibwage Ph.D, HSC
Vice Chancellor


CESAAM Centre Leader
Name: Prof. George Owuor

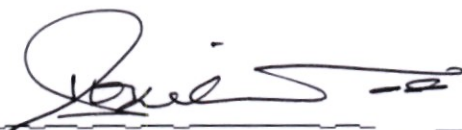

Ag Chief Finance officer
Name: C.P.A Charles Wanjohi
ICPAK Member Number: 8804


**10. Statement of Comparison of Budget and Actual amounts for Year Ended 30th
June 2024**


Receipts/Payments Item	Original Budget 2023/24	Adjustments	Final Budget 2023/24	Actual on Comparable Basis 2023/24	Budget Utilization Difference 2023/24	Percentage of Utilization 2023/24
Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	
Proceeds from domestic and foreign grants	67,845,835	9,095,000	76,940,835	104,500,983	(27,560,148)	136%
Other Attracted funds	50,600,000	-	50,600,000	37,054,182	13,545,818	73%
Total Receipts	118,445,835	9,095,000	127,540,835	141,555,165	(14,014,330)	111%
PAYMENTS						
World Bank Funding	Kshs	Kshs	Kshs	Kshs	Kshs	
Excellence In Education And Research	24,905,000	4,500,000	29,405,000	30,609,602	(1,204,602)	104%
Exchanges To Promote Regional Research & Teaching	19,213,915	1,000,000	20,213,915	17,744,992	2,468,923	88%
External Generation Of Revenue	2,373,345	500,000	2,873,345	2,832,752	40,593	99%
Enhancing Institutional Readiness & Operations	8,255,000	(1,405,000)	6,850,000	5,676,971	1,173,029	83%
Timely And Transparency Financial Management	13,098,575	4,500,000	17,598,575	15,829,423	1,769,152	90%
SUB-TOTAL PAYMENTS	67,845,835	9,095,000	76,940,835	72,693,740	4,247,095	94%
OTHER ATTRACTED FUNDS						
	Kshs	Kshs	Kshs	Kshs	Kshs	
Other Grants and Transfers	50,600,000	-	50,600,000	36,382,255	14,217,745	72%
GRAND TOTAL PAYMENT	118,445,835	9,095,000	127,540,835	109,075,995	18,464,840	86%

Note: The significant budget utilization/performance differences in the last column are explained in **Annex 2** to these financial statements.

The Eligible Expenditure Programs (EEPs) for the financial year 2023/2024 was KShs **1,631,516,087** which consists of the teaching Staff remuneration as explained in Note 15 (ii).


Prof. Isaac O. Kibwage Ph.D, HSC
Vice Chancellor


CESAAM Centre Leader
Name: Prof. George Owuor


Ag Chief Finance officer
Name: C.P.A Charles Wanjohi.
ICPAK Member Number: 8804

11. Significant Accounting Policies

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

a) Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) financial reporting under the cash basis of Accounting, as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include Imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

The accounting policies adopted have been consistently applied to all the years presented.

b) Reporting entity

The financial statements are for the Centre of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM) under National Government of Kenya. The financial statements encompass the reporting entity as specified in the relevant legislation Public Finance Management Act 2012 (PFM Act 2012).

These financial statements are part of the consolidated financial statements of Egerton University for the reporting period.

c) Reporting currency

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Project and all values are rounded to the nearest Kenya Shilling. Where exchange rate is required one USD will be converted at 101.45 as provided in the Project Appraisal Documents.

Significant Accounting Policies (continued)

d) Recognition of receipts

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

i. Transfers from the Exchequer

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

ii. External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

iii. Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

iv. Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

v. Proceeds from borrowing

Borrowing includes Treasury bill, treasury bonds, corporate bonds; sovereign bonds and external loans acquired by the Project or any other debt the Project may take on will be treated on cash basis and recognized as a receipt during the year they were received.

Significant Accounting Policies (continued)

vi. Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for the Project currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. An analysis of the Project's undrawn external assistance is shown in the funding summary

e) Recognition of payments

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

i. Compensation of employees

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

ii. Use of goods and services

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

iii. Interest on borrowing

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.

iv. Repayment of borrowing (principal amount)

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the consolidated financial statements.

Significant Accounting Policies (continued)

v. Acquisition of fixed assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment. A fixed asset register is maintained by CESAAM Project and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

f) In-kind donations

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

g) Cash and cash equivalents

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

Significant Accounting Policies (continued)

h) Restriction on cash

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

i) Imprests and Advances

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

j) Contingent Liabilities

A contingent liability is:

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

A present obligation that arises from past events but is not recognized because: It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or

The amount of the obligation cannot be measured with sufficient reliability.

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

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. There were no contingent liabilities in the year.

Significant Accounting Policies (continued)

k) Contingent Assets

The Entity does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Pending bills

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

m) Budget

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis (except for accounts receivable - outstanding imprest and clearance accounts and accounts payable - deposits, which are accounted for on an accrual basis), and for the same period as the financial statements. The Project's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Projects are budgeted for under the Ministries, Departments and Agencies MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognized as inter-entity transfers and are eliminated upon consolidation.

A high-level assessment of the Project's actual performance against the comparable budget for the financial year/period under review has been included in an annex to these financial statements.

Significant Accounting Policies (continued)

n) Third party payments

Included in the receipts and payments, are payments made on its behalf by to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties' column in the statement of receipts and payments.

During the year no funds were received in form of direct payments from third parties.

o) Exchange rate differences

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

p) Comparative figures

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

q) Subsequent events

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2024.

r) Prior period adjustments

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: (i). restating the comparative amounts for prior period(s) presented in which the error occurred; or (ii). If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

12. Notes to the Financial Statements

1. Transfers from Government entities

The counterpart funding and other receipts from government is as follows:

	2023/2024	2022/2023	Cumulative
	KShs	KShs	to-date
<i>Other transfers from government entities</i>			
Egerton University	517,478.45	476,543.20	2,994,022
Refund by Egerton university	-	-	684,800
	517,478.45	476,543.20	3,678,822

2. Proceeds from Domestic and Foreign Grants

During the 12 months to 30 June 2024 we received funding from development partners in form of loans negotiated by the National Treasury donors as detailed in the table below:

	Date received	Amount in SSD	Loans received in cash	Loans received as direct payment*	Total amount in KShs						PROJECT LIFE	
					FY 2023/24	FY 2022/23	FY 2020/21	FY 2019/20	FY 2018/19	FY 2017/18		FY 2016/17
The World Bank	12/6/2016	1,080,823	111,595,000	0			0	0	0	0	111,595,000	111,595,000
The World Bank	5/12/2018	2,510	259,167	0			0	0	0	259,167	0	259,167
The World Bank	5/2/2019	12,948	1,315,641	0			0	0	0	1,315,641	0	1,315,641
The World Bank	24/2/2019	830,000	83,902,535	0			0	0	0	83,902,535	0	83,902,535
The World Bank	24/7/2019	510,104	52,030,625	0			0	0	52,030,625	0	0	52,030,625
The World Bank	12/11/2019	643,003	65,586,298	0			0	0	65,586,298	0	0	65,586,298
The World Bank	18/2/2021	1,285,128	132,689,452	0			0	132,689,452	0			132,689,452
The World Bank	22/03/2022	726,392	75,000,000	0			75,000,000					75,000,000
The World Bank	5/4/2022	51,179	5,284,242	0			5,284,242					5,284,242
The World Bank	27/4/2023	274,358	28,327,454	0		28,327,454						28,327,454
The World Bank	13/12/2023	426,745	44,061,451	0	44,061,451							44,061,451
The World Bank	9/5/2024	585,371	60,439,532	0	60,439,532							60,439,532
Total		6,428,561	660,491,395	-	104,500,983	28,327,454	80,284,242	132,689,452	117,616,922	85,477,343	111,595,000	660,491,395

3. Other Attracted Funds

	FY 2023/24			FY 2022/23			PROJECT LIFE
	Receipts controlled by the entity in Cash	Receipts controlled by third parties	Total Receipts	Receipts controlled by the entity in Cash	Receipts controlled by third parties	Total Receipts	
	KShs	KShs	KShs	KShs	KShs	KShs	
School Fees and related fees	103,000	0	103,000	648,784	0	648,784	3,483,745
Other Research Projects	0	36,951,182	36,951,182	-	43,416,890	43,416,890	279,124,016
Total	103,000	36,951,182	37,054,182	648,784	43,416,890	44,065,674	282,607,761

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. Transfers to Other Government Entities.

During the 12 months to 30 June 2024, there were no transfers TO other Government entities.

	FY 2023/24			FY 2022/23			PROJECT LIFE
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	
	<u>KShs</u>	<u>KShs</u>	<u>KShs</u>	<u>KShs</u>	<u>KShs</u>	<u>KShs</u>	
Transfers to Egerton University	-	-	0	-	-	0	1,000,000
TOTAL	-	0	-	-	0	-	1,000,000

5. Other Grants and Transfers and Payments

	FY 2023/24			FY 2022/23			PROJECT LIFE
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	
	<u>KShs</u>	<u>KShs</u>	<u>KShs</u>	<u>KShs</u>	<u>KShs</u>	<u>KShs</u>	
ADB MOHEST	575,955	-	575,955	1,786,764	-	1,786,764	13,358,137
EGU OPERATION EXPENSES	103,000	-	103,000	559,654	-	559,654	786,119
NAPROCLA Project	-	-	-	-	-	-	8,071,496
Inter-university Council for East Africa	4,195,200	-	4,195,200	-	-	-	8,623,200
Students FEES and Related expenses	-	-	-	-	-	-	999,225
UNEP CHINAMA Project	690,330	-	690,330	1,545,370	-	1,545,370	5,140,232
EGU-BOWIE USA Exchange Project	9,277,868	-	9,277,868	7,036,445	-	7,036,445	18,508,063
RWANDA HIGH COMMISSION	-	-	-	-	-	-	645,188
Kenya Climate Smart Agriculture Projects(KCSAP)	3,027,329	-	3,027,329	25,424,001	-	25,424,001	81,226,686
LASER Project	-	-	-	2,092,200	-	2,092,200	7,816,048
GLOBAL SCOPE Project	-	-	-	-	-	-	3,960,926
LOCUST MASS project	-	-	-	-	-	-	176,128
NRF PROJECT DR MESHAC OBONYO	255,531	-	255,531	-	-	-	255,531
NMK ALOE Project	-	-	-	-	-	-	1,240,657
POULTRY VALUE CHAIN Project	2,082,000	-	2,082,000	-	-	-	4,447,704
NARIGP APICULRURE Project	1,760,944	-	1,760,944	389,664	-	389,664	2,507,308
BHEARD Project	249,900	-	249,900	2,152,535	-	2,152,535	4,584,019
NARIGP DAIRY VALUE CHAIN VIHIGA Project	-	-	-	3,285,500	-	3,285,500	3,605,500
NARIGP LOCAL VEGETABLE VALUE CHAIN VIHIGA Project	-	-	-	2,017,165	-	2,017,165	2,223,165
INTERNATIONAL FINANCE CORPORATION Project	3,424,345	-	3,424,345	6,134,185	-	6,134,185	10,550,310
INCITIS Project	6,612,338	-	6,612,338	1,466,070	-	1,466,070	8,078,408
CHANGE THE GAME ACADEMY-DR O. INGASIA	1,264,047	-	1,264,047	-	-	-	1,264,047
INDIGENOUS WILD FRUIT-DR O. INGASIA	2,863,469	-	2,863,469	-	-	-	2,863,469
Closed project	-	-	-	-	-	-	64,873,902
TOTAL	36,382,255	-	36,382,255	53,889,554	-	53,889,554	255,805,469

6. Excellence in Education and Research

	FY 2023/24 (Ksh)	FY 2022/23 (Ksh)	Cumulative to-date (Ksh)
Recruitment process, interviews & Short listing of students exercise	35,655	-	784,216
Support atleast 25 Ph.D. students	12,762,076	4,363,472	170,146,199
Support atleast 30 Msc. Students	10,677,351	7,548,838	143,426,667
Review & Development of Phd & Msc Curriculum	-	1,015,420	5,572,720
Development of short courses for Private sectors upgrading - Agric value chain	336,505	-	4,334,628
Conduct short term courses on sustainable agric & agri business/value chain	6,798,015	3,516,230	15,919,150
Total	30,609,602	16,443,960	341,918,947

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Exchanges to Promote Regional Research & Teaching

	FY 2023/24 (Ksh)	FY 2022/23 (Ksh)	Cumulative to-date (Ksh)
support staff & student presentation in int	5,772,299	1,032,759	11,835,773
Ph.D. students exchange fellowship	657,535	-	6,454,827
Staff supported in collaborated research projects	-	1,568,575	12,529,357
Support publications on research output on peer reviewed journals	290,680	237,236	2,108,298
Conduct 2 theses dissemination workshops for 40 graduate students and 1 supervisors con	1,617,625	3,069,315	7,811,365
Support 3 Staff and 20 students to present their research output in local, regional and in in	3,499,015	2,570,443	10,510,363
Retooling workshop to build capacity of teaching staff	-	1,546,845	12,584,145
CESAAM - 4 Staff exchange fellowship	4,075,180	3,497,935	9,659,071
CESAAM -Staff supported in collaborated research pit	-	2,055,060	3,015,460
programmes (Crop protection and Agribusiness) internationally accredited by accrediting b	1,713,834	2,045,511	4,191,839
Establsih knowledge center	-	204,650	204,650
Internship Support for students	60,000	246,000	7,736,905
Engage in consultative MOUs baesd meetings to come up with new MOUs with new partn	58,825	654,840	2,792,895
Total	17,744,992	18,729,169	101,182,360

8. External Generation of Revenue

	FY 2023/24 (Ksh)	FY 2022/23 (Ksh)	Cumulative to-date (Ksh)
Support research team to develop research proposals	2,832,752	1,609,235	9,573,967
Total	2,832,752	1,609,235	9,573,967

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. Enhancing Institutional Readiness & Operations

	FY 2023/24 (Ksh)	FY 2022/23 (Ksh)	Cumulative to-date (Ksh)
Procure equipments for Cesaam research center and ICT upgrading		1,375,500	8,318,299
Procure assorted equipment - animal nutrition lab		393,265	3,883,340
Support Agro science park		1,030,135	3,405,212
Marketing Cesaam Project and its programs (adverts, banners etc)	5,676,971	2,686,553	15,762,865
Cesaam steering committee, thematic research and training sub committees		2,021,725	8,895,385
Total	5,676,971	7,507,178	80,386,578

10. Timely and Transparency Financial Management

	FY 2023/24 (Ksh)	FY 2022/23 (Ksh)	Cumulative to-date (Ksh)
Cesaam staff package (Salaries and wages)	4,111,325	2,263,725	16,155,092
Administrative and office running	2,850,212	1,055,145	10,459,495
Renovation of post graduate and tatton demon	-	144,430	2,849,377
local & regional Travel	7,987,081	3,223,907	29,399,444
Support of Audit and finance dept	880,805		880,805
Total	15,829,423	6,687,207	59,744,212

11. Bank Account Details

	FY 2023/24 (Ksh)	FY 2022/23 (Ksh)
	KShs	KShs
CESAAM Project Account - KCB Bank no 1184060347	83,788,775	54,416,503
Total bank account balances	83,788,775	54,416,503

12. Cash and Cash Equivalents Carried Forward

	FY 2023/24 (Ksh)	FY 2022/23 (Ksh)
	KShs	KShs
Bank accounts	83,788,775.26	54,416,502.78
Outstanding Imprests	13,377,670.00	9,886,101.40
Unclaimed imprest refund	0.00	132,806.70
Total	97,166,445	64,169,797

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. Outstanding Imprests and Advances

Name of Officer or Institution	Amount Taken	Due Date of surrender	Amount Surrendered	Balance	
				2023/2024	2022/2023
				KSHs	KSHs
Outstanding imprests for the year					
JOSEPH KARIUKI MUGERA	91,920	21-Sep-23	91,920	0	91,920
MS HAFSA YUSSUF MAALIM	158,010	30-Jun-23	158,010	0	158,010
MR GABRIEL WARIMA NDUNGU	240,000	12-Aug-23	240,000	0	240,000
PROF JOSEPHINE ACHIENG OUMA	65,405	11-Aug-23	65,405	0	65,405
PROF JOSHUA O. OGENDO	433,915	23-Aug-23	433,915	0	433,915
PASCAL OJWANG OKWIRI	3,793,510	16-Sep-23	3,793,510	0	3,793,510
MR ERIC ROTICH KIPKEMOI	213,575	11-Aug-23	213,575	0	213,575
TOROITICH FAITH JEBET	713,180	13-Jul-23	713,180	0	713,180
KARIUKI ISAAC MAINA	939,585	13-Jul-23	939,585	0	939,585
OSCAR INGASIA AYUYA	2,272,825	31-Aug-23	2,272,825	0	2,272,825
DR DAVID KURIA WAMUKURU	346,606	31-Aug-23	346,606	0	346,606
MS FLORENCE IKHUMBA WAFULA	83,920	12-Sep-23	83,920	0	83,920
MS IVY JELAGAT ROP	165,335	30-Sep-23	165,335	0	165,335
PROF JOSHUA OTIENO OGWENO	368,315	30-Sep-23	368,315	0	368,315
	9,886,101		9,886,101		9,886,101
UNCLAIMED IMPREST RECOVERY					
GITAU RAPHAEL	-25786.1	25-Jul-22	-25786.1	0	-25786.1
PASCAL OJWANG OKWIRI	-73057	16-Sep-23	-73057	0	-73057
WILLY KIPRONO KOROS	-25147.35	30-May-23	-25147.35	0	-25147.35
WANDULU ALEXANDER O.	-8816.25	21-Jul-22	-8816.25	0	-8816.25
	-132,807		-132,807	-	(132,807)
MS PETRONILA SUPA OKHATO	489,700	19-Sep-2024	0	489,700	
MRS JANE CHEROTICH MARIDANY	226,415	19-Sep-2024	0	226,415	
MS ESTHER NAFULA SAMBASI	2,020,850	04-Sep-2024	0	2,020,850	
MS FRIDAH MURUGI	92,565	24-Sep-2024	0	92,565	
MS JEMIMAH KAMENE KAVULA	129,765	24-Sep-2024	0	129,765	
MS HAFSA YUSSUF MAALIM	80,770	20-Jul-2024	0	80,770	
MS WAMBUI JOYCE ONDIEKI	374,260	24-Sep-2024	0	374,260	
CYRIL OCHIENG OUMA	742,525	19-Sep-2024	0	742,525	
MS IVY JELAGAT ROP	233,125	18-Jul-2024	0	233,125	
MS CAROLINE NZELI LELO	703,385	16-Aug-2024	0	703,385	
JOAN GLORIA AKOTH OMORE	228,395	07-Aug-2024	0	228,395	
PROF JOSEPHINE ACHIENG OUMA	330,865	24-Sep-2024	0	330,865	
PROF JOSHUA O. OGENDO	2,172,140	19-Sep-2024	0	2,172,140	
PROF ANTHONY MACHARIA KINGORI	1,384,310	22-Aug-2024	0	1,384,310	
ELICK ONYANGO OTACHI	2,000,000	19-Sep-2024	0	2,000,000	
MR FRANCIS W. NDUNGU	835,320	27-Jul-2024	0	835,320	
MR JOHN G. KAMAU	267,000	24-Sep-2024	0	267,000	
JEPKOSGEI KIPSOI	254,680	06-Sep-2024	0	254,680	
MRS RAHAB WANJIRU MBURU	311,600	18-Jul-2024	0	311,600	
MR PETER KUTONDO MURUNGA	500,000	03-Aug-2024	0	500,000	
Accounts imprests outstanding	13,377,670		-	13,377,670	9,753,295

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. Fund Balance Brought Forward

	FY 2023/24	FY 2022/23
	KShs	KShs
Bank accounts	83,788,775	54,416,503
Outstanding imprests and advances	13,377,670	9,753,294.70
Total	97,166,445	64,169,797

15. OTHER IMPORTANT DISCLOSURES

(i) PENDING ACCOUNTS PAYABLE

There were no pending accounts payable as at the end of the year, all bills were settled as at 30th June 2024

(ii) Eligible Expenditure Programs Payroll for The Teaching Staff 2023/24

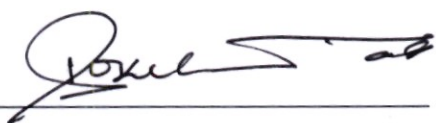
S/No	Designation category	Gross Pay Per annum 2023/2024	Gross Pay Per annum 2022/2023
		Ksh	Ksh
1	Professor	149,317,851	92,753,783
2	Adjunct Proffesor	29,348,220	17,128,821
3	Associate Proffecor	244,953,728	196,787,458
4	Senor lecturer	312,993,212	241,079,537
5	Lecturer	766,804,561	550,720,266
6	Assistatnt lecturer	79,464,431	134,905,505
7	Tutorial Fellow	48,634,084	23,196,093
	Grand Total	1,631,516,087	1,256,571,463

The eligible expenditure programs includes the payroll for the teaching staff for Egerton University for the year 2023/24 as a requirement from the World Bank.

3. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

The CESAAM Project did not have unresolved issues raised by external auditor.



Prof. Isaac O. Kibwage Ph.D, HSC
Vice Chancellor



CESAAM Centre Leader
Name: Prof. George Owuor.

ANNEX 2 - Variance explanations - Comparative Budget and Actual amounts for Current FY

Receipts/Payments Item	Original Budget 2023/24	Adjustments	Final Budget 2023/24	Actual on Comparable Basis 2023/24	Budget Utilization Difference 2023/24	Percentage of Utilization 2023/24
Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	
Proceeds from domestic and foreign grants	67,845,835	9,095,000	76,940,835	104,500,983	(27,560,148)	136%
Other Attracted funds	50,600,000	-	50,600,000	37,054,182	13,545,818	73%
Total Receipts	118,445,835	9,095,000	127,540,835	141,555,165	(14,014,330)	111%
PAYMENTS						
World Bank Funding	Kshs	Kshs	Kshs	Kshs	Kshs	
Excellence In Education And Research	24,905,000	4,500,000	29,405,000	30,609,602	(1,204,602)	104%
Exchanges To Promote Regional Research & Teaching	19,213,915	1,000,000	20,213,915	17,744,992	2,468,923	88%
External Generation Of Revenue	2,373,345	500,000	2,873,345	2,832,752	40,593	99%
Enhancing Institutional Readiness & Operations	8,255,000	(1,405,000)	6,850,000	5,676,971	1,173,029	83%
Timely And Transparency Financial Management	13,098,575	4,500,000	17,598,575	15,829,423	1,769,152	90%
SUB-TOTAL PAYMENTS	67,845,835	9,095,000	76,940,835	72,693,740	4,247,095	94%
OTHER ATTRACTED FUNDS						
	Kshs	Kshs	Kshs	Kshs	Kshs	
Other Grants and Transfers	50,600,000	-	50,600,000	36,382,255	14,217,745	72%
GRAND TOTAL PAYMENT	118,445,835	9,095,000	127,540,835	109,075,995	18,464,840	86%

Explanation to the variances.

Proceeds from domestic and foreign grants were Ksh 104,500,983, the project achieved all the set DLR and as such after verification of the achievements, the project received the final disbursements from the World bank. These funds will be used for sustainability of the Center in line with the project objectives. Other attracted funds were at 72% of the expected funds. The joint projects used funds brought forward from the previous years to carry out their activities.

The underutilization for the other grants and transfers by 28% was as a result of the difference in the work plans for other projects which form part of attracted funds from joint research projects.

The Overall performance is at 86 percent utilization as most of the planned activities were undertaken.

ANNEX 3 – Summary of Fixed Asset Register

Asset class	Opening Cost (KShs) 2022/23	*Purchases/Additions in the Year (KShs) 2023/24	**Disposals in the Year (KShs) 2023/24	Closing Cost (KShs) 2023/24
	(a)	(b)	(c)	(d)= (a)+ (b)-(c)
Transport equipment	13,000,000		0.00	13,000,000
Office equipment, furniture and fittings	16,561,480		0.00	16,561,480
Buildings	15,793,467		0.00	15,793,467
TOTAL	45,354,947	-	-	45,354,947

ANNEX 4 – Pictorial Representation of Key Past Activities Pictorials

Infrastructure

Teaching and research facilities improved. CESAAM continue to utilize project funds to improve conditions of teaching and research facilities. This includes, construction or renovation works, equipping of laboratories, resourcing of libraries and provision of digital learning facilities.

Constructed Facility

CESAAM Complex



Item description	Number	Seating capacity
Offices	7	14
Resource centre	1	25
Reception area	1	2
Server room	1	1



CESAAM boardroom





**Resource centre
 Renovated**

Facilities that are newly rehabilitated/equipped at the higher education institutions supported by the project.	Total	Number	Seating Capacity
	Lecture Halls and Seminar Rooms	5	300
	Hostels	50	100
	Laboratories and Workshops	4	200
	Farm fields (Field seven and Tatton park)	2	8

Available zoom facility for the 10 departments support for video conferencing
 Biotechnology Laboratory



Purchase laboratory equipment for biotechnology laboratory;

No.	Equipment
1	Oven -Hot Air Sterilizer -Soil/sand
2	Autoclave
3	Laboratory Autoclave -Bench- top
4	Weighing balance -Electronic
5	Leaf Chlorophyll meter
6	Balance - Analytical
7	Grain Moisture meter
8	Leaf area meter-Portable
9	Gas analyzer -Portable
10	Gas analyzer -Portable
11	TDR Soil Moisture series
12	Sieve- Seed Grading

Dairy, food science laboratory equipment

No.	Equipment
1	laboratory equipment
2	Gas Production Sensor
3	Oven -Temp
4	Analytical Balance
5	PH-Meter
6	Distillation Apparatus
7	Scrubber-Digestion accessories

8	KJEDAHL Digestion Apparatus
---	-----------------------------

Animal science laboratory equipment's

	Mycotoxin Aflotoxin Kit Analyser
--	----------------------------------



Using CESAAM Procured Sample Analyzer, Dr. Robert Gesimba guides his PhD students Anne Musonye (from Uganda) through procedures for the use of the Equipment.

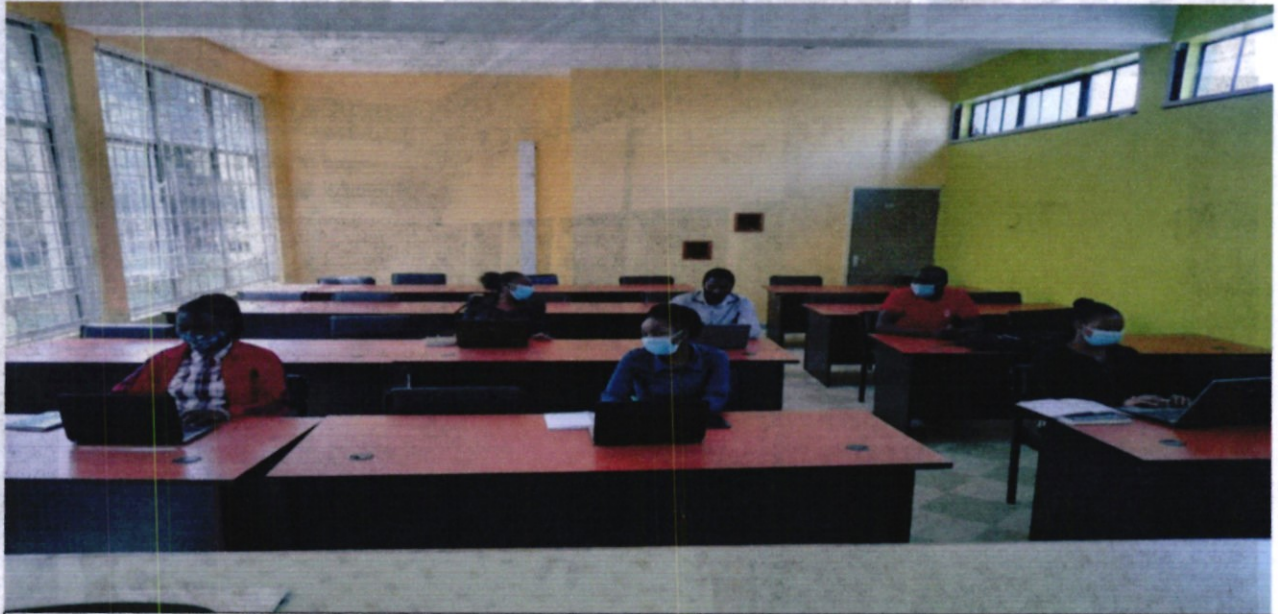
Renovation of Postgraduate Classes

1. Dairy, Food Science and Technology PhD and Masters classes
 Renovation done; Electrical fitting, painting and purchase of new furniture.

No.	Postgraduate Class	Capacity	Type of Renovation
	AGEC-AGBM Masters & PhD Classes	MSc Class-42 PhD Class - 16	New furniture, internet connectivity and electrical and painting.
	Dairy, Food Science and Technology MSc & PhD Classes,	MSc Class-24 PhD Class - 16	New furniture, internet connectivity and electrical and painting.

*Centre of Excellence in Sustainable Agriculture and Agribusiness Management (CESAAM)
Reports and Financial Statements for the Financial Year Ended June 30, 2024*

Crops, Horticulture and Soils MSc and PhD Classes	MSc Class-60 PhD Class - 16	New furniture, internet connectivity and electrical and painting.
Anima Science Department	MSc Class-20 PhD Class - 6	New furniture, internet connectivity and electrical and painting.



Dairy, Food Science and Technology renovated Masters Class.



Dairy, Food Science and Technology renovated PhD class

Renovation of Accommodation Facilities for CESAAM Students





Isabelle using some of the facilities (Fridge and cooking facility) provided by CESAAM

- **linkages with industry (specify areas of collaboration, include number students benefitted from internships and staff placement);**

CESAAM's strategic partnerships with industry leaders have proven instrumental in advancing agricultural best practices. Through the signing of eight Memoranda of Understanding (MOUs) with these industry partners, CESAAM has fostered an environment of collaboration that is mutually beneficial.

One of the significant advantages of these partnerships is the provision of invaluable internship opportunities. CESAAM has facilitated 209 internship placements for students, with a minimum duration of three months. These internships have not only provided students with practical experience but have also presented opportunities for them to actively contribute to industry research initiatives. Several industry partners have recognized the potential of these students and integrated them into their research activities, enabling them to make substantial contributions to ongoing projects.

Summary of internship placement

No.	Description (Internship placement)	No.
1.	Students	209
2.	Staff	24



The Principal Secretary, State Department for University Education and Research Amb. Simon Nabukwesi officially opens the CESAAM Complex on 4 February 2022. Amb. Nabukwesi toured various CESAAM Project activities immediately after chairing the African Centres of Excellence (ACE) Steering Committee meeting at Main Campus in Njoro.

Images of Short Courses & Innovations



Kajiado County trainees with products they made after the training



4 K-Club Youths after Training in Honey Value Addition & Poultry Mgt



Nakuru County Dairy Trainees

COMMUNITY OUTREACH CONTINUES



❖ Youth-led extension & 4-K Club revival plan



❖ 1st Regional Summer School for Graduate Students

❖ Skill-based short courses



❖ Open Field days/Community Dissemination



❖ Theses dissemination of best-practices



Training on social safeguards for our amazing front office staff. Enhancing skills in customer relations, communication, time management, record keeping, and more. Proud of our team for their dedication to excellence.



CESAAM strengthens collaboration with Bowie State University, USA. Advocating for continuous partnership to ensure the sustainability of the project.



CESAAM supporting Innovation.



COLLEGE OF AGRICULTURE AND LIFE SCIENCES
GLOBAL PROGRAMS
VIRGINIA TECH



Center for
**Communicating
Science**
The art of connecting people and products



APECS2024

Science Communication Case Competition

Co-hosted by:
Virginia Tech
Egerton University

May 10,
2024
Egerton
University

VENUE



In-person (ARC hotel,
Egerton) & Virtual
(zoom)

DATE & TIME



- Friday, May 10, 2024
- 9:00 am - 1:30 pm (EAT)

FREE REGISTRATION



CASE COMPETITION OVERVIEW:

- Design a pitch, technical issue brief, and an op-ed on science-based recommendations to the 2023 GAP Report Recommendations
- Pitch to a panel of virtual and in-person judges and audience
- Receive mentorship from an industry-based coach
- Winning team will travel to the US in October 2024

EMAIL INQUIRY:

odickson@vt.edu

cesaam@egerton.ac.ke

<https://www.cals.vt.edu/global.html>

CESAAM collaborate with Virginia Tech University for Science Communication Symposium



CESAAM awarded Food Safety Project funded by the European Union



CESAAM partnership with AFMA to hold an International Conference in East London, South Africa.



Farmers training in Siaya



CESAAM Graduating class of 2024

SPECIAL ACCOUNT STATEMENT

5. CESAAM website (cesaam.egerton.ac.ke)

APPENDICES


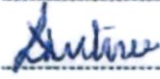
- i. Statement of designated/ special account
- ii. Statement of Reconciliation of Special Account
- iii. Bank Reconciliations.
- iv. Cash survey report.

Part A - Account Activity	For period ending 30th JUNE, 2024
Beginning balance of 1st July, 2023	21,589.98
Total Amount deposited by World Bank	2,908,344.94
Total interest earnings if deposited in account	
Total amount returned to cover interest expenditure	
Deduct:	
Total amount withdrawn	2,959,934.92
Total service charges if not included above in amount withdrawn	
Ending balance on 30th June 2024	0.00

SIGNATURE:	AUTHORIZED REPRESENTATIVE
<i>[Signature]</i>	CENTRAL BANK OF KENYA
DATE:	
<i>[Date]</i>	
SIGNATURE:	AUTHORIZED REPRESENTATIVE
<i>[Signature]</i>	EXTERNAL RESOURCES
DATE:	DEPARTMENT TREASURY
<i>[Date]</i>	

NOTE: The ending balance as per Central Bank of Kenya ledger is correct and is the true Special Account as at 30th June 2024 has been reconciled and a copy of the reconciling Reconciliation Statement is attached.

Appendix 1. Statement of designated/ special account

SPECIAL ACCOUNT STATEMENT	
For period ending	30th JUNE, 2024
Account No.	1000331704
Depository Bank	CENTRAL BANK OF KENYA.
Address	CENTRAL BANK OF KENYA.
Related Loan	ESAHECE ACE II CR NO. 5798
Credit Agreement	
Currency	USD
<u>Part A - Account Activity</u>	
Beginning balance of 1st July, 2023 as per C.B.K. Ledger Account	51,589.98
Add:	
Total Amount deposited by World Bank	2,908,344.94
Total Interest earnings if deposited in account	
Total amount refunded to cover ineligible expenditure	
Deduct:	
Total amount withdrawn	2,959,934.92
Total service charges if not included above in amount withdrawn	
Ending balance on 30th June, 2024	0.00
AUTHORISED REPRESENTATIVE CENTRAL BANK OF KENYA	SIGNATURE: 
	DATE <u>01-08-2024</u>
AUTHORISED REPRESENTATIVE EXTERNAL RESOURCES DEPARTMENT-TREASURY	SIGNATURE: 
	DATE <u>02-08-2024</u>

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2024 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Appendix 2. Statement of Reconciliation of Special Account.

**EASTERN AND SOUTHERN AFRICA HIGHER EDUCATION CENTRES OF EXCELLENCE - ACE II
 STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
 FOR THE YEAR ENDED 30 JUNE 2024**

Credit No.: IDA CREDIT NO. 57980-KE

Bank Account No.: 1000331704 held with CENTRAL BANK OF KENYA

	NOTES	AMOUNT USD	AMOUNT USD
1	Amount advanced by IDA		17,645,687.65
	Less:		
2	Total amount documented		17,645,687.65
3	Outstanding amount to be documented		-
	Represented by:		
4	Ending Special account Balance as as 30 June 2024		-
5	Amounts claimed but not credited as at 30 June 2024		-
6	Amounts withdrawn and not claimed		-
7	Service Charges (if not included in lines 5 and 6 above)		-
8	Interest earned (if included in Special Account)		-
9	Total advance to Special Account Year ended 30 June 2024		-

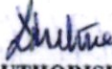
Discrepancy between total appearing on line 3 and 9

-

Notes:

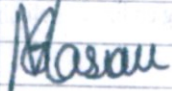

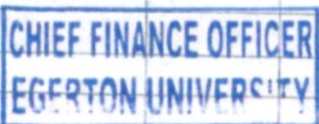

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by IDA and provide reasons for not claiming the expenditures

The amount appearing on line 6 is eligible for financing by World Bank and shall be documented in subsequent IFRs


 AUTHORISED REPRESENTATIVE
 RESOURCE MOBILISATION DEPARTMENT
 THE NATIONAL TREASURY

DATE: 02-08-2024

Appendix 3. Bank Reconciliation statement.

RE30			
EGERTON UNIVERSITY CESAAM PROJECT			
BANK RECONCILIATION STATEMENT			
KCB ACCOUNT 1184060347			
FOR THE MONTH ENDED JUNE 2024			
		AMOUNT	AMOUNT
1. Cash Book Reconciled Balance as at 30.06.2024		83,788,775.26	
Add: Unpresented Cheques		1,530,468.00	
Add: Unreceipted Deposits	14.05.2024 MPESA	648.00	
	06.06.2024 STATE TREASURY	10,145,395.00	
			10,146,043.00
			95,465,286.26
Reconciled Cash Book Balance as at 30.06.2024			
2. Reconciled Bank Statement Balance as at 30.06.2024		85,319,243.26	
Add: Unreceipted Deposits		10,146,043.00	
			95,465,286.26
Closing Bank Balance as at 30.06.2024			
Prepared by: Getray Shijenje CPA (K),CPM Accountant Research & Extension.		3/7/24	
	Signature	Date:	
			
			
Approved by: Charles K. Wanjohi CPA (K) Deputy Finance Officer		3/7/24	
	Signature	Date:	

Appendix 4. Cash survey Report.

EGERTON UNIVERSITY

CASH SURVEY

ACCOUNT NO. 1184060347
DATE 30/06/2024

BREAK DOWN

1,000.00.....Kshs 0
500.00.....Kshs 0
200.00.....Kshs 0
100.00.....Kshs 0
50.00.....Kshs 0
40.00.....Kshs 0
20.00.....Kshs 0
10.00.....Kshs 0
5.00.....Kshs 0
1.00.....Kshs 0

TOTAL CASH ON HAND Kshs 0
CHEQUES Kshs
VOUCHERS ON PROCESS Kshs
BALANCE C/F Kshs 0

PREPARED BY Ignat Ochungu SIGNATURE [Signature] DATE 30/6/2024

BOARD OF SURVEY

1. James Thuita SIGNATURE [Signature] DATE 30/6/2024
2. Gabriel Ndungu SIGNATURE [Signature] DATE 30/6/2024
3. SIGNATURE DATE
4. SIGNATURE DATE

"Transforming Lives Through Quality Education"

SENIOR ACCOUNTANT
EGERTON UNIVERSITY

