

Accounts receivables account for a greater portion of current Assets. Management has to formulate strategies of managing this asset. The objective of this project was to understand the factors affecting management of accounts receivable with specific reference to agro-manufacturing companies in Kenya. It further explored various strategies used by companies to manage their accounts receivables. Also the project examined the weaknesses and strengths of the various strategies used by the companies under study and advised on the best strategies and best practices of accounts receivable management in the industry. The data was collected through a structured questionnaire and a total of twenty responses were obtained out of the thirty questionnaires that were distributed. From the analysis of the data it was found out that lack of trained credit control professionals contributed a high percentage to the poor management of accounts receivables followed by well established credit reference bureaus that can give companies information of the customers' credit worthiness without infringing on the customers' confidentiality. The study also revealed that lack of properly constituted credit committees to vet the customers' credit applications is an important constituent of managing of accounts receivables. These committees evaluate applications of various customers before credit is granted hence properly constituted committees plays a vital role in managing of accounts receivable.