



Latia Resource Center Ltd.

Annual Report 2015



Latia Resource Center (Latia) is a Kenyan Social Enterprise established to provide training and business support services to farmers, pastoralists and agribusinesses in Africa. Latia believes that the modernization of agriculture and improvement in food security in Africa can be greatly enhanced by effective practical training, adequate dissemination of knowledge and technology, and the provision of business support services to farmers, pastoralists and Agribusinesses. In 2007 the Latia was started by Faraja Trust as a project on a 60 acre farm at Isinya in Kajiado County. In 2011, Latia was incorporated as an independent company limited by guarantee with the Trust as the founding member.

Over the years Latia has grown and set itself apart by putting social impact as its overriding end objective and employing innovative, agile business thinking and processes to meet the needs of its key customers the farmers, pastoralists and agribusinesses. Latia strives to increase agricultural productivity in an economically and environmentally sustainable manner. The company provides access to knowledge, appropriate technology and mentorship to farmers, pastoralists and agribusiness to yield healthy crops and livestock and sustainable agriculture practices.





TABLE OF CONTENTS

- 5 | Foreword
- 7 | Education and Training
- 9 | The Farm
- 10 | Key Projects
- 13 | Human Resources
- 15 | Financial Summary
- 16 | Our Board of Directors
- 18 | Contact us

A decorative graphic featuring several colored circles and squares. At the top left is a red circle. Below it is a large orange circle. To the right of the orange circle is a small light blue circle. Further right is a medium orange circle. At the bottom left is a small light blue circle. In the center are two large circles: a green one at the top and a light blue one at the bottom. To the right of the light blue circle is a large green circle. At the bottom right is a small black circle. On the far left edge is a small green square. At the bottom left corner is a blue square containing the number 4. At the bottom right corner is a blue square containing the text 'ANNUAL REPORT 2015'.

OUR VISION

To be the Center of Excellence in the development and delivery of Agripreneurship training and services in Africa.

OUR MISSION

To empower small and medium Agripreneurs through practical training in model enterprises and provision of services to stimulate employment and sustainable economic growth.

Dear customers and partners of Latia,

2015 was once again a very successful year for Latia. We embarked on the process of developing a new five year strategy. To advice this strategy process we undertook a market study in April which pinpointed strengths, weakness, opportunities as well as threats for Latia's business. Several interactions with the board as well hired experts eventually resulted in development of a new strategy and a business plan to guide Latia's operations for the next five years.

During the year we focused on strengthening our capacity to offer competitive training programs and business support services for agriculture in Africa. We invested in "hardware" including a new seminar hall, a value addition unit, a canteen as well as modern greenhouses. We also invested in the "software" of the business key among which was the development of a new curriculum and training materials. As required by a new Law Latia applied for a new college registration (Latia Agripreneurship Institute) The registration of the institute was approved and the new certificate of registration will be received in 2016. We made investments in the human resources too with recruitment of new unit managers with real industry experience. Several trainings were conducted to improve knowledge and skills at management as well as worker levels.

During the year our customer base grew and strengthened. The number of farmers seeking our services grew following extensive promotion programs. Two key projects (GSK & AEIP) were started at Latia in collaboration with more than 15 local and international organizations. We explored new dimensions working with county governments and held joint events with Kajiado and Laikipia counties.

Financially, the organization showed small but significant improvements in the bottom-line and we intend to build on this in 2016. Efficiency measures were identified and implementation started especially in farming units. Results for most of these cost structure changes should be evident in 2016 going forward. Significant addition in the assets were realized using own funds as well grants from our key partners.

In 2016 our focus will be on the development of a team capable of rolling out the year strategy and business plan. With support from our partners we will implement several staff capacity building activities including trainings, exposure visits as well as mentorship. Latia Agripreneurship institute will expand its portfolio of training programs particularly those targeting employees in farms and agribusinesses. A new incubation center will be developed to manage the farming activities of the company as well as incubate new farmers. Business support services will be expanded as new programs targeting the "Small and Medium Sized farms" are rolled out. An expansion in consultancies in projects for development partners and county governments is also planned.

None of the achievements made in 2015, as well as, the ambitions we have for 2016 would have been possible without the support of our dedicated staff, customers, corporate partners, and alumni. They have helped to create and consolidate the strong foundations upon which we now build the future. Through their contributions to our growth, their participation in our activities and their embodiment of our values, they continue to play an essential role in the fulfillment of our mission: "To empower small and medium Agripreneurs through practical training in model enterprises and provision of services to stimulate employment and economic growth."

Peter Muthee
Managing Director,
Latia Resource Center Ltd.



I've ventured in many things; the most exciting has been working at the farm. I thank Latia for this. I'm looking forward to employment so as to gain more experience, generate capital to start a business and eventually further my studies.

- Lucy Maina, Apprentice (January - June 2015)



The most important aspect I learnt in the six months is operating an enterprise in agriculture. I am glad I can be able to uplift the community in which I live, as well as, Kenya at large. I'm targeting to venture in horticulture production because of its high income.

- Joel Muthee, Apprentice (July - December 2015)

Agriculture Apprenticeship Program

The key objective of Latia's agriculture apprenticeship program is to develop a new generation of farmers and Agripreneurs with adequate knowledge and skills to turn-around agriculture and agribusiness in Africa. In 2015, 80 new apprentices went through this intensive six months program after which they were facilitated to get employment in farms and other agribusinesses. A few of the graduates with keen interests on self-employment were assisted to develop viable business ideas and linked with financial institutions and markets. A new curriculum was introduced and piloted with the help of the ATVET project of GIZ. This new curriculum is national and is currently undergoing refining and accreditation by relevant government agencies. It's a modular based curriculum allowing trainees to have a flexible study and work program. Latia applied for the registration of the college (Latia Agripreneurship Institute) and in October TVETA, the agency responsible for technical and vocational training in Kenya carried out several assessments of facilities and training materials. An approval for registration was given and the registration certificate is expected in the first half of 2016.



Other training Programs

Latia offers large portfolio of short courses for farmers and other Agripreneurs who are keen on deepening knowledge and skills or learning new agricultural technologies and practices. Under the outreach program supported by Faraja Trust Latia trained and mentored 400 farmers in the year. The outreach program key objective is to improve the income of the woman who is mainly the breadwinner in the community we live in. The interventions in the program are geared towards helping generate extra income and provide high quality food nutrients to their families on a sustainable basis. At the end of 2015 the outreach projects were halted to allow for a comprehensive evaluation, to un-earth key lessons and make recommendations for improvements.

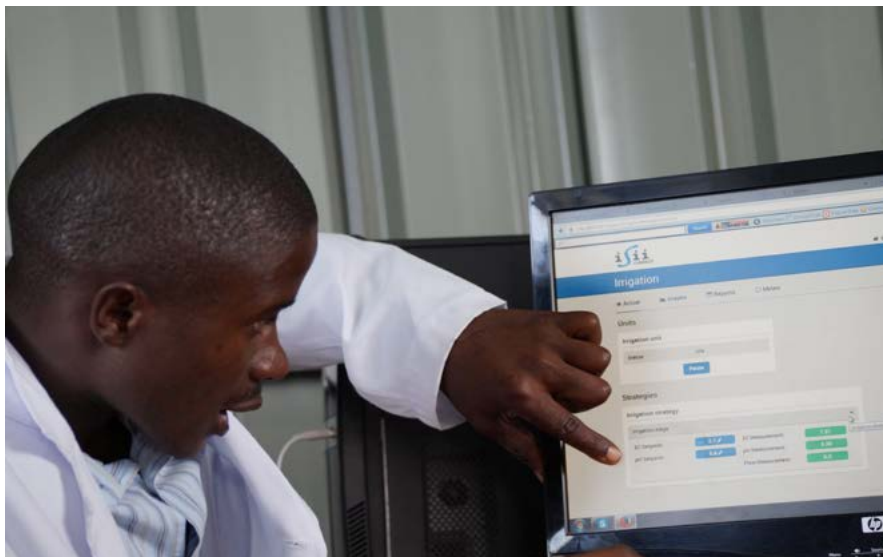
Latia intends to redesign its outreach interventions going forward to retain Kajiado County as the focal area and to incorporate current thinking and best practices around Results-Based Management.



The Farm

Operating Units

The farm underwent some reorganization that scaled down some activities to improve efficiencies and profitability. Improvements were made in both infrastructure and systems to provide a better platform for practical training and demonstrating best practices in agriculture. Besides improvements in infrastructure a new management system (Sage Evolution) was introduced to facilitate better record keeping and reporting for the farm, as well as, for other units in Latia. A set of three new greenhouses were built at the farm to demonstrate modern techniques from the very basic to the most advanced and computerized greenhouse farming. The units are expected to contribute significantly to profitability of the farm through sales of produce as well through provision of training. A new biogas unit was built at the livestock unit with a capacity to supply most of the cooking gas needs for Latia. Marketing of farm produce improved significantly following the opening of a retail stall at the main Isinya Market. The stall also played an important role in practical training for apprentices in marketing of farm produce.



Projects

During the year three key projects were started at Latia i.e. NICHE , AEIP and the GSK. A proposal submitted to Monsanto Fund for capacity building of the apprenticeship program was approved and a grant expected in 2016.



Agricultural Entrepreneurship Incubator Project

This project is implemented by a consortium of 5 partners including Latia, Strathmore Business School (SbS), Maastricht School of Management (MSM), Aer-es Group and Netherlands Africa Business Council (NABC). The project's (popularly known as the "Telephone Farmer Project") Goal is to develop the infrastructure for unlocking the potential of telephone farmers in Kenya. The project will demonstrate that it is possible to turn unproductive farms owned by telephone farmers into profitable enterprises that will in the long-run contribute towards food security goals and growth objectives of Kenya. The project will develop an Agribusiness Incubator through which selected farms owned by telephone farmers will be supported to grow and achieve commercial viability and sustainability. Ultimately the project will showcase a successful "Telephone Farmers Models" to relevant decision makers including farm owners with idle land, private sector, government policy makers and development interested in the role of commercial food production and food security efforts of the country.

Projects



NICHE Project

This is a 3 year project funded by NUFFIC (Netherlands organization for international cooperation in higher education) and its goal is to strengthen the capacity of Latia Resource Center, to develop and deliver training programs and other services to agriculture and agribusiness. The project supports staff development as well key infrastructure to enhance the company's capacity.



Growing Solutions Kenya Project

This project was implemented by Latia in partnership with private sector players from the Netherlands with funding from the Dutch Ministry of Foreign Affairs. The project developed model greenhouses at Latia to show case technology from the basic to the most advanced in the greenhouse farming. Through training and mentoring farmers and their workers the project is expected to make a significant contribution in raising productivity and profitability of greenhouse investments.





The backbone of organizational development

There was significant expansion in the management team with the recruitment of new staff including a project officer, a business development manager, a senior accountant and the Training Manager. The new staff bring into Latia a diverse range of experiences and networks, and their contribution is expected to boost the company's performance. Under the NICHE project several training programs were undertaken including an exposure visit by two managers to Israel.

Latia is committed to making women and men play an equal role in planning and implementing company programs and activities and to ensuring that our work does not have a negative impact on either gender. A gender study was done in Latia and a comprehensive gender policy for the company developed.

To provide greater protection against workplace injury and illness, a Health and Safety Committee was formed. The committee is made up of workers' representatives and its mission is to improve health, safety and comfort in the workplace. The committee identifies potential health and safety problems and brings them to Management's attention for action. An environment, health and safety Trainer and supervisor was also hired to guide management and the committee in the implementation of health and safety measures across the company.

The Welfare Committee was revamped to give all Latia staff a platform through which to air their views and contribute to improvement in the management of organization. The purpose of the committee is to improve employee-management relations and make Latia a successful organization that takes good care of its staff. Since there are no active labour unions in our area, the committee acts as the voice of workers and brings out issues that need to be addressed to improve labour relations in the company.

Following several security incidences in the year the then company's guards were replaced with an external security services company. This change brought about immediate and noticeable improvements in security and confidence amongst staff and customers of Latia.





Financial Statement



2015 Summary

In 2015 revenue reached 35.8 million shillings which was an improvement from 2014. Revenue generated from training and farming activities grew significantly from 14.7 to 20.4 million while grant income decreased from 19.2 to 15.1 million. The growth in internally generated revenue from training and farming operations is important in the growth and sustainability of Latia as a social enterprise. Expenses for the community outreach decreased as activities in the program were downsized to allow for evaluation and redesigning. Expenses for education, as well as, for administration increased significantly in readiness for expansion of business as the implementation of the revised company strategy started. Company Assets increased also in line with increasing capacity to implement the revised strategy and business plan. Key infrastructure was added; including greenhouses, a conference hall, a canteen and value addition training unit. This new infrastructure is expected to increase capacity and allow the company to handle a bigger business volume going forward.



Our Board of Directors



Urs Böhlen
Chairman of the Board

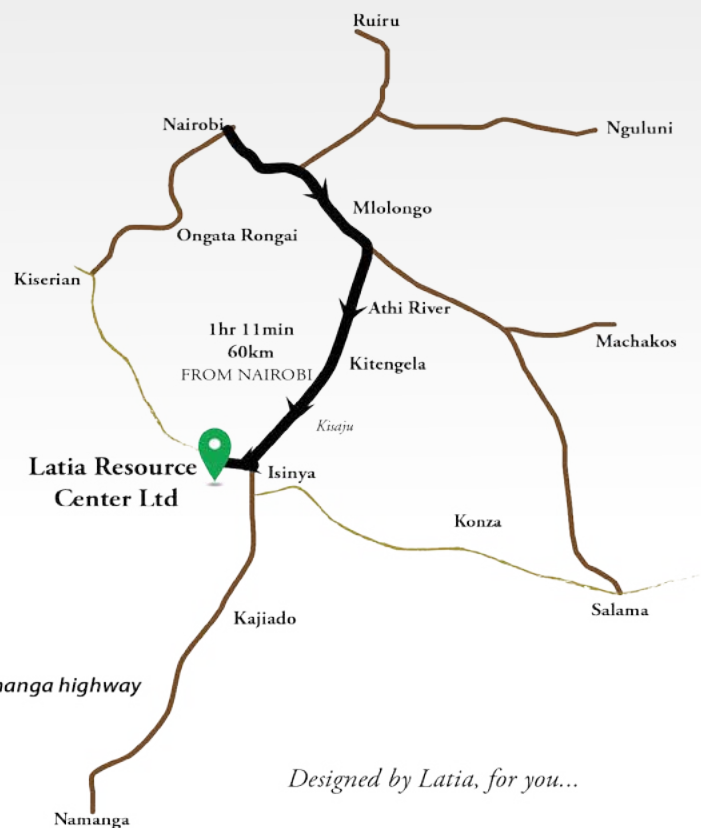


Fabian Waldeimer
Representing Faraja Trust



Peter Muthee
Managing Director





*Latia is along Pipeline (Isinya-Kiserian) Rd.
1.5km from Isinya town.
Isinya town is off the Nairobi-Athi River-Namanga highway*

Designed by Latia, for you...

Connect & Engage with us...

Latia Resource Center Ltd.

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