



SCOPEinsight

Basic SME[®] Assessment Report

Keringet Foods Limited

Assessment date: Nov. 17, 2016

Total score:

3.2



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About the SCOPE Basic Assessment Report

The SCOPE Basic Report gives the results of a SCOPE Basic Assessment. This Report is a strengths & weaknesses analysis. It can be used for self-improvement, capacity building, and monitoring & evaluation. This Basic report is not meant to be due diligence and it is not sufficient to assess whether an organization is bankable. All data and information was collected during interviews with executives and non-executives of the organization.

Contents

This Basic Report contains the following items:

Chapter 1: assessment results

- scores per dimension and per topic, and comparison to previous assessments (if relevant)
- scores benchmarked against other assessed organizations (if available)
- summary descriptions by the assessor of strong and weak areas per dimension
- detailed scores for each question per dimension

Chapter 2: organization characteristics

- organization details: location, core products and activities, members, etc
- governance: the executive and non-executive board
- value chain: key customers and business development service providers
- financial information: loan history, grant history, etc
- production information: data on productivity, land use, production volumes, purchase volumes, etc

Chapter 3: documentation

The list shows which documents the organization has available

Scoring system

The SCOPE Basic has a scoring system from 1 to 5, 1 being the lowest and 5 being the highest score.

Score B1	very immature organization	N/A	Not available
Score B2	immature organization	N/R	Not relevant (not applicable)
Score B3	maturing organization		
Score B4	professional organization		
Score B5	very professional organization		

Note: although the scale is the same, a SCOPE Basic score is not the same as a SCOPE Pro score. The Pro methodology assumes a higher level of professionalism. The Pro scores are P1 - P5. An organization that is considering access to markets and access to finance, and that scores a Basic 4 or higher, can be eligible for a SCOPE Pro assessment. The Basic methodology is aligned with the Pro methodology on dimensions in order to facilitate graduation to the Pro level.

Contact

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SCOPEinsight does not involve itself in financing or capacity building Producer Organizations or SMEs, in order to ensure impartial and independent assessments.

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Organizational details

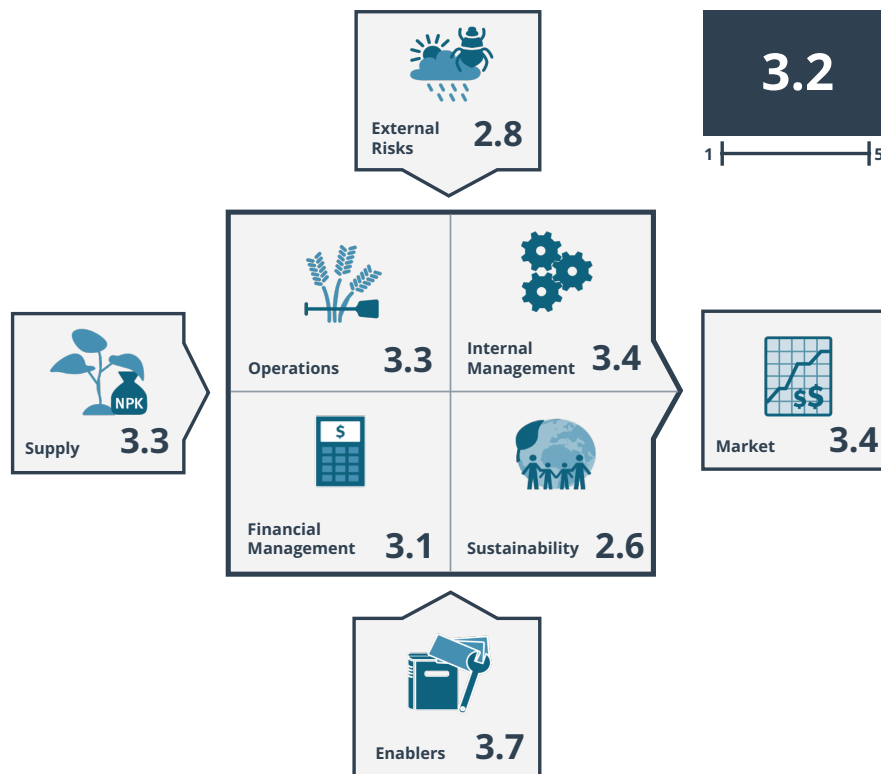
Keringet Foods Limited

Location	Organizational information
MOLO-OLENGURUONE ROAD P.O. BOX 118-20131 KERINGET Kenya	Legal status Corporation (Ltd) Number of members 0 Products AGROVET SHOP/AI SERVICES MILK
Activities	General information
input supply marketing processing retailer	Assessors John Ng'ang'a Assessment date Nov. 17, 2016
General comments by assessor	
<p>SCOPEinsight SME Basic Assessment for Keringet Foods Ltd was funded by Gorta – Self Help Africa, an Irish international NGO. The assessment took place at the company's offices located inside the milk processing plant. It was attended by the company's chairman with other two board members together with the executive management of the company. The assessment went on well and all the representatives present were cooperative and willing to answer all the questions fielded to them. They also provided all the documents requested. The company is also well structured and run well. The management is also knowledgeable and committed to the success of the company.</p>	
Representatives	
<p>GILBERT ROTICH-CHAIRMAN KFL PHILIP BUNGEI-DIRECTOR KFL WILSON RONO-DIRECTOR KFL DAVID MUTHENYA-GENERAL MANAGER LUCIANA CHEPKORIR- SUBSTANTIVE ACCOUNTANT SIGEI SAMUEL-ACCOUNTS CONSULTANT</p>	

Contacts




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Chapter 1: Assessment results



Total	3.2	Your scores per dimension	
Dimension	Score	Dimension	Score
INTERNAL MANAGEMENT	3.4	MARKET	3.4
Governance	3.1	Market related risks	4.1
Internal organization	3.9	Outbound logistics	4.0
Business planning	3.4	Marketing strategy	2.5
OPERATIONS	3.3	FINANCIAL MANAGEMENT	3.1
Storage, logistics & technology	2.4	Financial management	4.7
Processing	4.1	Planning, budgeting & sourcing	2.0
SUSTAINABILITY	2.6	Record keeping & monitoring	3.2
Social issues	2.4	EXTERNAL RISKS	2.8
Environmental issues	3.5	Awareness of external risks	2.3
SUPPLY	3.3	Mitigation strategies	3.3
Procurement of inputs	3.8	ENABLERS	3.7
Reliability and quality of supply	3.3	Capacity builders & NGOs	2.3
Strength of supplier base	3.1	Community	4.2
Supplier oversight & training	3.1	Government	4.3

Summary

Section	Risk areas	Strong areas
INTERNAL MANAGEMENT 	<p>The company has not formulated targets for the executive management and their performance is not checked or appraised. There are no key performance indicators for the management team. The company does not ensure continuity in key positions. There are no assistants to executive positions due to budgetary constraints. There are no persons under 30 years on the board.</p>	<p>Appointment of the executive manager is done through a recruitment process that is well documented. The managers have a relevant background in the roles they manage and are aware of their mandate. Most of the functions are represented in the management and the management team has an average of 8 years experience. Their appointment is based on qualifications and accountable to the general manager who is in turn accountable to the board. They are independent on decision making except on weighty matters where they consult the GM. The governing body is elected well through a procedure which is documented at the AGM by the shareholders. The board holds meeting quarterly. There is no human resources risk in the area although the company has not been able to employ much staff due to lack of funds. The company keeps records and documents for various functions. The company is also aware of the corruption risks it faces and measures have been put in place to prevent it occurring. The company has a business plan which has the vision and the mission statement. The company is also aware of its strengths and weaknesses. The objectives of the company also meet the SMART criteria and cover most of the functions in the company. Business monitoring is also done quarterly.</p>
OPERATIONS 	<p>The company has no storage facilities. They have a room where they keep chemicals but which is unkempt. There are also delays in delivery of produce due to bad roads, especially in the rainy season.</p>	<p>Inbound logistics are well organised with the personnel required and the equipment. The company is also aware of the technology in the industry and has adopted it in the plant. There is also a quality protocol overseen by a qualified personnel. The person in charge is aware of the quality standards and checks are performed daily. The company uses the recommended processing methods. Volumes are calculated and recorded.</p>
SUSTAINABILITY 	<p>There is no child labour policy, forced labour policy or non-discrimination and equal opportunity policy in the company and no measures have been put in place to avoid these issues. There has been reported cases of harassment though dealt with and the staff involved dismissed. There has also been an accident in the company though not serious. There is no communication of good social issues to the employees.</p>	<p>There is good gender representation in the company with the board, management staff and other staff having at least a third representation. The company also meets basic minimum wage requirements for its employees. Pregnant women also get paid maternity leave of up to 3 months. The company has safety write ups on the walls and dangers are made clear. The staffs are also provided with protective clothing. Persons handling agrochemicals are also trained and issued with protective clothing. The company has a water and waste management system and agrochemicals are handled well by a trained Agrovet.</p>

SUPPLY



There are occasional delays in delivery of milk especially in rainy weather due to bad roads in the area. The supplier base has also been decreasing due to cut throat competition of suppliers in the area as there are other similar companies in the area which include Brookside and KCC. Side selling is also a significant risk to the company.

The company is able to get inputs it needs on time as funds are available, the infrastructure is good near the farm and inputs are available in the region. The company is aware of the quality standards and has a trained Agrovet who check the quality of the inputs delivered to the company's Agrovet shop. There have been no problems with the quality of inputs as the company purchases input from licensed suppliers. The company monitors volumes delivered and records are kept. The quality of the milk delivered is also checked. There is a receiving procedure where four quality checks are performed and what does not meet the criteria is rejected. The company has been offering other services to the suppliers like training, transport, advocacy financial services as well as economic value services like discounted input prices.

MARKET



The company has no own vehicles for transport as it relies on the off-takers to collect the milk and also hires vehicles to deliver milk to its ATMs. This exposes the company to the instances where the outsourced firms are not able to deliver on time or don't get to deliver for one reason or another. It has also not started value addition services in the plant. However, there are plans to invest in a processing plant for value addition.

The company has regular buyers such as Sameer Africa who have signed agreements. They are aware of the market-related risks like price changes and quality requirements as well as competition. Consequently, they have put mitigating strategies like marketing, widening supplier base and want to invest in processing. The infrastructure from the company premises is good. The company is also aware of the client's demand for quality and quantities which are specified in the contracts.

FINANCIAL MANAGEMENT



The company does not have spending and income budgets and it does not have a financial reserve policy. The company although aware of the costs of production it has not been able to calculate the costs to the unit cost.

The person in charge of finance is a qualified accountant and cash received is handled well. There is an accounting policy with checks and balances like for example cheques are signed by more than one person and cash and bank reconciliation is done. The company is no longer dependent on donor funds and can identify areas it needs help. Income and expenditure are recorded and they have an asset register. The company has an accounting system done in excel. However, they have a management software with accounting components but which cannot produce reports called Dairy Max. They have also purchased an accounting software called E prod but has not been installed. Financial reports are discussed and shared annually during the AGM with the shareholders.

EXTERNAL RISKS



The company has not put enough mitigating strategies against weather related risks only doing prior warning to its suppliers.

The company is aware of both the weather and biologically related risks. On weather-related risks, the area experiences drought which affects milk production thus affecting their bottom line. On biological risks, the area is prone to diseases like east coast fever and anaplasmosis caused by ticks. The company has come up with mitigating strategies on biological risks by having an Agrovet shop where they sell agrochemicals to suppliers at affordable prices and employed an Agrovet who works closely with farmers in case of an outbreak. The company has also been involving themselves with the breeding of the local cattle to improve breeds in the area.

ENABLERS



The company is not receiving any capacity building at the moment.

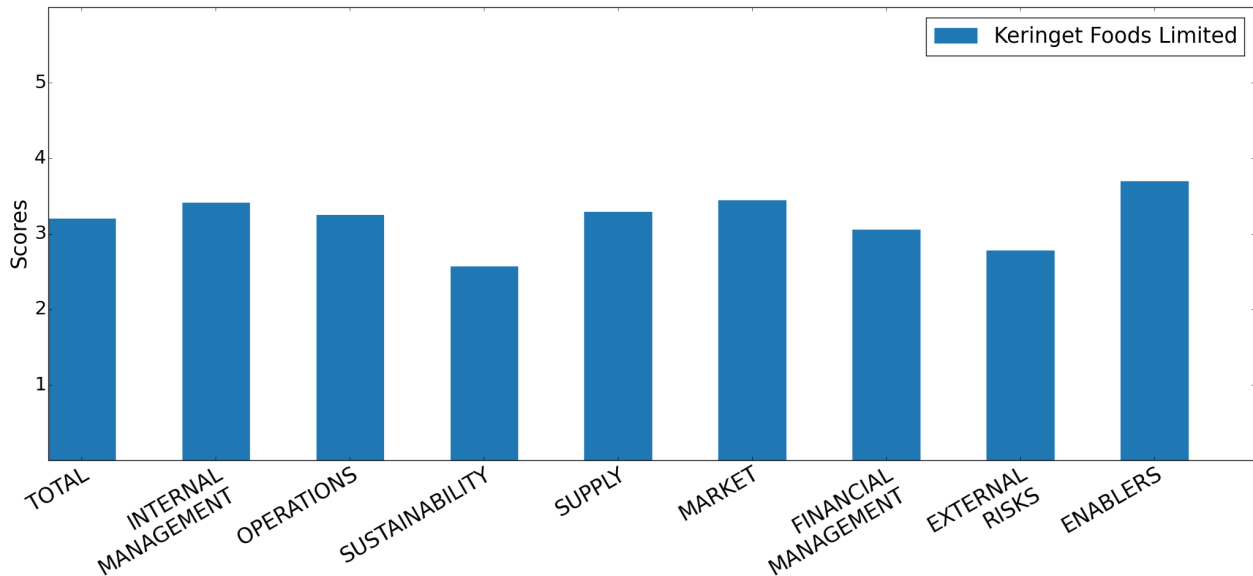
The company is aware of where it needs help. They are currently looking for a financier to put up a processing plant for value addition. The company has a good relationship with the community. Offers employment and other benefits occasioned by buying milk from the local community. The company is also aware of laws and regulations in the industry and has not had any legal problem in the past. The company is also aware of the national dairy board plans for the sector.

Benchmarking

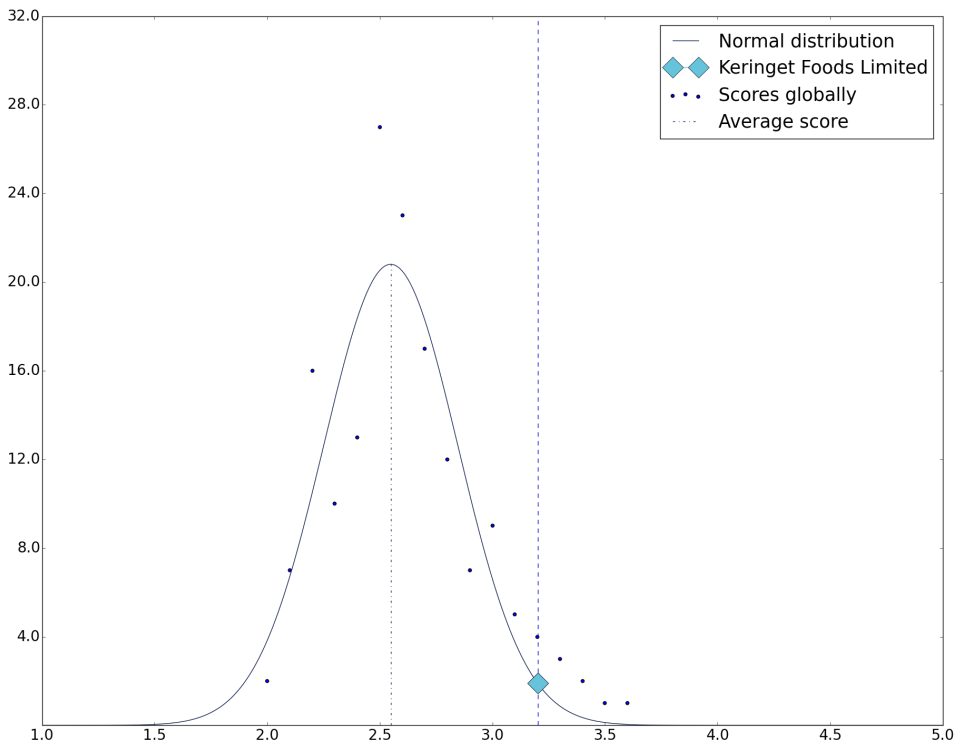
This page shows you benchmarking information of the assessment with other assessment data from the SCOPEinsight assessment database.

Scores over time

Take regular assessments and you can see your progress over time.



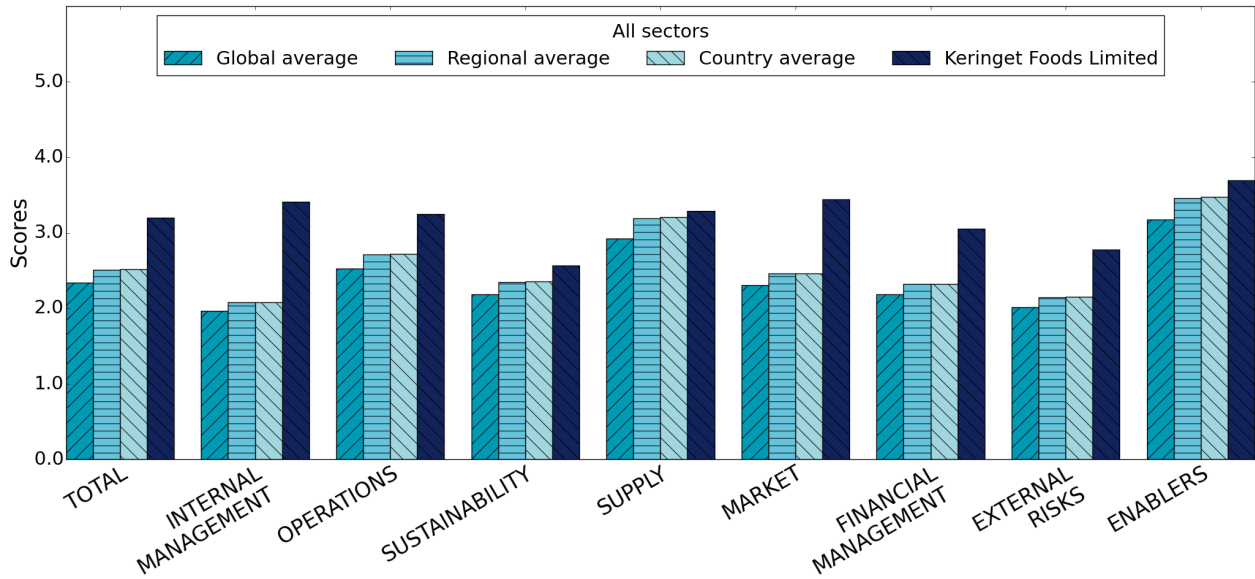
Where am I



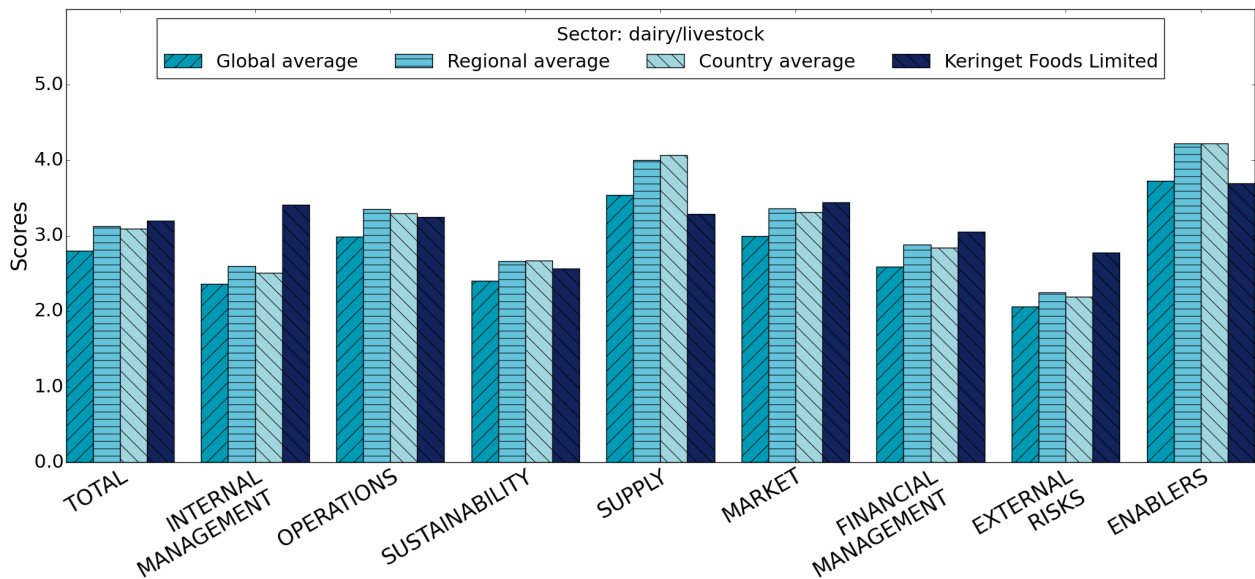
3.2 The total score of 3.2 for your organization is 0.7 points different from the average score of 2.5 for all assessed organizations globally.

94% Your organization scores equally or higher than 94% of all assessed organizations.

All Sectors Benchmark



Same Sector Benchmark



1: INTERNAL MANAGEMENT

Scores	
3.4	INTERNAL MANAGEMENT
3.1	Governance
3.9	Internal organization
3.4	Business planning

1.1: Governance

Topic	Score	Comments
<p>1.1.1 Objectives of executives Does each executive have clear and realistic objectives?</p> <p><u>Are the targets of executives SMART?</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> Targets are specific <input type="checkbox"/> Targets are measurable <input type="checkbox"/> Targets are achievable <input type="checkbox"/> Targets are realistic <input type="checkbox"/> Targets are time-bound <input checked="" type="checkbox"/> None of the above <p><u>Are executive's targets formulated and documented?</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> Each executive has targets / KPIs <input type="checkbox"/> Each executive's targets are clearly formulated and documented <input checked="" type="checkbox"/> None of the above 	1.0	The company is yet to set targets for the executive management. There are no key performance indicators.
<p>1.1.2 Executive director Is the executive director appointed by the Governing Body after a independent job application?</p> <p><u>How was the executive director appointed?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Applicant was appointed by governing body <input checked="" type="checkbox"/> Applicant made an application that was reviewed by governing body <input checked="" type="checkbox"/> Applicant was selected based on experience in a management function <input checked="" type="checkbox"/> Applicant has relevant educational background <input type="checkbox"/> None of the above 	5.0	The current general manager was appointed by the board after advertising for the position. However, he did not go through a rigorous recruitment process as he was the only candidate. Nevertheless, He has the experience needed for the position. The company has a handbook that guides them on recruitment too.
<p>1.1.3 Executive management Does the organization have an executive management for key positions?</p> <p><u>Are the executives well aware of their mandate?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Executive director could describe his/her mandate <input checked="" type="checkbox"/> Finance manager could describe his/her mandate <input type="checkbox"/> Operations manager could describe his/her mandate <input type="checkbox"/> Marketing manager could describe his/her mandate <input checked="" type="checkbox"/> Additional executive could describe his/her mandate <p><u>Which functions are represented in the executive management?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Organization has an executive director <input checked="" type="checkbox"/> Organization has a finance manager <input checked="" type="checkbox"/> Organization has an operations manager <input type="checkbox"/> Organization has a marketing manager <input checked="" type="checkbox"/> Organization has an additional executive <input type="checkbox"/> None of the above 	3.8	There are functions in the management that have not been filled in the company. This is due to the fact that the company is still growing and cannot support those functions. This functions like marketing and administration and human resources are performed by the general manager. However, the executives who are there know their mandate and can describe what they do. The operations manager who has been designated the position of the plant manager was not present as he was on leave. The general manager though says he knows his mandate well.

Topic	Score	Comments
<p>1.1.1.4 Quality of executives Do the executives have the right background and experience for their positions?</p> <p><u>How many years of experience do executives have on average?</u> 8</p> <p><u>Do executives have a relevant background?</u> <input checked="" type="checkbox"/> Executive director has a relevant background <input checked="" type="checkbox"/> Finance manager has a relevant background <input type="checkbox"/> Operations manager has a relevant background <input type="checkbox"/> Marketing manager has a relevant background <input checked="" type="checkbox"/> Additional executive has a relevant background <input type="checkbox"/> None of the above</p>	3.7	All the executives of the company have relevant backgrounds for the functions and positions they hold at the company.
<p>1.1.1.5 Appointment of executives Does the organization select and appoint its executives based on their qualifications?</p>	N/A	The company selects its executives based on qualifications. All the executives are qualified for their positions.
<p>1.1.1.6 Performance of executives Does the organization monitor and check the performance of the executives according to their objectives?</p> <p><u>What are the consequences of poor reviews?</u> <input checked="" type="radio"/> Poor performance reviews don't have consequences <input type="radio"/> Poor performance reviews lead to one of the suggested consequences <input type="radio"/> Poor performance reviews lead to two of the suggested consequences <input type="radio"/> Poor performance reviews lead to three of the suggested consequences <input type="radio"/> Poor performance reviews lead to four of the suggested consequences</p> <p><u>How often is performance reviewed?</u> <input checked="" type="radio"/> Performance is not checked <input type="radio"/> Less than annually <input type="radio"/> Annually <input type="radio"/> Twice a year <input type="radio"/> Quarterly</p> <p><u>How is the performance of executive reviewed?</u> Not relevant</p> <p><u>What are the consequences of poor reviews?</u> <input checked="" type="radio"/> Poor performance reviews don't have consequences <input type="radio"/> Poor performance reviews lead to one of the suggested consequences <input type="radio"/> Poor performance reviews lead to two of the suggested consequences <input type="radio"/> Poor performance reviews lead to three of the suggested consequences <input type="radio"/> Poor performance reviews lead to four of the suggested consequences</p>	1.0	The company does not check the performance of the executives. There are no performance indicators for the executive management although the management says they are in the process of planning for it.

Topic	Score	Comments
<p>1.1.7 Accountability of executives Are the executives held accountable for their responsibilities?</p> <p><u>Are executives held accountable for their responsibilities?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Executives have distinct responsibilities <input type="checkbox"/> Executives' responsibilities are clearly documented in the enterprise's articles of incorporation or otherwise <input type="checkbox"/> Measures to hold executives accountable on their responsibilities are documented <input type="checkbox"/> Measures to hold executives accountable on their responsibilities are taken when necessary (also tick if no measures were necessary to take) <input type="checkbox"/> None of the above 	2.0	The executive managers have distinct responsibilities but the responsibilities are not clearly documented. However, they are accountable to the general manager who is in turn accountable to the board.
<p>1.1.8 Independence of executives Are the executives sufficiently independent and able to make autonomous decisions?</p> <p><u>To what extent can executives do their work independently?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Executives take important decisions by consensus (e.g. on the organization's strategy, hiring new executives, approving budgets) <input checked="" type="checkbox"/> All executives get an equal say in decision-making <input checked="" type="checkbox"/> Executives carry out their work without undue influence from other executives or non-executives <input checked="" type="checkbox"/> The executive director lets other executives carry out their functions without interference <input type="checkbox"/> None of the above 	5.0	The executive managers can make the decisions concerning their department independently though on weighty matters they need to consult with the general manager. They are involved in decision making and the non-executive management does not interfere with the management of the company.
<p>1.1.9 Continuity of executive management Are there sufficient (young) people available to become executive managers when the current executives retire?</p> <p><u>Is there continuity of the executive management?</u> Not relevant</p>	N/R	There is no continuity in the farm or a succession plan. The executives do not have assistants. However, the manager says is because of budgetary and staff constraints.
<p>1.1.10 Governing Body Are the members of the Governing Body fairly elected?</p> <p><u>How is the governing body elected and by whom?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> The governing body is elected by all shareholders of the company <input checked="" type="checkbox"/> The annual general meeting is accessible to all shareholders of the company <input checked="" type="checkbox"/> The governing body was elected only at the last general meeting <input checked="" type="checkbox"/> The governing body has always been democratically elected at an annual general meeting <input type="checkbox"/> None of the above <p><u>What is the percentage of people under 30 in the governing body?</u> 0</p> <p><u>What is the percentage of women in the governing body?</u> 22</p>	2.4	There are no people under 30 years in the management board.

1.2: Internal organization

	Topic	Score	Comments
1.2.1	<p>Board Meetings and Internal Communication Are board meetings regularly organized?</p> <p><u>Are board meetings regularly organized?</u> <input checked="" type="checkbox"/> The organization holds board meetings <input checked="" type="checkbox"/> Board meetings occur quarterly <input checked="" type="checkbox"/> Strategic, annual and business plans are presented and discussed at the meetings <input checked="" type="checkbox"/> Board members are well informed by the executive management <input checked="" type="checkbox"/> Board meetings are well documented in minutes <input type="checkbox"/> None of the above</p>	5.0	The company board meets quarterly where all the plans of the company are discussed and the meetings are well documented in minutes.
1.2.2	<p>Human resources Does the organization have the right people working in the right places?</p> <p><u>What is the quality of human resource management?</u> <input checked="" type="checkbox"/> The organization has information about the skills, background, and experiences of the employees. <input checked="" type="checkbox"/> Employees have the right skills <input checked="" type="checkbox"/> Employees have enough experience <input checked="" type="checkbox"/> Employees have had sufficient education <input type="checkbox"/> Employees' performance is reviewed periodically <input type="checkbox"/> Poor employee performance leads to remedial action when performance is poor <input type="checkbox"/> None of the above</p>	3.7	The company has employees and they all have the skills and education required for the positions they hold. However, the company is yet to start appraisals for the employees and thus performance is not checked.
1.2.3	<p>Human resources risk Is the organization able to find and attract the right employees that it needs? (answer 0 if the organization does not have employees and does not need them)</p> <p><u>How many weeks does it take before vacancies are filled?</u> 3</p> <p><u>What is the percentage of staff turnover?</u> 15</p>	4.5	Normally for a vacancy to be filled it will take about 3 weeks because of the recruitment process. Only 3 out of the 20 employees left last year and this was due pouching from other big companies.
1.2.4	<p>Record keeping Does the organization keep proper records of its suppliers?</p> <p><u>How are the records of the organization stored?</u> <input checked="" type="checkbox"/> The organization keeps written records on paper <input checked="" type="checkbox"/> The organization keeps records digitally <input type="checkbox"/> None of the above</p> <p><u>What type of data is recorded and available?</u> <input checked="" type="checkbox"/> Full names, addresses, contact details <input checked="" type="checkbox"/> Gender of main supplier <input type="checkbox"/> Age of main supplier <input type="checkbox"/> Farm sizes, acreage, unfarmed/unused land <input type="checkbox"/> Type of farm management (e.g. owner-manager or sharecropper) <input checked="" type="checkbox"/> Volumes produced by supplier sold to organization <input type="checkbox"/> Percentage/number of dead/diseased trees on the farm <input type="checkbox"/> Fertilizer and crop protection products used <input type="checkbox"/> Crops suppliers are producing <input type="checkbox"/> Training provided <input type="checkbox"/> None of the above</p>	3.6	The company keeps records of its suppliers with the details as marked above.

	Topic	Score	Comments
1.2.5	<p>Availability of documentation What percentage of recommended business documentation does the organization have?</p> <p><u>What percentage of recommended business documentation does the organization have?</u> 55</p>	3.0	The company has most the documents needed.
1.2.6	<p>Awareness of corruption Is the organization aware of how corruption generally manifests itself in their type of organization?</p> <p><u>Is organization aware of corruption risks and prevention measures?</u></p> <ul style="list-style-type: none"> ✓ Respondent(s) can name more than 3 corruption risks the organization faces <input type="checkbox"/> Respondent(s) name code of conduct/anti-corruption handbook ✓ Respondent(s) name accounting standards <input type="checkbox"/> Respondent(s) name anti-corruption training ✓ Respondent(s) name use of cashbooks ✓ Respondent(s) name bookkeeping review by more than one person ✓ Respondent(s) name review of purchases of e.g. office material by more than one person 	3.9	The company is aware of the corruption risks that the company faces. This is in areas like finance and when milk is received. There have been cases of corruption especially in the collection point for milk but the company has already checked it by digitizing the receiving of milk.

1.3: Business planning

	Topic	Score	Comments
1.3.1	<p>Mission and vision Does the organization have a clear mission and vision?</p> <p><u>Are the vision and mission of the organization well defined?</u> <input checked="" type="checkbox"/> Organization has a vision <input checked="" type="checkbox"/> Organization has a mission statement <input type="checkbox"/> Vision is well-defined according to input of multiple stakeholders of the SME and the executive <input type="checkbox"/> Mission statement is well-defined according to input of multiple stakeholders of the SME and the executive <input checked="" type="checkbox"/> Mission and/or vision are communicated internally to all staff <input type="checkbox"/> Mission and/or vision are communicated to associated suppliers, customers, supporters etc. <input type="checkbox"/> None of the above</p>	3.0	The company has a vision and a mission statement well defined and documented in the business plan of the company.
1.3.2	<p>Awareness of strengths & weaknesses Is the organization aware of its strengths and weaknesses?</p> <p><u>To what extent does the organization take into account its strengths and weaknesses?</u> <input checked="" type="checkbox"/> The organization is aware of its strengths and weaknesses <input type="checkbox"/> The organization reviews its strengths and weaknesses at least annually <input checked="" type="checkbox"/> The organization investigates its strengths and weaknesses <input type="checkbox"/> The organization documents this process <input checked="" type="checkbox"/> The organization takes steps to work against its weaknesses <input type="checkbox"/> Respondents can give clear and relevant examples of how they address their weaknesses</p>	3.0	The company is aware of its strengths and weaknesses. One of its major strengths is the good will the company enjoys from its suppliers despite cut-throat competition in the area for suppliers. It has employees who can multitask and committed. In addition the company compliance all legal provisions. One of the major weaknesses though is the lack of enough staff due to budgetary constraints.
1.3.3	<p>Business objectives Are there clear objectives for the organization?</p> <p><u>Are objectives defined SMART?</u> <input checked="" type="checkbox"/> Objectives are specific <input checked="" type="checkbox"/> Objectives are measurable <input checked="" type="checkbox"/> Objectives are achievable <input checked="" type="checkbox"/> Objectives are realistic <input checked="" type="checkbox"/> Objectives are time-bound <input type="checkbox"/> None of the above</p> <p><u>What do the organization's business objectives entail?</u> <input checked="" type="checkbox"/> The organization's objectives are clearly formulated and documented <input type="checkbox"/> Employees were consulted in establishing the objectives <input type="checkbox"/> Employees are made aware of the objectives <input checked="" type="checkbox"/> The objectives cover income-generating activities <input checked="" type="checkbox"/> The objectives cover sustainability aspects <input type="checkbox"/> None of the above</p>	4.2	The company has clear objectives formulated and documented in the business plan and which fulfil the SMART criteria. However, there is no evidence that the employees were consulted in establishing the objectives nor aware of them except the management team.

	Topic	Score	Comments
1.3.4	<p>Business planning Does the organization have a clear view on its plans and priorities?</p> <p><u>What does the organization's business plan contain?</u></p> <ul style="list-style-type: none"> ✓ Business plan shows the financial situation (current) ✓ Business plan shows the financial needs (future) ✓ Business plan clearly states the business concept ✓ Business plan clearly states the business position ✓ Business plan states what achievements the organization seeks ✓ Business plan analyzes competitors ✓ Business plan analyzes the market ✓ Business plan identifies risks and outlines mitigation methods <input type="checkbox"/> Business plan is communicated to the employees ✓ Business plan is no older than 2 years <input type="checkbox"/> None of the above 	4.6	<p>The company has a business plan and covers most of the critical areas of a business plan. However, it is not communicated to the employees except the management team.</p>
1.3.5	<p>Business progress Is the organization making progress in accordance with their objectives?</p> <p><u>What percentage of the organization's last period's objectives has been reached?</u> 70</p> <p><u>What percentage of the organization's objectives is going to be achieved in the current year?</u> 70</p>	3.0	<p>The company was able to achieve the sales targets for last year. They have also surpassed the sales target for the year. However, some of the objectives will not be met due to lack of funds like buying a processing plant to add value to the milk the receive.</p>
1.3.6	<p>Business monitoring Does the organization monitor its performance and progress against its objectives?</p> <p><u>How often does the organization check whether its objectives are being reached?</u></p> <ul style="list-style-type: none"> <input type="radio"/> Never <input type="radio"/> Annually <input type="radio"/> Twice a year <input checked="" type="radio"/> Quarterly <input type="radio"/> Monthly <p><u>Are operations and plans affected by monitoring?</u></p> <ul style="list-style-type: none"> <input checked="" type="radio"/> No <input type="radio"/> Yes 	2.5	<p>The company usually has board meeting quarterly where performance is checked and reviewed. However, the management meets often to review performance.</p>

2: OPERATIONS

Scores

3.3	OPERATIONS
2.4	Storage, logistics & technology
4.1	Processing

2.1: Storage, logistics & technology

Topic	Score	Comments
<p>2.1.1 Storage Does the organization have storage facilities or collection centers for its inputs and for its harvest/produce/output?</p> <p><u>Does the organization own or rent storage?</u></p> <ul style="list-style-type: none"> <input checked="" type="radio"/> Organization has no storage <input type="radio"/> Organization rents storage <input type="radio"/> Organization owns storage <p><u>To what extent is the storage maintained?</u> Not relevant</p> <p><u>What is the quality of the storage?</u> Not relevant</p>	1.0	The company is building storage facilities within the plant which have not been completed. However, it has another storage facility or rather a store which is unkempt used to store agrochemicals mixed with building materials which meet none of the quality requirements. Nevertheless, They intend to build a better one.
<p>2.1.2 Inbound logistics Is the organization aware of how to manage incoming volumes of produce?</p> <p><u>What percentage of delays are caused by logistical challenges?</u></p> <ul style="list-style-type: none"> <input type="radio"/> >30% <input checked="" type="radio"/> 20-30% <input type="radio"/> 10-20% <input type="radio"/> <10% <input type="radio"/> Never <p><u>How well are inbound logistics organized?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> The organization knows what facilities and personnel it needs to handle produce and other deliveries coming in. <input checked="" type="checkbox"/> The organization plans the handling of inbound deliveries ahead of time, especially before peak harvesting periods. <input type="checkbox"/> The organization works with a store manager/warehouse keeper <input type="checkbox"/> The organization makes projections for incoming stock and analyzes historical data for projections vs realizations <input type="checkbox"/> None of the above 	2.5	The company has put plans in place for the incoming deliveries. They have contracted the transporters and have enough personnel and equipment to handle milk delivered. However, there are delays in deliveries especially in the rainy season due to bad roads in the area.
<p>2.1.3 Technology & equipment Does the organization use appropriate, up to date technology for its operations?</p> <p><u>What is the status of the technology and equipment being used by the organization?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> the organization knows what equipment and technology is typically used in the sector <input checked="" type="checkbox"/> equipment and technology used conform to sector standard <input checked="" type="checkbox"/> equipment and technology are up to date <input checked="" type="checkbox"/> executives seek advice on optimizing equipment and technology use <input type="checkbox"/> None of the above 	5.0	The company uses technology normally employed in the sector for its operations. They have invested in 2 storage tanks for chilling milk with a capacity of 5000 litres and two pasteurizers. However in some functions like capturing of data of milk received they intend to improve as its not the best as it has not been digitized.

2.2: Processing

Topic	Score	Comments
<p>2.2.1 Quality of processed produce Does the organization check that the quality of the produce that is processed meets its own standards and those of clients/offtakers/buyers?</p> <p><u>To what extent does the organization take quality control into account?</u></p> <ul style="list-style-type: none"> ✓ Quality control protocol exists ✓ Organization has a quality control person ✓ The quality control person is a knowledgeable, senior processing professional (>10 years experience) ✓ Clients/offtakers/buyers are invited to work on quality control protocols and check quality <input type="checkbox"/> The quality control person is not a major supplier to the organization (OR if he is, someone else checks his produce) <input type="checkbox"/> Quality control person does not know whose produce he is assessing <input type="checkbox"/> None of the above <p><u>Is the organization aware of quality standards?</u></p> <ul style="list-style-type: none"> ✓ The organization has its own quality standards for its produce ✓ The organization can provide details of clients/offtakers/buyers' quality standards ✓ The organization's quality standards are documented and well-formulated. <p><u>How often are quality checks performed?</u></p> <ul style="list-style-type: none"> <input type="radio"/> Monthly or less <input type="radio"/> Twice a month <input type="radio"/> Weekly <input type="radio"/> Daily (peak season) <input checked="" type="radio"/> Daily (year-round) 	4.5	<p>The company has a quality control mechanism in place. There is a procedure for quality control clearly documented in the business plan and which the company follows to the letter. (A staff was able to explain this). These quality checks are performed daily once the milk gets to the company and on the field before the company receives milk from the farmers. The company is aware of the off-takers quality standards and had someone from the off-takers stationed at the plant. The farmers are also aware of the quality standards for the milk delivered to the company.</p>
<p>2.2.2 Processing methodologies Does the organization make use of recommended processing methodologies?</p> <p><u>Does the organization use appropriate processing methods?</u></p> <ul style="list-style-type: none"> ✓ sufficient pre-processing storage space ✓ sufficient processing machinery/equipment <input type="checkbox"/> sufficient post-processing storage space ✓ post-processing storage at correct temperature ✓ post-processing storage at correct humidity ✓ post-processing storage at correct light levels ✓ rodents and other animal pests are kept away from produce during and after processing <input type="checkbox"/> None of the above 	4.4	<p>The company currently; with the activities, it carries does not need a storage space. The machines they are using for processing that is pasteurising and chilling is storage enough before and after processing.</p>
<p>2.2.3 Produce Yield Does the organization know what its yields are?</p> <p><u>Does the organization calculate yields?</u></p> <ul style="list-style-type: none"> <input type="radio"/> Organization didn't calculate yields <input type="radio"/> Organization calculated yields, but are inaccurate or are incomplete <input checked="" type="radio"/> Organization calculated accurate yields <p><u>How do yields compare to average yields in the country?</u></p> <ul style="list-style-type: none"> <input checked="" type="radio"/> Yields are below average <input type="radio"/> Yields are average <input type="radio"/> Yields are above average 	3.0	<p>The company keeps records of all the volumes of milk supplied to it, their records contains the name, gender, history of payments, milk deliveries. However, the yields in the area are below average. The company through the extension services is improving the breeds in the area to improve yields.</p>

3: SUSTAINABILITY

Scores	
2.6	SUSTAINABILITY
2.4	Social issues
3.5	Environmental issues

3.1: Social issues

Topic	Score	Comments
<p>3.1.1 Child labor prevention How well does the organization discourage child labour?</p> <p><u>What does the organization do to prevent child labor?</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> organization has a child labor policy that reflects international and national requirements (note that the requirements in the previous question can be seen as a benchmark for good policy) <input type="checkbox"/> respondents had no difficulty finding and showing to assessor the child labor policy <input type="checkbox"/> organization communicates importance of not employing children at least monthly <input type="checkbox"/> organization actively discourages child labor by supporting suppliers who see themselves forced to use child labor <input type="checkbox"/> organization actively discourages child labor by warning suppliers that employ children <input type="checkbox"/> organization actively discourages child labor by expelling suppliers that employ children <input type="checkbox"/> organization involves authorities in instances where children are employed and other discouragement is not effective <input type="checkbox"/> organization uses further discouragement against child labor (not listed above) <input checked="" type="checkbox"/> None of the above 	1.0	The company has no policy on child labour and does not communicate these issues to its suppliers.
<p>3.1.2 Child labour Does child labour occur at the organization or among its suppliers?</p> <p><u>Does child labor occur?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Children under 12 do NOT work for the organization <input type="checkbox"/> Children under 12 do NOT work for suppliers <input type="checkbox"/> None of the above <p><u>To what extent are children involved in dangerous labor activities?</u> Not relevant</p> <p><u>Are school attendance records available?</u></p> <ul style="list-style-type: none"> <input checked="" type="radio"/> There are no records <input type="radio"/> There are school records <p><u>What percentage of the children of your suppliers attend school?</u> -</p> <p><u>How many hours per week do teenagers work for the organization?</u> 0</p> <p><u>How many hours per week do teenagers work for suppliers?</u> -</p>	3.4	The company does not practice child labour as all the employees are over 18 years. However, the company does not monitor its suppliers and thus no concrete information on whether the suppliers practice child labour or not.

Topic	Score	Comments
<p>3.1.3 Forced labour How does the organization deal with forced labour?</p> <p><u>What measures are being taken to avoid forced labor?</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> organization has a policy/handbook on forced labor <input type="checkbox"/> no suppliers require debtors to pay loans in labor <input type="checkbox"/> paying off loans with free labor is NOT common amongst suppliers <input type="checkbox"/> organization reaches out to suppliers to raise awareness and can clearly explain how <input type="checkbox"/> organization has a zero tolerance policy on forced labor and alerts the authorities of any infractions <input checked="" type="checkbox"/> None of the above 	1.0	The company has no policy on forced labour nor does it monitor its suppliers on the issue. There are also no measures to prevent this in the company or its suppliers.
<p>3.1.4 Non-discrimination and equal opportunity Does the organization ensure non-discrimination and equal opportunity for workers and suppliers?</p> <p><u>What does the organization do to overcome harassment or discrimination?</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> Women are NOT disproportionately affected by such events <input checked="" type="checkbox"/> Organization monitors these events <input checked="" type="checkbox"/> Organization has disciplinary measures in place for perpetrators <input type="checkbox"/> Organization has documented disciplinary measures <input type="checkbox"/> Organization has a woman as female confidence person <input type="checkbox"/> None of the above <p><u>What is the gender pay gap as a percentage?</u> 100</p> <p><u>To what extent does the organization meet a non-discrimination policy?</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> Respondents are able to describe employee / supplier requirements <input type="checkbox"/> Organization has a non-discrimination policy or similar document <input type="checkbox"/> Respondents can demonstrate that requirements are key to employment / supplier relation <input checked="" type="checkbox"/> None of the above 	2.5	The company does not have non-discrimination and equal opportunity policy. There has been reported cases of harassment and disciplinary measures taken and the employee involved was dismissed. There is no gender pay gap and all employees are paid according to grade and qualifications regardless of gender.
<p>3.1.5 Gender representation Are women sufficiently represented in the organization?</p> <p><u>What is the percentage of women employed by the organization?</u> 35</p> <p><u>What is the percentage of women in the executive management?</u> 33</p> <p><u>What is the percentage of women in the governing body?</u> 22</p>	1.0	Women are sufficiently represented in the company as employees, in the management and also in the board.
<p>3.1.6 Minimum wage Does the organization pay all its workers at least minimum wage?</p> <p><u>How much does the organization pay its employees?</u></p> <ul style="list-style-type: none"> <input type="radio"/> Organization pays far below minimum/average wage <input type="radio"/> Organization pays below minimum/average wage <input type="radio"/> Organization pays around minimum/average wage <input checked="" type="radio"/> Organization pays above minimum/average wage <input type="radio"/> Organization pays far above minimum/average wage 	4.0	The company pays its employees above minimum wage requirements.

	Topic	Score	Comments
3.1.7	<p>Pregnant women Does the organization ensure pregnant women do not perform unsuitable tasks?</p> <p><u>Do women get paid during maternity leave?</u></p> <ul style="list-style-type: none"> <input type="radio"/> Women don't get paid maternity leave <input checked="" type="radio"/> Women get paid maternity leave <input type="radio"/> Women get paid maternity leave and are informed of their right to it <p><u>How many months do women receive paid maternity leave?</u></p> <p>3</p> <p><u>Are pregnant women involved in dangerous work?</u></p> <ul style="list-style-type: none"> <input type="radio"/> Pregnant women either handle heavy lifting, operate heavy machinery or handle agrochemicals <input checked="" type="radio"/> Pregnant women do not handle heavy lifting, operate heavy machinery nor handle agrochemicals 	3.0	The company gives maternity leave of three months which is paid. Pregnant women are not involved in dangerous work.
3.1.8	<p>Occupational health & safety Does the organization provide a safe and healthy work environment?</p> <p><u>To what extent are safety measures taken into account?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Dangers are made clear and respondents can name examples <input type="checkbox"/> Organization takes steps to remove dangers and respondents can name examples <input checked="" type="checkbox"/> Organization provides workers with safe equipment and protective clothing <input checked="" type="checkbox"/> Enough safe equipment and protective clothing is available to all <input checked="" type="checkbox"/> Workers are trained and respondents can explain how <input checked="" type="checkbox"/> Safety handbook exists <input type="checkbox"/> Senior employees / managers are trained in first aid <input type="checkbox"/> Records of accidents are kept and respondents are able to show these <input type="checkbox"/> None of the above <p><u>How often do accidents take place in the workplace?</u></p> <ul style="list-style-type: none"> <input type="radio"/> Weekly or more <input type="radio"/> Every other week <input type="radio"/> Monthly <input checked="" type="radio"/> Quarterly <input type="radio"/> Less than quarterly 	3.8	There has only been one reported accident in the company. However, the company does not keep records of accidents. There is a safety write up and the employees working in the plant are provided with protective clothing the same as the one who handles agrochemicals.
3.1.9	<p>Application of agrochemicals Does the organization make sure that only qualified people apply agrochemicals and that they do so under the right conditions?</p> <p><u>Are employees aware of safe handling of agrochemicals?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Employees working with chemicals have been trained <input checked="" type="checkbox"/> Employees working with chemicals have protective clothing <input checked="" type="checkbox"/> Employees working with chemicals have safe equipment <input checked="" type="checkbox"/> Employees working with chemicals use safe equipment and clothing <input type="checkbox"/> Use of protective clothing and safe equipment is monitored <input type="checkbox"/> None of the above <p><u>Do vulnerable groups handle agrochemicals?</u></p> <ul style="list-style-type: none"> <input type="radio"/> Vulnerable groups do handle agrochemicals <input checked="" type="radio"/> Vulnerable groups do not handle agrochemicals 	4.6	The company has a trained person who handles agrochemicals and have offered her protective clothing. She is the only one who handles agrochemicals in the company.

Topic	Score	Comments
<p>3.1.10 Communication about social practices Does the organization communicate to and train its employees/staff/suppliers etc on good social practices?</p> <p><u>How often is training on social practices provided?</u></p> <ul style="list-style-type: none"> <input checked="" type="radio"/> Yearly or less <input type="radio"/> Every 2-6 months <input type="radio"/> Monthly <p><u>How are good social practices communicated?</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> Organization communicates good social practices <input type="checkbox"/> Organization trains good social practices <input type="checkbox"/> Respondents can give examples of social practices trainings <input type="checkbox"/> Respondents can prove communications and trainings on social practices with written records <input type="checkbox"/> Organization responds to infractions <input checked="" type="checkbox"/> None of the above 	1.0	<p>The company has not been training the employees and suppliers on social issues. However, the general manager says this is communicated informally in the company.</p>

3.2: Environmental issues

Topic	Score	Comments
<p>3.2.1 Water body protection Does the organization make sure that no water bodies are polluted or severely affected by the operations?</p> <p><u>How is water management organized?</u> <input checked="" type="checkbox"/> Organization has had NO problems with water sources drying up in the past <input type="checkbox"/> Organization has a water management policy / guideline and is able to show it <input checked="" type="checkbox"/> Organization takes steps to prevent water contamination and is able to explain them <input checked="" type="checkbox"/> Organization has special chemical disposal methods and is able to explain them <input type="checkbox"/> Suppliers/employees are trained in water management <input type="checkbox"/> Organization responds to water mismanagement or pollution by suppliers <input type="checkbox"/> None of the above</p>	3.0	The company does not have a water management policy although it has set up a water management system from the borehole with meters and water tanks and pipes to control it. Water and milk waste are also purified before let back to the natural sources.
<p>3.2.2 Waste management Does the organization make sure that waste is handled properly?</p> <p><u>How is waste management organized?</u> <input checked="" type="checkbox"/> Organization has a list of waste products and respondents are able to show it <input checked="" type="checkbox"/> Respondents are able to explain how waste is recycled <input type="checkbox"/> Waste is disposed neither in nor near open water sources, nor near homes or community infrastructure such as boreholes <input type="checkbox"/> Employees are made aware of waste management practices <input type="checkbox"/> Organization responds to improper waste management by suppliers <input type="checkbox"/> None of the above</p>	2.6	The company has a waste management system in place. Waste water is recycled before being released and other wastes are burned and disposed.
<p>3.2.3 Agrochemicals Does the organization show awareness of suitable agrochemicals such as fertilizers, fungicide, and pesticides and their application?</p> <p><u>To what extent do employees/suppliers know how to handle agrochemicals?</u> <input checked="" type="checkbox"/> Respondents are aware of what agrochemicals to use <input checked="" type="checkbox"/> Respondents know proper agrochemical dosage <input checked="" type="checkbox"/> Respondents know proper frequency and timing of use <input checked="" type="checkbox"/> Suppliers/employees are trained in agrochemical use <input checked="" type="checkbox"/> Organization responds to improper agrochemical use</p>	5.0	The company has a trained personnel who handles and trains the suppliers on agrochemicals use. The company through its trained staff also follows up on the usage by the suppliers to ensure proper agrochemical dosage and timing of use.

4: SUPPLY

Scores

3.3	SUPPLY
3.8	Procurement of inputs
3.3	Reliability and quality of supply
3.1	Strength of supplier base
3.1	Supplier oversight & training

4.1: Procurement of inputs

	Topic	Score	Comments
4.1.1	<p>Supply of inputs Is the organization able to get the inputs it needs in time?</p> <p><u>How does the organization ensure its supply of inputs?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Organization has funds to get inputs <input type="checkbox"/> Organization sources inputs from more than one supplier <input checked="" type="checkbox"/> Infrastructure to/from suppliers is not a problem <input checked="" type="checkbox"/> Inputs are usually available in the region <input type="checkbox"/> None of the above 	4.0	The company gets inputs from qualified suppliers who are available in the region. The infrastructure is not a problem as the company is located near a tarmac road though of poor quality.
4.1.2	<p>Quality procedures for inputs Does the organization check the quality of its inputs?</p> <p><u>How does the organization assure the quality of its inputs?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Respondents can name quality standards <input type="checkbox"/> Organization checks input quality <input type="checkbox"/> Quality check procedure is documented <input type="checkbox"/> Organization changes suppliers to get better quality inputs 	2.0	The company is aware of the quality standards of the inputs and has employed a qualified person. However, it is not able to check the quality of the inputs as it does not have the technology. However on the milk delivered the company is able to check the quality as it has both qualified personnel and the equipment to check the quality.
4.1.3	<p>Quality of inputs Does the organization often face issues with quality of inputs?</p> <p><u>How often do you have problems with the quality of inputs?</u></p> <ul style="list-style-type: none"> <input type="radio"/> At every delivery <input type="radio"/> Monthly <input type="radio"/> Quarterly <input type="radio"/> Half-yearly <input checked="" type="radio"/> Less than half-yearly 	5.0	There are usually no cases reported on problems with quality as they are supplied from licensed suppliers of inputs.

4.2: Reliability and quality of supply

Topic	Score	Comments
<p>4.2.1 Expected volumes of supplies Is the organization able to estimate expected volumes for the season to customers?</p> <p><u>How does the organization keep track of production volumes?</u> <input checked="" type="checkbox"/> Organization monitors volume throughout season and has records for this <input checked="" type="checkbox"/> Organization forecasts production volumes <input type="checkbox"/> Predictions are checked against final volumes <input type="checkbox"/> Predictions usually match final production volumes <input type="checkbox"/> Predictions are communicated to customers <input type="checkbox"/> None of the above</p>	2.6	The company keeps track of production volumes and monitors throughout the season and is also able to predict production volumes. The company also keeps records of the production volumes. Currently on average cows in the area produced 3.5 litres which have risen to an average of 8 litres per cow now with the company setting a target of 15 litres per cow in the future.
<p>4.2.2 Reliability of supplies Do suppliers deliver their produce on time and as expected?</p> <p><u>How does the organization ensure suppliers deliver on time?</u> <input checked="" type="checkbox"/> Suppliers are made aware of their obligations <input type="checkbox"/> Organization has written contracts with suppliers <input checked="" type="checkbox"/> Suppliers deliveries are monitored <input checked="" type="checkbox"/> Deliveries are recorded <input type="checkbox"/> Timely delivery is rewarded <input checked="" type="checkbox"/> Untimely delivery is improved <input type="checkbox"/> None of the above</p> <p><u>How often is produce delivery delayed?</u> <input checked="" type="radio"/> More than 4 times a season <input type="radio"/> 4 times a season <input type="radio"/> 3 times a season <input type="radio"/> 2 times a season <input type="radio"/> Once a season or less</p>	2.3	The company has outsourced the function of delivering milk to a third party and monitors deliveries. There are delays especially in the rainy season because of bad roads.
<p>4.2.3 Quality control Does the organization check the quality of the supplies that the suppliers provide?</p> <p><u>What does the receiving procedure for produce entail?</u> <input checked="" type="checkbox"/> Organization has a receiving procedure <input checked="" type="checkbox"/> All produce is weighed <input checked="" type="checkbox"/> Produce is sampled <input checked="" type="checkbox"/> Produce of lower quality is rejected <input type="checkbox"/> None of the above</p> <p><u>How many specific quality requirements do you require of your suppliers produce?</u> 4</p>	4.0	The company has a receiving procedure for the milk received or delivered where it is weighed and samples taken. If milk does not meet quality standards it is rejected. There are four quality requirements namely sensory evaluation, alcohol test, lactometer test and hydrometer test.
<p>4.2.4 Quality of supplies Does the organization face quality issues with supplies?</p> <p><u>What percentage of deliveries have had quality issues in the last season?</u> 3</p>	5.0	The company faces quality issues but not common in the region.

4.3: Strength of supplier base

Topic	Score	Comments
<p>4.3.1 Evolution of supplier base Is the active supplier base of the organization at stable or increasing?</p> <p><u>How does the organization manage its suppliers?</u></p> <p><input type="checkbox"/> Organization has supplier criteria and respondents can list them</p> <p>✓ Respondents are able to explain how they try to extend supplier engagement</p> <p>✓ Organization has supplier loyalty strategy that respondents can outline</p> <p>✓ Organization has a supplier register with sufficient details</p> <p><input type="checkbox"/> None of the above</p> <p><u>What is the evolution of the suppliers of the organization?</u></p> <p><input checked="" type="radio"/> Decreasing</p> <p><input type="radio"/> Stable</p> <p><input type="radio"/> Growing</p>	2.5	The suppliers have decreased from the initial subscription of about 4800 in 2015 to about 2300 in 2016. The company engages in certain strategies to keep the suppliers. They pay them on time and have been doing mobilization in the villages through elders and posters/fliers and through the extension staff. No contracts are in place with farmers and as such side selling prevails.
<p>4.3.2 Competition for suppliers Is there competition for suppliers of the organization?</p> <p><u>Is there competition for suppliers of the organization?</u></p> <p>✓ Similar organizations exist in the area</p> <p>✓ Similar organizations recruit among supplier base</p> <p>✓ Suppliers are leaving the SME for others</p>	5.0	There is cut throat competition for suppliers in the region because similar and larger competitors exist in the region such as Brookside and they also recruit from the same supplier base. Some suppliers leave the company for others but it all depends on the supplier giving the best price.
<p>4.3.3 Value of services to suppliers Does the organization provide services to its supplier that are valuable to them and that increases their loyalty towards the organization?</p> <p><u>Which of the following services does your organization provide for its suppliers?</u></p> <p>✓ Training</p> <p>✓ Collective equipment use</p> <p>✓ Storage</p> <p>✓ Transport</p> <p>✓ Financial services</p> <p>✓ Advocacy</p> <p><input type="checkbox"/> Community infrastructure</p> <p><input type="checkbox"/> Communal irrigation</p> <p><input type="checkbox"/> Education / child rearing support</p> <p><input type="checkbox"/> Individual mentoring/coaching</p> <p><input type="checkbox"/> None of the above</p>	3.4	The company has been giving its suppliers the above services plus ensuring they pay them on time. They also give subsidized services in the supply of inputs where the suppliers can pay through a checkoff system and giving the suppliers advances of cash. They have also been sending the farmers or suppliers also on training trips. They have also set up an Agrovet shop where they sell agrochemicals and other animal drugs to the farmers.
<p>4.3.4 Economic value to suppliers Is the organization of economic added value to its suppliers?</p> <p><u>Does working with the organization provide economic value to the suppliers?</u></p> <p><input type="checkbox"/> Higher prices</p> <p><input type="checkbox"/> Shares</p> <p>✓ Discounts on inputs</p> <p><input type="checkbox"/> Shared labor / lower labor costs</p> <p>✓ Discounted services</p>	2.6	In addition to the discount on inputs and services the company also offers advance payments and pay the farmers twice a month. Through their sister Sacco, the suppliers can also get loans. This has led to the economic empowerment of the area residents improving their lives. They have also been offering breeding services where the local breed is being improved to better it in terms of better milk production.

	Topic	Score	Comments
4.3.5	<p>Produce diversion / side selling Is side selling a significant risk for the organization?</p> <p><u>How do prices of the organization relate to market prices?</u></p> <ul style="list-style-type: none"> <input type="radio"/> Below <input checked="" type="radio"/> In line with <input type="radio"/> Higher <p><u>How are prices set for produce?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Price setting is transparent and respondents can explain how this is communicated <input type="checkbox"/> Side selling does NOT occur <input type="checkbox"/> Side selling is NOT a risk <input type="checkbox"/> Organization pays cash on delivery <input checked="" type="checkbox"/> Organization pays in full <input type="checkbox"/> None of the above 	2.8	<p>There is risk of side selling and this occasionally occurs as it all depends on who is giving the best prices as there exists other companies like Brookside and KCC. Price setting is usually explained and communicated to the suppliers.</p>

4.4: Supplier oversight & training

	Topic	Score	Comments
4.4.1	<p>Supplier oversight & training Does the organization keep oversight over its suppliers and does it train them regularly?</p> <p><u>Which training and supplier support activities does the organization carry out?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Training <input checked="" type="checkbox"/> Demonstration plot <input type="checkbox"/> Farmer field school <input type="checkbox"/> Innovation testing & adoption <input checked="" type="checkbox"/> Staff is trained <input type="checkbox"/> Training fund exists <input checked="" type="checkbox"/> Organization assesses supplier needs <input checked="" type="checkbox"/> Organization monitors training attendance and implementation <input type="checkbox"/> Activities adjusted according to attendance and implementation monitoring <input type="checkbox"/> None of the above <p><u>How often do executives of the organization or other senior staff visit suppliers?</u></p> <ul style="list-style-type: none"> <input type="radio"/> Annually or less <input type="radio"/> Quarterly <input checked="" type="radio"/> Monthly <input type="radio"/> 2-3 times a month <input type="radio"/> Weekly 	3.1	<p>The company offers training through field trips and through the extension services it offers to farmers. The extension staff is able to know the needs of the suppliers and often organizes workshops for the suppliers. The company also has a demonstration plot near the company premises.</p>

5: MARKET

Scores	
3.4	MARKET
4.1	Market related risks
4.0	Outbound logistics
2.5	Marketing strategy

5.1: Market related risks

Topic	Score	Comments
<p>5.1.1 Bargaining power Does the organization have sufficient bargaining power with its offtaker(s)?</p> <p><u>What agreements are made between the organization and buyers?</u></p> <ul style="list-style-type: none"> ✓ Organization has at least one regular buyer ✓ Organization has written contracts with buyers <input type="checkbox"/> Prices requirements are agreed on beforehand ✓ Service requirements are agreed on beforehand ✓ Quality requirements are agreed on beforehand <input type="checkbox"/> None of the above 	4.2	The company has agreements with the two buyers of its produce Sameer Africa under the brand name Daima and farming solutions with 60-40% share. The agreements specify on quality and services to be offered. However, the prices are not agreed before hand.
<p>5.1.2 Awareness of market risks Can the organization describe the types of market risk that they are exposed to?</p> <p><u>What market risks does the organization face?</u></p> <ul style="list-style-type: none"> ✓ Price changes ✓ Quality requirement changes <input type="checkbox"/> Changes in delivery methods or timing <input type="checkbox"/> Customers entering or exiting the market ✓ Volume requirement changes 	3.4	Company major market risk is the price changes as it is not able to compete with the competitors. There is also the issue of volumes which has also hampered them even from setting up the processing plant.
<p>5.1.3 Mitigation of price risk Is the organization aware of options to mitigate price risk?</p> <p><u>How does the organization mitigate market risks?</u></p> <ul style="list-style-type: none"> ✓ Marketing ✓ Widening supplier base <input type="checkbox"/> Investing in delivery ✓ Staying informed ✓ Investing in processing ✓ Other <input type="checkbox"/> None of the above 	4.3	The company has employed some mitigating strategies against market related risks. They are widening their supplier base. They are also advertising through fliers and ATM machines so far having set up 4 milk ATMs in various towns and also want to put up a processing plant to process more products.

5.2: Outbound logistics

	Topic	Score	Comments
5.2.1	<p>Transportation Is the organization's means of transportation sufficient and reliable to ensure that its produce arrives at its offtaker safely, timely and securely? (Even if the offtaker arranges the transport, this question should still be scored, judging the reliability of the offtakers transport.)</p> <p><u>Does the organization have sufficient and reliable vehicles?</u> Not relevant</p>	N/R	The company does not have transport vehicles it hires.
5.2.2	<p>Infrastructure Is the infrastructure between the organization and the offtaker reliable and appropriate?</p> <p><u>What is the quality of the infrastructure around the organization?</u></p> <ul style="list-style-type: none"> ✓ Organization is located close to a tarmac road <input type="checkbox"/> Organization is located close to an all-weather road ✓ Flooding poses little or no risk to getting to/from the organization ✓ Bridges en route are in good working order (OR there are no bridges to be crossed) 	4.0	The infrastructure from the company is okey. The road is a tarmac road though of bad quality.

5.3: Marketing strategy

	Topic	Score	Comments
5.3.1	<p>Marketing strategy Is the organization actively marketing its products and services?</p> <p><u>Does the organization actively market its products and services?</u></p> <ul style="list-style-type: none"> ✓ Organization looks for new customers and is able to explain how <input type="checkbox"/> Organization is represented at trade / agricultural fairs <input type="checkbox"/> Produce is labeled with name and logo ✓ Advertising is done and respondents can describe activities <input type="checkbox"/> None of the above 	3.0	The company keeps looking for new customers through the general manager who has been also handling the marketing docket. They have been distributing fliers and have also set milk ATM in various surrounding towns .
5.3.2	<p>Value adding activities How much added value does the organization's product have for the market?</p> <p><u>Which value adding activities does the organization undertake?</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> Organization sells produce in different forms <input type="checkbox"/> Organization provides processing <input type="checkbox"/> Organization provides packaging <input type="checkbox"/> Cost for activities are calculated <input type="checkbox"/> Organization grades produce <input type="checkbox"/> Cost per activity is calculated <input type="checkbox"/> Cost of activities is monitored ✓ None of the above 	1.0	There is no value adding activity to the milk. However the company intends to set up a milk processing plant in the future with availability of funds.
5.3.3	<p>Client demands Is the organization always aware of the demands of its client(s)/offtaker(s)/buyer(s)?</p> <p><u>Is the organization aware of buyers' demands?</u></p> <ul style="list-style-type: none"> ✓ Organization knows quantities buyers want to buy ✓ Quantity is specified in contracts ✓ Organization knows quality buyers are looking for ✓ Quality is specified in contracts 	5.0	The company is aware of the buyer's demand which is specified in the contracts the company has with its buyers. Issues of quality and quantity are addressed.

6: FINANCIAL MANAGEMENT

Scores

3.1	FINANCIAL MANAGEMENT
4.7	Financial management
2.0	Planning, budgeting & sourcing
3.2	Record keeping & monitoring

6.1: Financial management

Topic	Score	Comments
<p>6.1.1 Responsible for daily financials Is there someone with relevant experience and background that takes care of daily financial management?</p> <p><u>Does the finance person have a relevant background and experience?</u></p> <ul style="list-style-type: none"> ✓ Finance person has basic education ✓ Finance person can read and write ✓ Finance person can do math ✓ Finance person is trained in bookkeeping and budgeting ✓ Finance person has held a similar function before (or was recruited directly from college/vocational training) <input type="checkbox"/> None of the above 	5.0	The finance person has the relevant background in finance and she is trained in all accounting areas. She has also worked in the same area before.
<p>6.1.2 Cash handling Is cash handled properly?</p> <p><u>Is cash handled properly?</u></p> <ul style="list-style-type: none"> ✓ Cash received is banked intact, without any being spent ✓ Cash spent and received is recorded in the organization's financial books <input type="checkbox"/> It is kept in a locked cashbox or safe ✓ Cheques are signed by at least two authorized signatories and no blank cheques are signed ✓ Cash books are updated at least once a week ✓ Cash count reconciliation and bank reconciliations are done each month <input type="checkbox"/> None of the above 	4.3	Cash in the company is handled well. Cash received is banked intact. Cheques are signed by three people with one mandatory signatory. Cash reconciliation is done daily and bank reconciliation at the end of every month.
<p>6.1.3 Accounting policies Are there appropriate accounting policies and procedures in place?</p> <p><u>Which rules are in place for the accounting policy?</u></p> <ul style="list-style-type: none"> ✓ Cash payments ✓ Controls ✓ Authorization ✓ Who checks what <input type="checkbox"/> None of the above <p><u>How is financial reporting done?</u></p> <ul style="list-style-type: none"> ✓ Is done at least quarterly ✓ Is checked by multiple people ✓ Is checked by qualified people ✓ Is communicated <input type="checkbox"/> None of the above 	5.0	The company has an accounting policy on who handles cash and all the controls and checks. Financial reporting is also done quarterly and the external auditor verifies the information. This is communicated to the board.

6.2: Planning, budgeting & sourcing

	Topic	Score	Comments
6.2.1	<p>Cost prices Does the organization know what its cost prices are?</p> <p><u>Is the organization aware of production costs?</u> <input checked="" type="checkbox"/> Organization is aware of costs of production <input type="checkbox"/> Organization regularly calculates cost prices and can demonstrate a recent example <input type="checkbox"/> Cost prices are lower than sale prices per unit <input type="checkbox"/> Organization uses relevant market data to determine sales prices <input type="checkbox"/> None of the above</p>	2.0	The company is aware of the production costs though not thoroughly done to the unit cost. The company is just setting up these structures in the finance department.
6.2.2	<p>Budgets Does the organization make budgets for income and spending?</p> <p><u>Does the organization make spending budgets?</u> Not relevant</p> <p><u>Does the organization make income budgets?</u> <input type="checkbox"/> Organization makes income budgets <input type="checkbox"/> Income budgets made at least quarterly <input type="checkbox"/> Latest income budget projects all income streams for budget period in a realistic way <input type="checkbox"/> Every year, budgets and actuals are compared and the results inform the next budget <input checked="" type="checkbox"/> None of the above</p>	1.0	The company has not been making income and spending budgets.
6.2.3	<p>Reserves policy Does the organization think about and plan how to increase these reserves?</p> <p><u>Does the organization have financial reserves and a plan to increase them?</u> <input checked="" type="checkbox"/> Organization has financial reserves <input type="checkbox"/> Financial reserves are 10-20% of annual turnover <input type="checkbox"/> Organization has a plan to increase reserves and respondents are able to explain it <input type="checkbox"/> Organization has managed to increase reserves in last year <input type="checkbox"/> None of the above</p>	2.0	The company has financial reserves. However there is no policy on financial reserves and how to build them up.
6.2.4	<p>Donor dependency How dependent is the organization on donor funding?</p> <p><u>For how long can the organization operate without donor funds?</u> <input type="radio"/> Less than 1 month <input type="radio"/> 1 - 3 months <input type="radio"/> For 3 - 6 months <input type="radio"/> 6 -12 months <input checked="" type="radio"/> More than a year or has never used donor funds</p> <p><u>To what extent is the organization dependent on donor funds?</u> <input type="checkbox"/> Respondents can distinguish between donor and other funds <input checked="" type="checkbox"/> Organization carries out income-generating activities without donations <input type="checkbox"/> Organization carries out community service activities without donations <input checked="" type="checkbox"/> Sale/purchase of produce is not government-subsidized <input type="checkbox"/> None of the above</p>	4.0	The company is not dependent on donor funds. It was only in the first year of operations that a donor helped the company with salaries for the employees. However this year they have been independent through the revenue they receive from the sale of milk and the Agrovet shop the company owns.

6.3: Record keeping & monitoring

	Topic	Score	Comments
6.3.1	<p>Cashflow, income, and expenditures Does the organization record income and expenditure?</p> <p><u>Are income and expenditure being recorded?</u> <input checked="" type="checkbox"/> Income and expenditures are recorded at least monthly <input checked="" type="checkbox"/> Income and expenditures are consolidated annually <input checked="" type="checkbox"/> Cashflow is recorded at least monthly <input type="checkbox"/> Actuals are compared with budgets/forecasts <input type="checkbox"/> Comparison of budgets with actuals informs new budget <input checked="" type="checkbox"/> An accountant is responsible for bookkeeping <input type="checkbox"/> None of the above</p>	3.7	Income and expenditures are recorded monthly in excel sheet and the cash flow. The accountant is in charge of this.
6.3.2	<p>Asset register Does the organization keep a register of its assets? What assets does the organization have (collective land, buildings, machinery, etc.)?</p> <p><u>Does the organization keep asset inventory and valuation?</u> <input checked="" type="checkbox"/> Inventory shows estimate value of assets <input checked="" type="checkbox"/> Executive board decides on major purchases together <input checked="" type="checkbox"/> An accountant manages the asset inventory and valuation <input type="checkbox"/> SME has a process for asset valuation <input type="checkbox"/> None of the above</p>	4.0	The company has an asset register and has a good overview of its assets and the value. The board decides on major purchases.
6.3.3	<p>Accounting system Does the organization have an accounting system in place?</p> <p><u>How is accounting recorded?</u> <input type="checkbox"/> There is no accounting system <input type="checkbox"/> On Paper <input checked="" type="radio"/> In Excel <input type="checkbox"/> In an accounting software</p> <p><u>Which documents and systems are used in the accounting process?</u> <input type="checkbox"/> Bank books <input type="checkbox"/> Cash books <input checked="" type="checkbox"/> Invoicing system <input checked="" type="checkbox"/> Ledgers <input type="checkbox"/> Budgeting <input checked="" type="checkbox"/> Cashflow projection <input type="checkbox"/> Credit books (accounts payable / accounts receivable) <input type="checkbox"/> None of the above</p>	2.9	The company has a management system called Daily Max that has accounting components though not able to support it fully as it does not produce financial reports. However, the company has bought an accounting software called E prod but has not been installed yet.
6.3.4	<p>Use of financial information When do the executives sit and discuss the financial reports? Do the executives review and discuss them at least once a month, using them for decision making?</p> <p><u>How often are financial reports discussed?</u> <input type="checkbox"/> Less than annually <input checked="" type="radio"/> Annually <input type="checkbox"/> Biannually <input type="checkbox"/> Quarterly <input type="checkbox"/> At least monthly</p>	2.0	The financial reports are discussed annually at the AGM. However the management usually discuss the financial information once per month.

	Topic	Score	Comments
6.3.5	Access to financial information Is financial information shared with shareholders in a proper manner?	3.7	The company shares audited financial information with the shareholders at the AGM.
	<u>To what extent is financial information shared with shareholders?</u> <input checked="" type="checkbox"/> Financial reports are shared at AGMs <input type="checkbox"/> Shareholders receive key financial information such as quarterly targets at least quarterly <input checked="" type="checkbox"/> Financial reports are simplified and condensed to the essentials when shared with shareholders <input type="checkbox"/> None of the above		

7: EXTERNAL RISKS

Scores

2.8	EXTERNAL RISKS
2.3	Awareness of external risks
3.3	Mitigation strategies

7.1: Awareness of external risks

	Topic	Score	Comments
7.1.1	<p>Awareness of weather and natural risks Is the organization aware of potential climate and weather related risks?</p> <p><u>Is the organization aware of climate and weather risks?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Respondents are aware of weather risks <input type="checkbox"/> Respondents are aware of natural disaster risks <input checked="" type="checkbox"/> Respondents can list financial impacts of past adverse weather <input type="checkbox"/> Respondents can list social impacts of past adverse weather <input type="checkbox"/> Respondents can list environmental impacts of past adverse weather <input type="checkbox"/> Respondents can list financial impacts of climate change <input type="checkbox"/> Respondents can list social impacts of climate change <input type="checkbox"/> Respondents can list environmental impacts of climate change <input type="checkbox"/> Weather and natural disasters are accounted for in the business plan <input checked="" type="checkbox"/> Organization has mitigation strategies planned for each type of risk and is able to implement them <input type="checkbox"/> None of the above 	2.2	The company is aware of the weather related risks to the company and to the suppliers as it directly affects it. The area has two seasons during the year and when there is drought it affects the milk production in the area and thus affecting the milk delivered to the company.
7.1.2	<p>Awareness of biological risks Is the organization aware of potential biological risks such as pests and diseases?</p> <p><u>Is the organization aware of biological risks?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Respondents are aware of pests and diseases <input checked="" type="checkbox"/> Respondents can explain impact of different relevant pests and diseases <input type="checkbox"/> Respondents can recount pests and diseases of past 5 years OR pests and diseases have not occurred in past 5 years <input type="checkbox"/> Respondents can describe effects of past pests and diseases <input type="checkbox"/> Awareness of pests and diseases translates into relevant points in the business plan <input type="checkbox"/> Organization has mitigation strategies planned for different kinds of biological risks and is able to implement them <input type="checkbox"/> None of the above 	2.3	The company is also aware of the biological risks. There are diseases that affect the cows and mainly in the area is East Coast fever caused by red tick and anaplasmosis caused by blue tick. There are also worms.

7.2: Mitigation strategies

	Topic	Score	Comments
7.2.1	<p>Mitigation strategies for weather and natural risks Does the organization have basic mitigation strategies in place for weather and natural risks?</p> <p><u>Is the organization aware of risk mitigation for weather and natural risks?</u></p> <ul style="list-style-type: none"> ✓ Organization is aware of risk mitigation methods and can name them <input type="checkbox"/> Organization has employed these methods in the past <input type="checkbox"/> Organization is prepared for future risks ✓ Suppliers are made aware of risk mitigation ✓ Organization has a plan to raise awareness of risks among suppliers ✓ Suppliers are trained in risk mitigation <input type="checkbox"/> Organization has a plan to train suppliers on risk mitigation <input type="checkbox"/> None of the above 	3.3	There are not many mitigation strategies though the company issues the prior warning on adverse weather to its suppliers. The company also wants to embark on other income generating activities to mitigate on the loss of revenue during drought. They intend to start bottling water in the future for sale.
7.2.2	<p>Mitigation strategies for biological risks Does the organization have basic mitigation strategies in place for biological risks?</p> <p><u>Is the organization aware of risk mitigation for biological risks?</u></p> <ul style="list-style-type: none"> ✓ Organization is aware of risk mitigation methods and can name them ✓ Organization has employed these methods in the past <input type="checkbox"/> Organization is prepared for future risks ✓ Suppliers are made aware of risk mitigation <input type="checkbox"/> Organization has a plan to raise awareness of risks among suppliers ✓ Suppliers are trained in risk mitigation <input type="checkbox"/> Organization has a plan to train suppliers on risk mitigation 	3.3	The company has trained farmers on mitigation risks and they have a trained Agroveter who helps the suppliers when the diseases are there. Some of the mitigating strategies involve spraying and vaccination and deworming. The trained Agroveter works together with the suppliers.

8: ENABLERS

Scores

3.7	ENABLERS
2.3	Capacity builders & NGOs
4.2	Community
4.3	Government

8.1: Capacity builders & NGOs

Topic	Score	Comments
<p>8.1.1 Availability of extension services Is the organization able to source the right training, capacity building and assistance? Is the organization able to support suppliers in basic farmer business management tools?</p> <p><u>Does the organization receive capacity building?</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Organization is aware of services <input checked="" type="checkbox"/> Respondents are able to identify areas they need the most help with <input type="checkbox"/> Organization gets help in the right areas <input type="checkbox"/> Organization is satisfied with services <input type="checkbox"/> Services cover farm business management <input type="checkbox"/> Services cover farming practices <input type="checkbox"/> None of the above 	2.3	<p>The company has received assistance before in its inception in form of funds to pay its employees from GORTA-Self Help Africa. The company is also aware of the areas it needs help which includes funds to buy a processing plant and also increase the capacity of the pasteurizing machine. The company also needs funds for extension work.</p>

8.2: Community

	Topic	Score	Comments
8.2.1	<p>Relationship with the community How does the organization relate with the community?</p> <p><u>Does the organization have a good relationship with the local community?</u></p> <ul style="list-style-type: none"> ✓ Respondents characterize the relationship with the community as positive ✓ There have been no problems in the past ✓ Organization provides employment opportunities ✓ Organization provides other benefits <input type="checkbox"/> Other 	4.2	<p>The company's relationship with the community is good. It provides employment and buys milk from them. Also offers financial services to the suppliers, subsidized AI services to the farmers, and Heifer breeding.</p>

8.3: Government

Topic	Score	Comments
<p>8.3.1 Awareness of laws & regulations Is the organization aware of laws and regulations that apply to their organization?</p> <p><u>Is the organization aware of business regulations and laws?</u></p> <ul style="list-style-type: none"> ✓ Organization is aware of business regulations ✓ Organization is aware of regulations on its activities ✓ Organization has no legal problems at the moment ✓ Organization seeks advice on laws and regulations when necessary <input type="checkbox"/> None of the above <p><u>How often has the organization had legal problems in the last three years?</u></p> <ul style="list-style-type: none"> <input type="radio"/> More than 5 times <input type="radio"/> 4 -5 times <input type="radio"/> 2 - 3 times <input type="radio"/> Once <input checked="" type="radio"/> None 	5.0	The company is aware of business regulations and has had no legal problems in the past. The company has contracted a company secretary who advises them on laws and regulations. The company hasn't had a legal problem in the past.
<p>8.3.2 Public extension services Does the organization know the priorities of the national agricultural board? Does the organization meet with district and sector agricultural staff to plan capacity building activities? Do suppliers participate in on-farm research trials?</p> <p><u>Is organization aware of national agricultural board plans?</u></p> <ul style="list-style-type: none"> ✓ Organization is aware of national agricultural board priorities and can name them <input type="checkbox"/> Organization connects with extension officers <input type="checkbox"/> Suppliers take part in on-farm research trials <input type="checkbox"/> None of the above 	2.3	The company is aware of the National dairy board plans for the dairy sector although they say these plans are never implemented like training the board citing they are underfunded.

Chapter 2: Organization characteristics

Basic & contact details		Sharecroppers	
Name	Keringet Foods Limited	No. of female sharecroppers	0
Abbreviation	KFL	No. of male sharecroppers	0
Street	MOLO-OLENGURUONE ROAD	No. of active female sharecroppers	0
Street no.		No. of active male sharecroppers	0
Zipcode	P.O. BOX 118-20131	Services to Suppliers	
City	KERINGET	advocacy, collection marketing, collective input purchase, financial services, information sharing, storage, training	
Region	NAKURU	Sectors & products	
Country	Kenya	dairy/livestock	
Global region	East Africa	AGROVET SHOP/AI SERVICES, MILK	
GPS location	N/A	Activities	
Office phone number	0712-640043/ 0771-844545	input supply, marketing, processing, retailer	
Email address	info@keringetfoods.com	Officials	
Website	www.keringetfoods.com	No. of female executives	1
Incorporation		No. of male executives	2
Legal status	Corporation (Ltd)	No. of female non-executives	2
(specify if necessary)	Public Limited Company	No. of male non-executives	7
Year of incorporation	2014	Employees	
In operation since	2015	No. of female full-time employees	7
Business license number	CPU/2015/210286 NB	No. of male full-time employees	13
Tax identification number	P051528838S	No. of female part-time employees	0
For Profit?	True	No. of male part-time employees	0
Umbrella / Representing Organization		No. of female seasonal employees	0
Cooperative		No. of male seasonal employees	0
Union		Outgrowers	
Federation		No. of female outgrowers	0
Apex Organization		No. of male outgrowers	0
SACCO		No. of active female outgrowers	0
Other		No. of active male outgrowers	0
Management Body		Infrastructure information (main location)	
Founder	GILBERT ROTICH	Access roads	Tarmac (bad quality)
Entrepreneur		Distance to hub	0-20km
Managing Director	DAVID MUTHOKA MUTHENYA	Public transportation	Available in vicinity
Number of Shareholders	187	Power / electricity	Stable with generator backup
Suppliers (direct suppliers of PO + indirect via subsidiary)		Internet access	Mobile only
No. of female suppliers	0	Mobile network coverage	Broad coverage
No. of male suppliers	0	Running water	Running water
No. of <u>active</u> female suppliers	1006		
No. of <u>active</u> male suppliers	1284		
No. of suppliers cooperatives	0		
No. of suppliers unions	0		

Mission

To economically and socially empower the geographical resident community of Keringet location through value addition of their agricultural produce and other resources by ensuring that affordable and safe products are conveniently availed to both institutional and individual consumers in Nakuru county and beyond.

Vision

To be Kenya's leading agribusiness through value addition.

Value Chain & Enabling Players

Customers, Clients, Offtakers, Agents, etc

Name	FARMING SOLUTIONS	SAMEER AGRICULTURAL AND LIVESTOCK AFRICA LIMITED
Relation to PO	Customer	Customer
Type of Organization	Company	Company
Description of relation	The company buys milk from KFL	The company is one of the customers.
Years in relation	1.0	2.0
Contract in place	No	Yes
Contract start year	-	2015
Contract end year	-	2016
Description of agreement		The agreement is for the supply of fresh chilled raw milk from Keringet foods limited.
% sold to customer	40.00	60.00
Contact	GEOFFREY GITONGA	JACKSON KIRUI
Email address		info@sall.co.ke
Phone number	0722249600	0722-747503

Promotor, NGO, Capacity Builder, BDS provider, etc

Name	No information available.
Relation to PO	
Type of Organization	
Description of relation	
Years in relation	
Contract in place	
Contract start year	
Contract end year	
Description of agreement	
Contact	
Email address	
Phone number	

Financial Information

Financial Data

Year	Turnover	Cost of sales	Net profit	Shareholder's Equity
2016	KES 121,806,226.00	KES 107,694,529.00	KES 14,111,697.00	
2015	KES 122,715,489.00	KES 115,613,303.00	KES 7,102,186.00	

Bank Accounts

Bank	Type	Active since	Current balance
COOPERATIVE BANK	Bank	2014	KES 348,704.00
FAMILY BANK	Bank	2015	KES 6,554,010.00

Loan history

Loan amount	Financier	Start date	End date	Interest rate (annual)	Repayment status	Purpose	Comments by assessor
No information available.							

Grant history

Grant amount	In cash / in kind	Funder	Funder type	Start date	Purpose	Comments by assessor
EUR 0.00	In cash	GORTA-SELF HELP AFRICA	NGO	May 1, 2015	The grant was to enable the company pay the salaries of her employees.	The grant was in form of salaries to the employees of the company when it started operations and for a period of 8 months till when the company was able to support this function.

Comments by assessor

The company is in its second year of operations and so the financial data is for year 2015 for 8 months and the sales this year. They have not taken any loans so far. The grant was from the capacity builder who helped with the payment of salaries of the company employees before the company was able to afford this cost. This was for the first 8 months of operations in 2015.

Production Information

AGROVET SHOP/AI SERVICES

Product information			
Land used for product	-	Avg. production unit lifetime (years)*	-
Land unit	-	Dead / Diseased production units*	-
No. of production units	-	Operational months	-
Production unit	-	Irrigated	-
Avg. age production unit (years)*	-	Sustainable production	maybe
		Estimated % of member / outgrower production sold to P.O.	-

* e.g. if product is coffee, production-unit is tree; if product is milk, production unit is head.

Production Information

Year	Unit	Volume
------	------	--------

No information available.

Volumes actually produced by the producer organization as part of their core-business

Produce Purchased From Suppliers

Year	Unit	Volume	Price
------	------	--------	-------

No information available.

Volumes purchased by the producer organization from it's members and / or outgrowers

Produce Sold

Year	Unit	Volume	Price
------	------	--------	-------

No information available.

Volumes sold a buyer / offtaker (of produced and/or purchased). Including inputs sold to members/outgrowers if relevant.

Margins

Year	Currency	Margin
------	----------	--------

No information available.

Raw Materials

Year	Unit	Volume	Price
------	------	--------	-------

No information available.

MILK

Product information

Land used for product	-	Avg. production unit lifetime (years)*	-
Land unit	None	Dead / Diseased production units*	-
No. of production units	-	Operational months	-
Production unit	Other	Irrigated	-
Avg. age production unit (years)*	-	Sustainable production	yes
		Estimated % of member / outgrower production sold to P.O.	70.00

* e.g. if product is coffee, production-unit is tree; if product is milk, production unit is head.

Production Information

Year	Unit	Volume
2016	kg	3,713,605.00

Volumes actually produced by the producer organization as part of their core-business

Produce Purchased From Suppliers

Year	Unit	Volume	Price
2016	kg	3,713,605.00	Ksh29.00

Volumes purchased by the producer organization from it's members and / or outgrowers

Produce Sold

Year	Unit	Volume	Price
2016	kg	3,713,605.00	Ksh33.00

Volumes sold a buyer / offtaker (of produced and/or purchased). Including inputs sold to members/outgrowers if relevant.

Margins

Year	Currency	Margin
2016	KES	14111697.00

Raw Materials

Year	Unit	Volume	Price
No information available.			

Chapter 3: Documentation

Below list indicates what kind of documentation the organization has available.

Question	Availability	Comments by assessor
Certificate of registration / incorporation	Yes	
Trading license	Yes	
Business license	No	
Tax / PIN certificate	Yes	
Exporting license	N/R	The company does not need an export licence because it does not export its products.
Shareholder register	Yes	
Constitution / Bylaws	N/R	The PO is a limited company which is guided by articles of association and not by laws or a constitution,
Articles of association	Yes	
Business plan	Yes	
Contract / agreement with suppliers	No	
Contract / agreement with customers	Yes	
Contract / agreement with other business partners	No	
Annual accounts most recent year	Yes	
Annual accounts most recent year -1	N/R	The company has been operation for just one year.
Annual accounts most recent year -2	N/R	The company has been in operation for just one year.
Bank statements past year	No	
Cash flow forecast	No	
Credit reference bureau report	No	
Ownership documents / titles	No	
Asset valuation documents	Yes	The company has not done external valuation but internal as per the document.
Offer letters of past loans / loan agreements	No	
Resolution of right to borrow	N/R	The company unlike a society does not need a resolution to borrow.
Proof of certification (e.g. Fairtrade, Utz Certified, ISO, etc...)	No	
Insurance policies	No	
List of suppliers	Yes	
Resume of executive managers	Yes	
AGM minutes	Yes	
Register of production volumes	Yes	
Register of purchases/inputs	Yes	
HR policy	No	
Finance policy	No	
Administrative policy	No	
Environmental Impact assessment	No	
Sustainable Forestry Management Plan (forestry only)	N/R	
Conservation Management Plan (forestry only)	N/R	
Reforestation Management Plan (forestry only)	N/R	
Agri-Forestry Management Plan (forestry only)	N/R	
Annual Plan of Operations (forestry only)	N/R	