

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

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(Majority Party Whip)

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THE-TABLE:

Anastacia

ON

**KENYA TOWNS SUSTAINABLE WATER
SUPPLY AND SANITATION PROGRAMME
(AFDB LOAN NO.2000200000501)**

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

**TANA WATER WORKS DEVELOPMENT
AGENCY**



**PROGRAMME NAME: KENYA TOWNS SUSTAINABLE WATER SUPPLY AND
SANITATION PROGRAMME (KTSWSSP)**

IMPLEMENTING ENTITY: TANA WATER WORKS DEVELOPMENT AGENCY

PROGRAMME LOAN NUMBER: 2000200000501

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2024

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

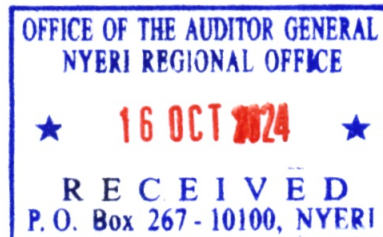


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1. Acronyms and Definition of Terms

ADF	African Development Fund
AfDB	African Development Bank
BCOM	Bachelor of Commerce
BSc	Bachelor of Science
CEO	Chief Executive Officer
CPA (K)	Certified Public Accountant of Kenya
CS	Corporation Secretary
DN	Nominal Diameter
DWC	Double Walled Corrugated
ERP	Enterprise Resource Planner
ENG	Engineer
FY	Financial Year
GoK	Government of Kenya
GFRP	Glass Reinforced Plastic
HDPE	High Density Polyethylene
ICPAK	Institute of Certified Public Accountants of Kenya
IFMIS	Integrated Financial Management Information System
IPSAS	International Public Sector Accounting Standards
KENHA	Kenya National Highways Authority
KERRA	Kenya Rural Roads Authority
Kshs.	Kenya Shillings
KURA	Kenya Urban Roads Authority
KM	Kilometres

**Tana Water Works Development Agency
Kenya Towns Sustainable Water Supply and Sanitation Programme
Annual Report and Financial Statements for the financial year ended June 30, 2024**

KTSWSSP	Kenya Towns Sustainable Water Supply and Sanitation Programme
MA	Master of Arts
MBA	Master of Business Administration
MBS	Moran of the Burning Spear
MSc	Master of Science
MM	Millimetres
M ³ /Day	Cubic Meters per day
NWWDA	Northern Water Works Development Agency
NO	Number
PCC	Pre-Cast Concrete
PSASB	Public Sector Accounting Standards Board
SDA	Special Deposit Account
SMART	Specific Measurable Achievable Realistic and Time Bound
TWWDA	Tana Water Works Development Agency
UA	Units of Accounts
UPVC	Unplasticized polyvinyl chloride
USD	United States Dollar
WSP	Water Service Provider
WWDA	Water Works Development Agencies

Definition of Terms

Double wall corrugated pipe	A corrugated outer wall molded to a smooth inner wall for tremendous strength and durability, while maintaining a light weight pipe.
Glass reinforced Plastic	Composite material in a pipe that consists of a polymer matrix and glass fibers
High Density Polythene	Flexible plastic material in pipes used to transfer fluids and gases
Moran of the Burning Spear	Award given by the President for distinguished services to public dignitaries, exemplary members of the public service, and other professionals.
Unplasticized polyvinyl Chloride	Synthetic plastic and highly versatile material without plasticizers
Unit of Accounts	Standard numerical monetary unit of measurement of the market value of goods, services, and other transactions.
Special Deposit Account	Bank settlement account opened by the depositor according to the laws and administrative regulations and rules for the management.
Kenya Towns Sustainable Water Supply and Sanitation Programme	This a program implemented by AfDB and partly by GoK to improve access, quality, availability & sustainability of water and waste water services in regional centers & towns in Kenya.

2. Programme Information and Overall Performance

2.1 Name and Registered Office

Name

The Programme's official name is Kenya Towns Sustainable Water Supply and Sanitation Programme (KTSWSSP).

Objective

The key objective of the Programme is to improve the access, quality, availability and sustainability of water supply and wastewater management services in multiple towns in Kenya, with a view to catalysing commercial activities, driving economic growth, employment creation, improving quality of life of the people and building resilience against climate variability and change.

Address

The Programme headquarters office is in Nyeri Town, Nyeri County Kenya. The address of its registered office is:

Tana Water Works Development Agency
Baden Powell Rd.
Nyeri Town, Kenya
P.O. Box 1292-10100
Nyeri.

Contacts: The following are the Programme contacts

P.O Box: 1292-10100, Nyeri

Telephone: 061-2032282

E-mail: info@tanawwda.go.ke or ceo@tanawwda.go.ke

Website: www.tanawwda.go.ke

2.2 Programme Information

Table 1 below shows the Programmes Background Information.

Table 1: Programme Information

Programme Start Date:	09 January 2017
Programme End Date:	31 December 2025
Programme Coordinator:	Arthur Mamo
Programme Sponsor:	African Development Bank

Programme Information and Overall Performance (Continued)

2.3 Programme Overview

Table 2 below describes the Programmes Strategic Goals and Achievements.

Table 2: Programme Overview

Line Ministry	Ministry of Water, Sanitation and Irrigation
Programme Number	P-KE-E00-011
Strategic Goals of the Programme	<p>The strategic goals of the Programme are as follows;</p> <ol style="list-style-type: none"> i. To improve the access, quality, availability and sustainability of water supply services in the Kenya towns of Kerugoya, Kutus, Chuka, Chogoria, Murang'a, Mandera, Marsabit, Isiolo, Garissa and Loiyangalani with a view to catalyzing commercial activities, driving economic growth and employment creation. ii. To improve the access to wastewater management services in the Kenya towns of Kerugoya, Kutus, Chuka, Chogoria, Meru, Othaya, Mandera, Marsabit, Embu, Isiolo, Loiyangalani and Nanyuki, with a view to catalyzing commercial activities, driving economic growth, and employment creation.
Summary of Programme strategies for Achievement of Strategic Goals	<p>The Programme management aims to achieve the goals through the following means:</p> <ol style="list-style-type: none"> i. Construction of water supply infrastructure for improved water services in 10 No. Kenyan towns with a capacity of 77,300m³/day ii. Construction of sewerage infrastructure for improved sanitation services in 12 No. Kenyan towns with a capacity of 26,150 m³/day iii. Capacity building of WSPs with procurement of 8 No. Exhausters, Procurement of Water meters and leak detection equipment, Installation of an Enterprise Resource Planner and Training of the Agency and Water Service Providers Staff.
Other Important Background Information of the Programme	<p>The Programme aims are to:</p> <ol style="list-style-type: none"> i. Improve the health and quality of life in 14 No. towns. ii. Reduce poverty levels of the population through provision of water and sanitation services on a sustainable basis and employment creation in 14 No. Towns iii. Catalyse commercial activities to drive economic growth in 14 No. towns iv. Capacity building of WSPs with procurement of 8 No. Exhausters, Procurement of Water meters and leak detection equipments, Installation of an Enterprise Resource Planner and Training of the Agency and Water Service Providers Staff.

<p>Areas that the Programme was Formed to Intervene</p>	<p>The Programme was formed to intervene in the following gaps:</p> <ul style="list-style-type: none"> i. Water coverage where the water needs are not being addressed by any other Development Partners in 10 No. towns. ii. Sewerage coverage where sanitation needs is not being addressed by any other Development Partners in 12 No. towns iii. Last Mile Connectivity to customers to complement the completed Programme in the towns of Murang'a, Othaya, Garissa and Isiolo. iv. Water quality testing by constructing laboratory and equipping of the laboratory in 7 No. Kenya towns. v. Sewerage test by constructing laboratory and equipping of the laboratory in 7 No. Kenyan towns. vi. Capacity development of Water Service Providers and the Agency staff through trainings in 12 No. Towns vii. Bills Processing by installing billing software to increase efficiency in billing process in 6 No. towns. viii. Non-Revenue Water Management by procuring of water meters and Leak Detection Equipment for Non-Revenue Water Management in 6 No. towns ix. Resilience against climate variability and change by Construction of Biogas Domes in 3 No. towns. x. Agencies Resource Management by installation of Enterprise Resource Planner (ERP) in the 2 Agencies. xi. Building capacity of 5 No. Water Service Providers by Procurement of 8 No. of Vacuum Exhausters.
<p>Programme duration</p>	<p>9 Years</p>

2.4 Bankers

The following is the banker for the programme:

Kenya Commercial Bank
Nyeri Branch
P.O Box 215-10100
Nyeri, KENYA

2.5 Auditors

The Programme is audited by the Office of the Auditor General

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

Programme Information and Overall Performance (Continued)

2.6 Roles and Responsibilities

The Roles and Responsibilities of the Officers Implementing the Programme is as shown in the table 3 below:

Table 3 :Roles and Responsibilities

No.	Names	Title Designation	Key Qualification	Responsibilities
1.	Eng. Philip Gichuki, MBS	CEO	MSc. (Agricultural Engineering), BSc (Civil Engineering)	<ul style="list-style-type: none"> • Ensuring Fiduciary Responsibilities relating to the Programme are in accordance to the Financing Agreement. • Monitoring overall Programme progress. • Ensuring AfDB Programme implementation guidelines are complied with. • Ensuring Programme progress report is prepared and is accurate. • Ensuring Programme Financial Statements are prepared. • Ensuring direct payments are submitted to the parent Ministry for onward transmission to The National Treasury and Planning and AfDB. • Ensuring adequate funds for direct payment and counterpart are allocated in the budget. • Overseeing Programme procurement plan for the programme • Ensuring adherence to AfDB guidelines in the procurement of Goods, Works and Services under the Programme
2.	Arthur Mamo	Programme Coordinator	BSc. Civil Engineering, MBA (Project Management)	<ul style="list-style-type: none"> • Programme monitoring and reviewing • Presenting Programme progress reports • Ensuring Programme implementation is in accordance to AfDB guidelines

No.	Names	Title Designation	Key Qualification	Responsibilities
3.	CPA Nicholas Kariuki	Programme Accountant	B. Com, MBA, MA (Project Management), CPA(K), CS(K)	<ul style="list-style-type: none"> • Preparation of Programme Financial Statement. • Programme payments processing. • Forwarding direct payments to the Ministry of Water, Sanitation and Irrigation for onward transmission to The National Treasury and Planning and AfDB • Preparing Programme Budget Estimates
4.	Samuel K. Ndung'u	Programme Engineer-NWWDA	BSc. Civil Engineering	<ul style="list-style-type: none"> • Assist in Programme monitoring and reviewing • Assist in Presenting Programmes progress reports • Assist in ensuring Programme implementation is in accordance to AfDB guidelines
5.	Martin Gitonga	Procurement Specialist-TWWDA	Bachelor of Supply Chain Management	<ul style="list-style-type: none"> • Preparation of procurement Plan for the programme • Ensuring Procurement of Goods, Works and Services under the Programme is in accordance to the AfDB guidelines
6.	Benedict Kimwaki	Procurement Specialist-NWWDA	Bachelor of Business Administration MA Project Management	<ul style="list-style-type: none"> • Assist in preparation of procurement Plan for the programme • Assist in ensuring Procurement of Goods, Works and Services under the Programme is in accordance to the AfDB guidelines

Programme Information and Overall Performance (Continued)

2.7A. Source of Fund

(i) Funding Summary – External Assistance

The Programme is for a duration of 9 years from 9th January 2017 to 31st December 2025 with an approved budget of USD 107,631,872 equivalent to Kshs. 10,998,156,567 (Exchange rate at Kshs.120.18 per USD as per the Loan Agreement) for AfDB loan and USD 782,920 equivalent to Kshs. 80,000,000 (Exchange rate at Kshs.120.18 per USD as per the Loan Agreement) for ADF Loan as shown in the tables below:

Table 4 (i): Source of funds

Source of Funds	Donor Commitment		Amount received to date (30 June 2024)		Undrawn balance to date (30 June 2024)	
	Donor currency USD	Kshs.	Donor currency USD	Kshs.	Donor currency USD	Kshs.
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) AfDB Loan						
Africa Development Bank*	55,675,511	5,689,093,088	42,288,436	4,476,471,402	13,387,075	1,212,621,686
Africa Development Bank**	51,956,361	5,309,063,479	37,479,344	3,985,924,641	14,477,017	1,323,138,838
Subtotal for AfDB Loan	107,631,872	10,998,156,567	79,767,780	8,462,396,043	27,864,092	2,535,760,524
(ii) ADF Loan						
Africa Development Bank Fund (ADF Loan)**	782,920	80,000,000	177,733	22,405,450	605,187	57,594,550
Subtotal for ADF Loan	782,920	80,000,000	177,733	22,405,450	605,187	57,594,550
Grand Total	108,414,792	11,078,156,567	79,945,513	8,484,801,493 ***	28,469,279	2,593,355,074

*Loan for Tana Water Works Development Agency

**Loan for Northern Water Works Development Agency

Programme Information and Overall Performance (Continued)

*****Amount received to date**

2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	Cumulative to date
Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
190,896,104	707,494,626	1,392,345,820	1,412,328,054	2,274,901,019	1,251,552,313	1,255,283,557	8,484,801,493

Table 4 (ii): Funding Summary – GoK Counterpart

Counterpart Funds	GOK Commitment	Amount received to date (30 June 2024)	Undrawn balance to date (30 June 2024)
	Kshs.	Kshs.	Kshs.
Government of Kenya	1,723,829,051	1,339,273,884*	384,555,167

***Amount received to date**

2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	Cumulative to date
Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
64,873,884	75,000,000	300,000,000	175,000,000	350,000,000	250,000,000	124,400,000	1,339,273,884

Computation (Amount in Millions)

Total Programme Amount = AFDB Loan UA 271.721
ADF Loan UA 5.135
GoK UA 43.388
UA 320.244

=GoK Counterpart ratio: GoK/Total programme Cost
= 43.388/320.244=13.55%

=Kshs. 10,998,156,567 *13.55% =Kshs. **1,723,829,051**
86.45%

Programme Information and Overall Performance (Continued)

2.7B. Application of Funds

(i) Application of funds Summary – External Assistance

Table 5 (i): Application of Funds

Application of Funds	Amount received to date (30 th June 2024)		Cumulative Amount Paid to date (30 th June 2024)		Unutilized balance to date (30 June 2024)	
	Donor currency USD	KES	Donor currency USD	KES	Donor currency USD	KES
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Loan						
Africa Development Bank*	42,288,436	4,476,471,402	42,288,436	4,476,471,402	-	-
Africa Development Bank**	37,479,344	3,985,924,641	37,479,344	3,985,924,641	-	-
Africa Development Fund***	177,733	22,405,450	177,733	22,405,450	-	-
Total	79,945,513	8,484,801,493	79,945,513	8,484,801,493	-	-

Table 5 (ii) Application of Funds Summary – GoK Counterpart

Application of Funds	Amount received to date (30 June 2024)	Cumulative amount paid to date (30 June 2024)	Unutilized balance to date (30 June 2024)
Counterpart Funds	Kshs.	Kshs.	Kshs.
Government of Kenya	1,339,273,884	1,339,184,354	89,530

Programme Information and Overall Performance (Continued)

2.8 Summary of Overall Programme Performance:

i) Budget Performance against actual amounts for current financial year and for cumulative to date

a) Budget Performance against actual amount for FY 2023/2024.

In the FY 2023/2024 the approved budget was Kshs.1,756,000,000 and actual expenditure was Kshs. 1,379,594,028 as shown in the table below:

Table 6 (i): Budgetary performance against Actual Amounts for FY 2023/2024

Details	Budget (Kshs.)	Expenditure (Kshs.)	Variance (Kshs.)	Percentage Absorption (%)
Loan	1,456,000,000	1,255,283,557	200,716,443	86%
GoK Counterpart	300,000,000	124,310,471	175,689,529	41%
Total	1,756,000,000	1,379,594,028	376,405,972	79%

b) Budget Performance against Actual amounts for Cumulative to date

Cumulative allocation for the programme is Kshs. 12,459,875,019 against cumulative actual expenditure of Kshs. 9,823,985,847 as shown in table 6 (ii) below:

Table 6 (ii): Budgetary Performance against Actual amounts for Cumulative to date

Year	Details	Budget (Kshs.)	Expenditure (Kshs.)	Variance (Kshs.)	Percentage Absorption (%)
2017/2018	Loan	300,000,000	190,896,104	109,103,896	64%
	GoK Counterpart	18,000,000	64,873,884	(46,873,884)	360%
2018/2019	Loan	730,000,000	707,494,626	22,505,374	97%
	GoK Counterpart	100,000,000	61,447,050	38,552,950	61%
2019/2020	Loan	1,700,000,000	1,392,345,820	307,654,180	82%
	GoK Counterpart	400,000,000	159,241,343	240,758,657	40%
2020/2021	Loan	1,500,000,000	1,412,328,054	87,671,946	94%
	GoK Counterpart	300,000,000	329,291,312	(29,291,312)	110%
2021/2022	Loan	2,274,901,019	2,274,901,019	-	100%
	GoK Counterpart	350,000,000	350,020,283	(20,283)	100%
2022/2023	Loan	2,580,974,000	1,251,552,313	1,329,421,687	48%
	GoK Counterpart	450,000,000	250,000,011	199,999,989	56%
2023/2024	Loan	1,456,000,000	1,255,283,557	200,716,443	86%
	GoK Counterpart	300,000,000	124,310,471	175,689,529	41%
Total		12,459,875,019	9,823,985,847	2,635,889,172	79%

Programme Information and Overall Performance (Continued)

ii) Physical Progress based on Outputs and Outcomes since Project Commencement.

Table 7 below shows the outputs and outcomes of the projects:

Table 7: Outputs and outcomes

S/No	Project	Output	Outcome
1.	Construction of 9 No. Water Supply Infrastructure in 10No. Towns.	Completed-7 No. Projects	The Completed Projects are benefitting 665,000 people.
		Substantially Completed- 1No Project	The expected beneficiaries are 150,000 people upon completion of the project.
		Ongoing-1 No Project	The expected beneficiaries are 400,000 people upon completion of the project.
2.	Construction of 11 No. Sewerage Infrastructure in 12 No. Towns.	Completed-3 No. Projects	The Completed Projects are benefitting 60,000 people.
		Substantially Completed- 1 No Project	The expected beneficiaries are 30,000 people upon completion of the projects.
		Ongoing-7 No Projects.	The expected beneficiaries are 277,500 people upon completion of the projects.
3.	Capacity Building of WSPs	Procurement of 8 No. Vacuum Exhausters.	8 No. Vacuum Exhausters Procured.
		Procurement of Water Meters & Leak Detection Equipments.	Procured Water Meters & Leak Detection Equipments.
		Implementation of Enterprise Resource Planner.	Enterprise Resource Planner System Installed in TWWDA & NWWDA.
		Training of staff.	Agencies & WSPs staff Trained.

iii) Absorption Rate

The programme absorption rates are as in the table below:

Table 8: Absorption Rate

Financial Year	Computation	Absorption Rate (%)
2023/2024	$\frac{\text{Actual expenditure}}{\text{Total Programme Cost}} = \frac{9,823,985,847 \times 100}{12,801,985,618}$	76.74
2022/2023	$\frac{\text{Actual expenditure}}{\text{Total Programme Cost}} = \frac{8,444,391,819 \times 100}{12,801,985,618}$	65.96
2021/2022	$\frac{\text{Actual expenditure}}{\text{Total Programme Cost}} = \frac{6,942,839,495 \times 100}{12,801,985,618}$	54.53
2020/2021	$\frac{\text{Actual expenditure}}{\text{Total Programme Cost}} = \frac{4,317,918,193 \times 100}{12,801,985,618}$	33.73
2019/2020	$\frac{\text{Actual expenditure}}{\text{Total Programme Cost}} = \frac{2,576,298,827 \times 100}{12,801,985,618}$	20.12
2018/2019	$\frac{\text{Actual Expenditure}}{\text{Total Programme Cost}} = \frac{1,038,264,614 \times 100}{12,801,985,618}$	8.11
2017/2018	$\frac{\text{Actual Expenditure}}{\text{Total Programme Cost}} = \frac{255,769,988 \times 100}{12,801,985,618}$	2.00

iv) Implementation Challenges

- i) Inadequate allocation of GoK Counterpart fund affecting acquisition of Project land and wayleave.
- ii) Delay in disbursements of allocated GoK Counterpart funds. Thereby affecting timely acquisition of land and wayleave and causes delay in implementation of projects.
- iii) Delay in approval /Authority for access of land owned by other Government Agencies.
- iv) Stoppage of works due to insecurity particularly in Mandera County.

v) Opportunities

- i) Direct employment to locals during construction, Indirect employment to manufactures of pipes, Pumps & Chemicals.
- ii) Sale of treated sludge from constructed sewerage treatment plants to locals for use as fertilizer.
- iii) Employment to locals to support operation of the constructed Water Supply and Wastewater infrastructure.

vi) Recommended Next Steps

- (i) Engaging the Ministry of Water, Sanitation and Irrigation in ensuring that in FY 2024/2025 there is adequate budgetary allocation for land and way leave acquisition.
- (ii) Engaging the Ministry of Water, Sanitation and Irrigation in ensuring that allocated funds are disbursed in time.
- (iii) The Agency has requested the Ministry of Water, Sanitation and Irrigation to engage with other government Agencies on matters of land easement.
- (iv) The Agency has engaged the National Government Administration Offices in Mandera to ensure the contractor is safe.

2.9 Summary of Programme Compliance

- (i) The Programme complied with all applicable Laws and Regulations therefore no consequence was /is likely to be suffered on account of non-compliance.
- (ii) There were no mitigation measures taken or planned to be taken as there were no adverse effects of actual or potential consequence of non-compliance.
- (iii) The Agency ensures compliance with the requirement before commencement of a Programme.

3. Statement of Performance against Programme's Predetermined Objectives

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, the Accounting Officer include a statement of the National Government entity's performance against predetermined objectives at the end of each financial year.

The key development objectives of the Programmes are to:

- a) Increase water coverage where the water needs are not being addressed by any other Development Partners in 10 No. towns.
- b) Increase sewerage coverage where sanitation needs are not being addressed by any other Development Partners in 12 No. towns
- c) Increase water and sewer access through Last Mile Connectivity to customers to complement the completed Programme in the towns of Murang'a, Othaya, Garissa and Isiolo.
- d) Improve Water quality testing by constructing laboratory and equipping of the laboratory in 7 No. Kenya towns.
- e) Improve the quality of effluent discharge by constructing and equipping of 7No. laboratories.
- f) Enhance employee capacity through training.
- g) Enhancing efficiency in billing processes by installing billing softwares in 6 WSPs.
- h) Reducing Non-Revenue Water through procuring of water meters and Leak Detection Equipments.
- i) Enhance Resilience against climate change by Construction of Biogas Production Unit in 3 No. Secondary Schools.
- j) Enhance operational efficiency through installation of Enterprise Resource Planner System (ERP).
- k) Enhance sanitation hygiene of locals through procurement of procurement of 8 No. of Vacuum Exhausters.

To address these gaps Tana Cluster is implementing the following Projects:

Chogoria Water Supply Infrastructure



Figure 1: Chogoria Water Supply Infrastructure-Intake

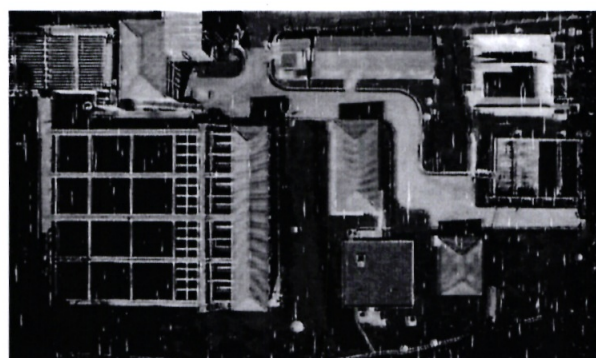


Figure 2: Chogoria Water Supply Infrastructure Treatment Plant

Chuka Water Supply Infrastructure

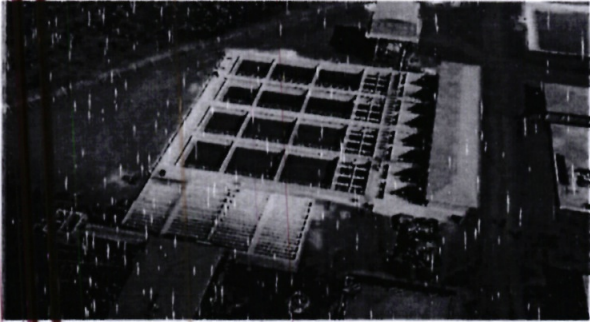


Figure 3: Chuka Water Supply Infrastructure- Treatment Plant



Figure 4: Chuka Water Supply Infrastructure-Ikuu Reinforced Concrete Tank

Kerugoya Kutus Water Supply Infrastructure

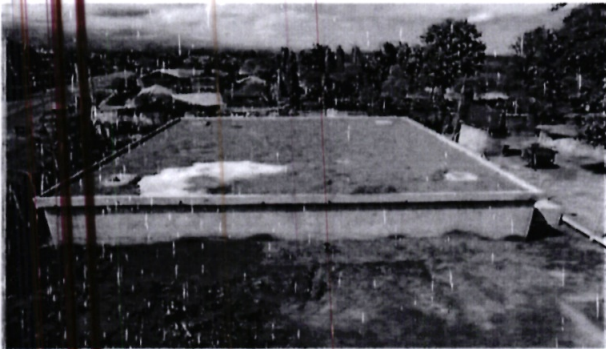


Figure 5: Kerugoya Kutus Water Supply Infrastructure - Githioro Tank

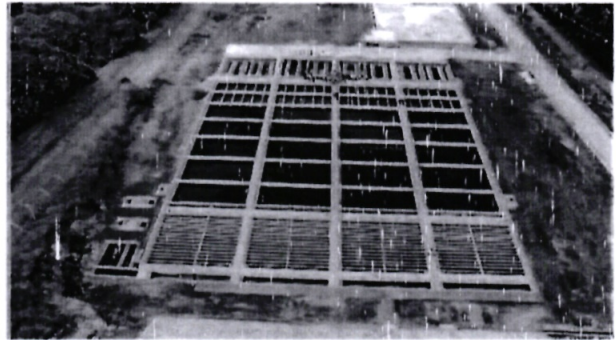


Figure 6: Kerugoya Water Supply Infrastructure- Treatment Plant

Marsabit Water Supply Infrastructure

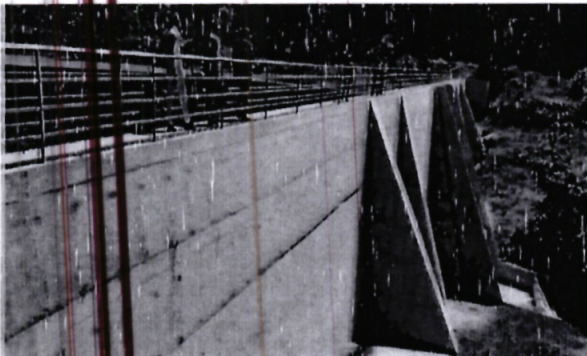


Figure 7: Marsabit Water Supply Infrastructure -Bakuri Dam



Figure 8: Marsabit Water Supply Infrastructure- Composite Filtration Unit

Mandera Water Supply Infrastructure



Figure 9: Mandera Water Supply Infrastructure- Reinforced Concrete Tank



Figure 10: Mandera Water Supply Infrastructure Sedimentation Tank

Garissa Water Supply Project -Last Mile Connectivity



Figure 11: Garissa Water Supply Project-Iftin Girls Elevated Tank



Figure 12: Garissa Water Supply Project- Storage Tank

Muranga Urban Water Supply Project- Last Mile Connectivity



Figure 13: Muranga Urban Water Supply-Washout Chamber

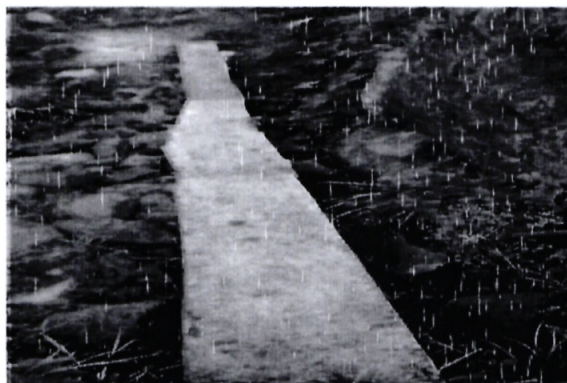


Figure 14: Muranga Urban Water Supply -Pipe Protection

Muranga South Water Supply Project -Last Mile Connectivity

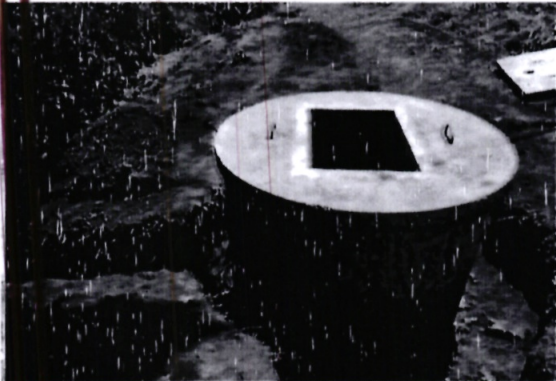


Figure 15: Muranga South Water Supply- Washout Chamber

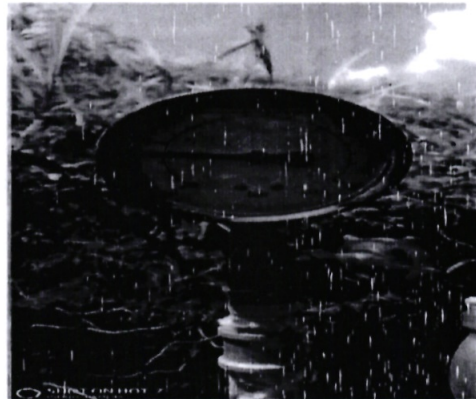


Figure 16: Muranga South Water Supply – Pipe Pressure Testing

Isiolo Water Supply and Sewerage Project- Last Mile Connectivity

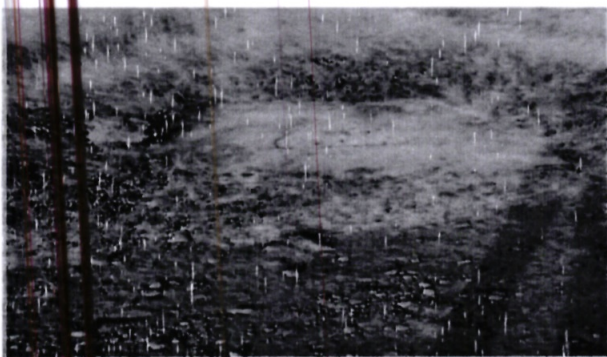


Figure 17: Isiolo Water Supply & Sanitation Project -Sewer Manhole



Figure 18: Isiolo Water Supply & Sanitation Project- Kiwanjani Sewer Line

Chogoria Sewerage Infrastructure



Figure 19: Chogoria Sewerage Infrastructure- Inlet Works



Figure 20: Chogoria Sewerage Infrastructure- Anaerobic Pond

Chuka Sewerage Infrastructure

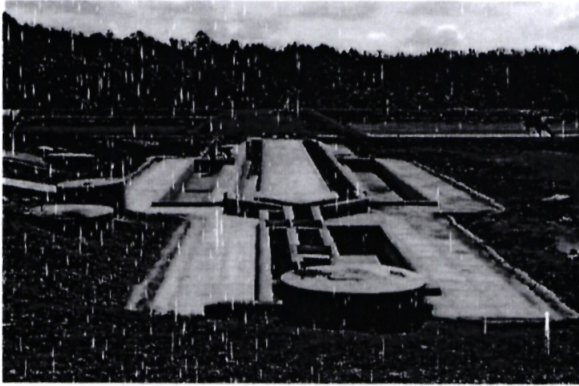


Figure 21: Chuka Sewerage Infrastructure-Inlet Works

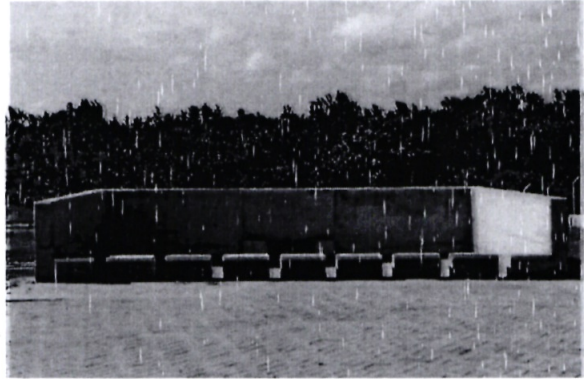


Figure 22: Chuka Sewerage Infrastructure Sewerage-Discharge Bay

Kerugoya Kutus Sewerage Infrastructure



Figure 23: Kerugoya Kutus Sewerage Infrastructure-Anaerobic Pond



Figure 24: Kerugoya Kutus Sewerage Infrastructure - Inlet Works

Marsabit Sewerage Infrastructure

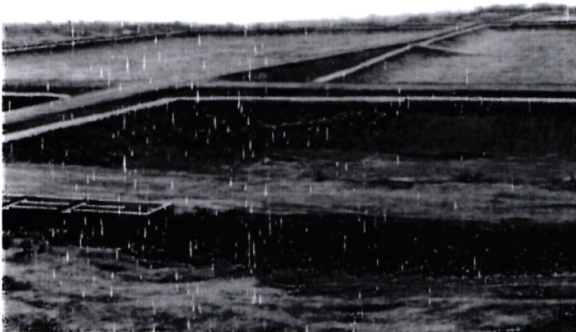


Figure 25: Marsabit Sewerage Infrastructure-Treatment Plant I



Figure 26: Marsabit Sewerage Infrastructure-Treatment Plant II

Mandera Sewerage Infrastructure



Figure 27: Mandera Sewerage Infrastructure- Facultative Ponds

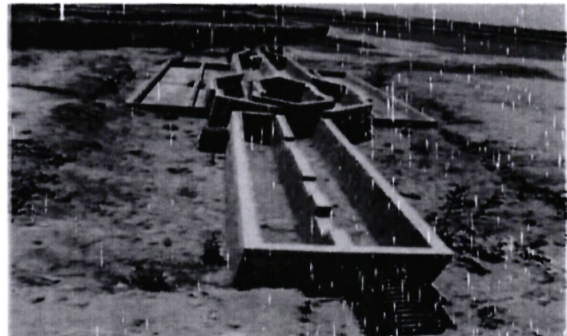


Figure 28: Mandera Sewerage Infrastructure- Sewer Inlet

Meru Sewerage infrastructure

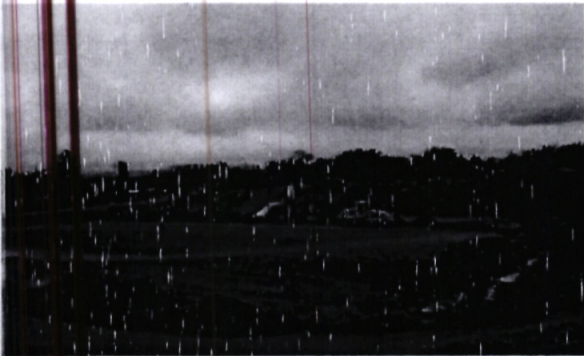


Figure 29: Meru sewerage-compaction facultative pond base compaction



Figure 30: Meru sewerage-anaerobic pond construction in progress

Othaya Sewerage Project- Last Mile Connectivity

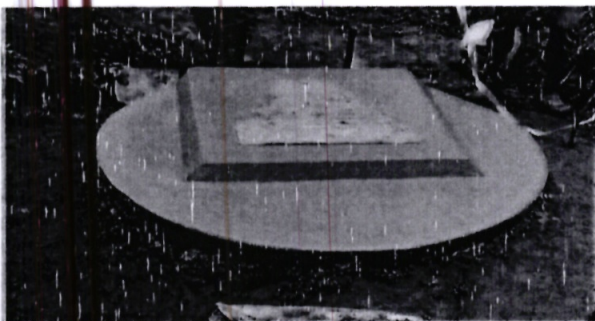


Figure 31: Othaya Sewerage Project- Sewer Manhole

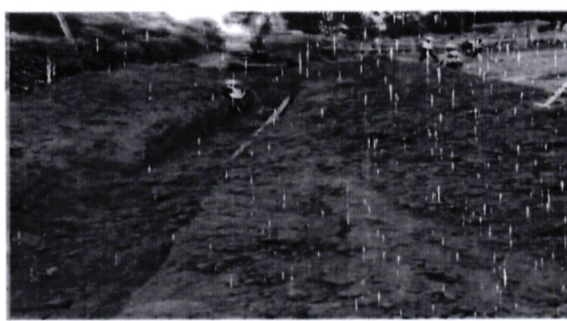


Figure 32: Othaya Sewerage Project- Pipe Laying

Kiawara Decentralised Treatment Facility



Figure 33: Kiawara DTF-Anaerobic Bio Reactor



Figure 34: Kiawara DTF-Balancing Tank

Othaya Sewerage Project-Phase II Last Mile Connectivity



Figure 35: Othaya Sewerage Last Mile Connectivity-Phase 2 Incinerator

Capacity Building



Figure 36: Vacuum Exhausters

To implement and cascade the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified to track progress and performance measurements shown in table 9 below:

Table 9: Project Implementation Progress

Project	Objective	Outcome	Indicator	Performance
Kerugoya-Kutus Water Supply Project.	To improve the access, quality, availability and sustainability of water with a view to catalysing commercial activities, driving economic growth and employment creation.	Improved Water Supply Services	<ul style="list-style-type: none"> • Kiringa Intake 20,000m³ constructed. • Thiba Intake 10,000m³ constructed. • DN 450 Kiringa Raw Water Mains 1.8 Km installed. • DN 300 Thiba Raw Water Mains 4.3 Km installed. • 30,000 m³/day capacity Muratiri Treatment works constructed. • 3 No. Storage tanks (Kanjogu-2,000m³, Gakoigo 3,000m³ and Sagana 1500m³) constructed. • 57 Km transmission Mains ranging from Diameter 500mm-250mm GRP/HDPE pipes installed. 	In FY 2023/2024 the overall works implemented was 100%
Kerugoya-Kutus Sewerage Project	To improve the access to wastewater management services in with a view to catalysing commercial activities, driving economic growth, employment creation.	Improved Sanitation Services	<ul style="list-style-type: none"> • 4800m³ capacity Wastewater treatment plant constructed. • 32.085Km Trunk Sewer Mains of Diameters ranging from 700-225mm installed. • Staff Houses, Administration Building and ancillary Works constructed. 	Overall works implemented was 100%

Project	Objective	Outcome	Indicator	Performance
Chuka Water Supply Project	To improve the access, quality, availability and sustainability of water with a view to catalysing commercial activities, driving economic growth and employment creation.	Improved Water Supply Services	<ul style="list-style-type: none"> • New Reinforced Concrete Intake on confluence • of Ruguti & Manyaga • River constructed. • 15,000 m³/day capacity Kirege Treatment works constructed. • New ND 450mm, 7.0 Km long Steel Pipe Raw Water Gravity Main installed. • Transmission Pipelines, Total Length 9Km installed. • 2 Nr. Storage Tanks, Total Capacity – 1,000m³ constructed. • Distribution Pipelines of Total Length 2.0Km installed. 	Overall works implemented was 93%
Chuka Sewerage Project	To improve the access to wastewater management services in with a view to catalysing commercial activities, driving economic growth, employment creation.	Improved Sanitation Services	<ul style="list-style-type: none"> • 1,100m³/day capacity Ntutuni Wastewater Treatment plant constructed. • Trunk Sewer Mains/Secondary Sewers of Diameters ranging from 200-400mm DWC of length 38Km installed. • Staff Houses, Administration Building and ancillary Works constructed. 	Overall works implemented was 92%
Chogoria Water Supply Project	To improve the access, quality, availability and sustainability of water with a view to catalysing commercial activities, driving	Improved Water Supply Services	<ul style="list-style-type: none"> • South Mara Intake works 15,000m³ capacity constructed. • 2 Km Raw Water Mains installed. • Kibaranu Water Treatment works of 	Overall works implemented was 100%

Project	Objective	Outcome	Indicator	Performance
	economic growth and employment creation.		15,000M3 Capacity constructed. <ul style="list-style-type: none"> • 13.6Km Transmission mains of Diameters ranging from 350mm to 200mm installed. • 3 No. Storage tanks (Kianjagi-1000m³, Kairuni-500m³ and Iruma-100m³) constructed. 	
Chogoria Sewerage Project	To improve the access to wastewater management services in with a view to catalysing commercial activities, driving economic growth, employment creation.	Improved Sanitation Services	<ul style="list-style-type: none"> • 550m³/day Capacity Wastewater Treatment plant constructed. • 29 Km of 300-200mm Diameter Trunk Sewer Mains/ Secondary Sewers installed. • Staff Houses, Administration Building and ancillary Works constructed. 	Overall works implemented was 97%
Meru Sewerage Project	To improve the access to wastewater management services in with a view to catalysing commercial activities, driving economic growth, employment creation.	Improved Sanitation Services	<ul style="list-style-type: none"> • 8,000m³/day Capacity Wastewater Treatment Plant constructed. • DN 600-300mm DWC Trunk Sewer Mains/Secondary Sewers of length 56Km installed. • Staff Houses, Administration Building and ancillary Works constructed. 	Overall works implemented was 73%
Mandera Water Supply Project	To improve the access, quality, availability and sustainability of water with a view to catalysing commercial activities, driving economic growth and employment creation.	Improved Water Supply Services	<ul style="list-style-type: none"> • Intake Works on Daua River constructed. • 5 No. Infiltration wells constructed. • Water Treatment plant of 16,000 M3/Day Capacity constructed. 	Overall works implemented was 72%

Project	Objective	Outcome	Indicator	Performance
			<ul style="list-style-type: none"> • 213 Km of Rising Mains, Transmission and Distribution pipelines installed. • Storage tank of 5000 M3 at Bul Galas constructed. • 7 No. Steel Elevated Storage Tanks constructed. 	
Mandera Sewerage Project	To improve the access to wastewater management services in with a view to catalysing commercial activities, driving economic growth, employment creation.	Improved Sanitation Services	<ul style="list-style-type: none"> • 6,000 m³/day capacity Wastewater Treatment Plant constructed. • 48.5Km of Trunk Sewer Mains/Secondary Sewers of Diameter 900-160mm PCC pipes installed. • Construction of Staff Houses, Administration Building and ancillary Works constructed. 	Overall Works implemented was 73%
Marsabit Water Supply Project	To improve the access, quality, availability and sustainability of water with a view to catalysing commercial activities, driving economic growth and employment creation.	Improved Water Supply Services	<ul style="list-style-type: none"> • Bakuli 4 Dam of 20M Height constructed. • 7 Km DN 200mm rising water main installed. • Treatment Works of Capacity 1,300 M3/Day constructed. • New Gravity Main 6Km length, Diameter 150 mm installed. • 3 No Storage Tanks 100m³ each constructed. 	Overall works implemented was 100%
Marsabit Sewerage Project	To improve the access to wastewater management services in with a view to catalysing commercial	Improved Sanitation Services	<ul style="list-style-type: none"> • 4.7 Km Trunk sewer of Diameters ranging from 300-375mm constructed. 	Overall works implemented was 88%

Project	Objective	Outcome	Indicator	Performance
	activities, driving economic growth, employment creation.		<ul style="list-style-type: none"> • 22.7 Km Secondary sewers of Diameter 225mm installed. • Sewerage treatment works of 5700m³/day capacity constructed. • Staff Houses, Administration Building and ancillary Works constructed. 	
Garissa Water Supply Project-Last Mile Connectivity	To improve the access, quality, availability and sustainability of water with a view to catalysing commercial activities, driving economic growth and employment creation.	Improved Water Supply Services	<ul style="list-style-type: none"> • 4 No. Boreholes drilled and equipped. • 2 No Boreholes rehabilitated. • 6Km Transmission pipeline of Diameter 300mm installed. • 2 No. elevated steel Storage tanks of capacity 300m³ each constructed. 	Overall works implemented was 100%
Isiolo Water Supply and Sewerage Project-Last Mile Connectivity	To improve the access, quality, availability and sustainability of water supply and wastewater management services	Improved Water Supply and Sewerage Services	<ul style="list-style-type: none"> • 9.454 Km of Water Supply Pipelines of Diameters ranging from 160-63mm installed. • 12.125Km of Sewer pipelines of diameter 200mm installed. 	Overall works implemented was 100%
Murang'a Urban Water Supply Project-Last Mile Connectivity	To improve the access, quality, availability and sustainability of water with a view to catalysing commercial activities, driving economic growth and employment creation.	Improved Water Supply Services	<ul style="list-style-type: none"> • 7 Km Water Supply Pipelines of 280mm Diameter installed. 	Overall works implemented was 100%

Project	Objective	Outcome	Indicator	Performance
Murang'a South Water Supply Project-Last Mile Connectivity	To improve the access, quality, availability and sustainability of water with a view to catalysing commercial activities, driving economic growth and employment creation.	Improved Water Supply Services	<ul style="list-style-type: none"> 6 Km Water Supply Pipelines of 160mm Diameter installed. 	Overall works implemented was 100%
Othaya Sewerage Project-Last Mile Connectivity	To improve the access to wastewater management services in with a view to catalysing commercial activities, driving economic growth, employment creation.	Improved Sanitation Services	<ul style="list-style-type: none"> 2 No. Ablution Blocks constructed Sludge Drying Bed constructed. 7.8 km Sewer pipelines of diameter 200mm installed. 	Overall works implemented was 100%
Construction of Biogas Domes in 3 No. towns	To build resilience against climate variability and change.	Resilience against climate variability and change.	<ul style="list-style-type: none"> Biogas domes for 3 secondary schools (Ngaru girls, Siakago Girls and Gatuanyaga secondary schools) constructed. 	Overall works implemented was 5%
Othaya Sewerage Project-Last Mile Connectivity - phase 2	To improve the access to wastewater management services in with a view to catalysing commercial activities, driving economic growth, employment creation.	Improved Sanitation Services	<ul style="list-style-type: none"> 16.9 Km Sewer pipelines of diameter 200mm constructed. Incinerator constructed. 	Overall works implemented was 9%
Construction of Kiawara decentralized waste water treatment Facility	To improve the access to wastewater management services in with a view to catalysing commercial activities, driving economic growth, employment creation.	Improved Sanitation Services	<ul style="list-style-type: none"> Operator's house, discharge Bay, Balancing Tank, anaerobic Bio reactor, Filters and polishing ponds constructed. 	Overall works implemented was 55%

**Tana Water Works Development Agency
Kenya Towns Sustainable Water Supply and Sanitation Programme
Annual Report and Financial Statements for the financial year ended June 30, 2024**

Project	Objective	Outcome	Indicator	Performance
Procurement of Exhausters	To build capacity of water service providers	Improved Capacity of Water Service Providers towards service provision	<ul style="list-style-type: none"> 8 No. Exhausters procured 	8 No. Exhausters handed over to 5 Water Companies
Procurement of Water Meters and Leak Detection Equipment	To build capacity of water service providers	Improved Capacity of Water Service Providers towards service provision	<ul style="list-style-type: none"> Water meters and leak detection equipment's were procured and delivered. 	Water meters and leak detection equipment's have been supplied
Procurement of Enterprise Resource Systems	To Build Capacity of 2 No. Water Works Development Agencies	Improved Capacity of Water Works Development Agencies in Business Processes	<ul style="list-style-type: none"> Installed ERP Hardware 	The overall works is at 100%.
Training of Water Works Development Agency and Water Service Providers Staff	To build capacity of Works Development Agency and Water Service Providers Staff	Improved Capacity of WWDA and WSP in Human Resource	<ul style="list-style-type: none"> WWDA and WSP Staff Trained 	22No. Staff Trained
Consultancy for Nanyuki town Sewerage extension	To undertake Detailed Design of Water Supply and Sanitation projects for future investment and funding.	Improved Sanitation Services	<ul style="list-style-type: none"> Final Design report 	The overall progress was at 90%.
Consultancy for Loiyangalani water and sewerage project	To undertake Detailed Design of Water Supply and Sanitation projects for future investment and funding.	Improved Water Supply and sanitation Services	<ul style="list-style-type: none"> Final Design report 	The overall progress was at 100%.
Gender informed sustainability	To promote establishment of gender factors	Improved Capacity of WWDA and WSPs on	<ul style="list-style-type: none"> Gender informed sustainability study report 	The overall progress was at 50%.

Project	Objective	Outcome	Indicator	Performance
studies for WSPs and Strategic Plan for Tana Water Works Development Agency	influencing sustainability of handed over constructed water and sewerage projects in the respective water service providers areas of operation	Gender informed sustainability studies		
Consultancy services for evaluating institutional arrangements and service delivery mechanisms for sanitation systems in Nanyuki and Loiyangalani	To undertake an evaluation of institutional arrangements and service delivery mechanisms for Designed sanitation systems in Nanyuki and Loiyangalani which are earmarked for future funding.	Improved Water Supply and sanitation Services	<ul style="list-style-type: none"> • Institutional arrangements and service delivery mechanisms report 	The overall progress was at 90%.

4. Environmental and Sustainability Reporting

i. Sustainability Strategy

While the program will be implemented by the Agency in line with the institutional framework and systems in existence in Kenya, operation and maintenance of the infrastructure is the responsibility of the Water Service Providers (WSPs) that fall under the control and responsibility of the county governments. For financial and operational sustainability of the WSPs, the program intends to support the WSPs to build their capacities through training and provision of equipment to support credit control, billing and collection systems, reduction in and management of NRW, asset management and good governance. Reduction in NRW and efficiency improvements in water and sewerage systems will result in improvements in the financial health of the WSPs, enabling them to reinvest in improvements, increasing connections and staff retention. Furthermore, the WASREB has in place tariff setting guidelines, which ensure the setting of fair tariffs that also provide for pro-poor mechanisms.

ii. Environmental Performance

The programme is principally classified as an Environmental Category 2 according to the African Development Bank (AfDB)'s Integrated Safeguards System (ISS). As required at inception stage, an Environmental and Social Management Framework (ESMF) was prepared and approved. The ESMF mandated the borrower to identify, assess and mitigate the adverse environmental and social impacts of the proposed interventions and carry out appropriate actions to enhance the positive impacts.

The safeguards triggered by the projects are:

- i. Operational safeguard 1 (OS1) - Environmental and social assessment, which requires borrowers to conduct environmental and social assessments and develop as an integral part of project documentation, an appropriate plan for managing possible impacts.
- ii. Operational Safeguard 2 (OS2) - Involuntary Resettlement: Land Acquisition, Population Displacement and Compensation.
- iii. Operational Safeguard 3 (OS3) - Biodiversity and Ecosystems Services.
- iv. Operational Safeguard 4 (OS4) - Pollution Prevention and Control, Hazardous Materials and Resources Efficiency.
- v. Operational Safeguard 5 (OS5) - Labour Conditions, Health and Safety

This necessitated preparation of the following safeguards instruments:

- Environmental and Social Impact Assessment for the respective projects.
- The Environmental and Social Management framework for the Kenya Towns Sustainable Water Supply and Sanitation Program was approved by AfDB in July 2016.
- Resettlement Action Plans (RAP) for the respective projects.

In line with the already prepared ESMF, site specific ESMPs have been prepared for each sub-project to identify the significance and magnitude of potential impacts as well as the mitigation measures to minimize, avoid and compensate for all environmental and social risks. Some of the measures anticipated in the ESMF include re-vegetating disturbed lands in construction areas, erosion control, ensure environmental flows, implement appropriate system to manage solid wastes, ensure discharge effluent as per NEMA Water Quality Regulation, and implementing sustainable catchment management plans to reverse forest cover loss and land degradation, siting of sewage treatment facilities at least 10 km from town centres, and educating communities on personal hygiene and environmental sanitation.

iii. Employee Welfare

The program intends to enhance employment and empowerment opportunities that will target both women and youths within the intervention areas. It is anticipated that 3 categories of job opportunities will be created through the program: (i) direct jobs comprise mainly temporary jobs created during construction - over 10,000 jobs are anticipated, (ii) indirect jobs that will help local supply industries to develop, including manufacturers of pipes, water pumps, chemical companies, security services, cement manufacturers, and training providers, and (iii) permanent jobs will be created to support the operation and maintenance of the water supply and wastewater infrastructures, including water kiosk operators, plumbers, wastewater treatment operators, septic tank emptying service providers, sewer pipe cleaners and new staff for the WSPs.

In order to maximize the job opportunities and create equitable access and shared prosperity, the program interventions target women and youths for skills development and training on management, and water and sanitation businesses. The program will ensure that at least 30% of trainees in the skill development interventions are women. In addition, internships have been created under the program to equip and provide youth with exposure to professional level skills.

The programme is firmly committed to ensuring the occupational health, safety and well-being of our employees, contractors and visitors. Our commitment to occupational health and safety is underpinned by our core values: "Good governance", and "customer-focus".

iv. Market place practices

The Agency outlined its efforts to: -

a) Responsible supply chain and suppliers' relations

The Agency commits to ensure ease of doing business by promptly making payments to its suppliers thus improving its Agency-Supplier relationship.

b) Responsible ethical practices

The Agency is committed to promoting and adhering to the highest standards of probity and accountability in the use of its funding and takes a zero-tolerance stance towards cases of fraud and corruption in its activities and operations, both within the institution and under its Programme. To this end the Agency has developed and implemented four anti-corruption policies and continues to train staff both at the Agency and Water Service Provider. The Agency also ensures to remain apolitical in its endeavors.

c) Regulatory impact assessment

The Agency educates its stakeholders and makes them aware of their responsibilities and rights. Consumers must work united, to promote and protect their own interest. As the Agency designs and implements its water and sanitation infrastructure Programmes, it ensures that there is minimal impact on the environment. Environmental Social Impact Assessment is undertaken in all Programmes before implementation takes place.

v. Community Engagements

Working with our partners, local stakeholders and the communities themselves, the Agency contributes to community sustainability by providing local jobs in our Programmes, fostering an enterprise culture throughout our value chain, sourcing from local businesses (promoting local content in procurement) where feasible and addressing local concerns through community investment programmes. We undertake this through our stakeholder engagement framework that supports a wider, holistic approach to local economic development driven by the following focus areas; Water access: Water is life. There are many communities in the Agency area of jurisdiction that have no access to clean and safe water. This is due to reasons such as lack of rainfall and poor infrastructure. In response to this, the Agency has continuously partnered with various agencies in the provision of safe, reliable and sustainable water supply to communities living in water-stressed areas. We continue to invest heavily in water Programmes that have positive and long-term impact on thousands of people by: reducing the incidence of water-borne diseases and by releasing time otherwise spent by women and children in search of water for alternative income generating activities. The Agency promotes healthcare through provision of safe and clean water and enhanced sanitation that ensures reduction in water borne diseases. The Agency's legal and constitutional mandate is development and maintenance of national public water and sanitation works.

5. Statement of Programme Management Responsibilities

The Chief Executive Officer, Tana Water Works Development Agency and the Programme Coordinator for AfDB Programme are responsible for the preparation and presentation of the Programme's Financial Statements, which give a true and fair view of the state of affairs of the Programme for and as at the end of the financial year ended on June 30, 2024.

This responsibility includes:

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

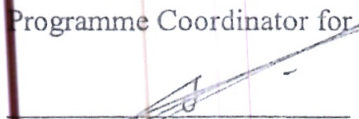
The Chief Executive Officer, Tana Water Works Development Agency and the Programme Coordinator for AfDB funded programme accept responsibility for the Programme's Financial Statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Chief Executive Officer, Tana Water Works Development Agency and the Programme Coordinator for AfDB funded Programme are of the opinion that the Programme's Financial Statements give a true and fair view of the state of Programme's transactions during the financial year ended June 30, 2024, and of the Programme's financial position as at that date. The Chief Executive Officer, Tana Water Works Development Agency and the Programme Coordinator for AfDB funded programme further confirm the completeness of the accounting records maintained for the Programme, which have been relied upon in the preparation of the Programme Financial Statements as well as the adequacy of the systems of internal financial control.

The Chief Executive Officer, Tana Water Works Development Agency and the Programme Coordinator for AfDB funded Programme confirm that the Programme has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Programme funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Programme Financial Statements


The Programme Financial Statements were approved by the Chief Executive Officer for TWWDA and the Programme Coordinator for AfDB funded Programme on 15/10/2024 and signed by:



Eng. Philip Gichuki, MBS
Chief Executive Officer



Arthur Mamo
Programme Coordinator



CPA Nicholas Kariuki
Programme Accountant
ICPAK Member No: 6863

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REPORT OF THE AUDITOR-GENERAL ON KENYA TOWNS SUSTAINABLE WATER SUPPLY AND SANITATION PROGRAMME (AfDB LOAN NO.2000200000501) FOR THE YEAR ENDED 30 JUNE, 2024 - TANA WATER WORKS DEVELOPMENT AGENCY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on the Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Unmodified Opinion indicates the books of accounts and underlying records agree with the financial statements and that no materials misstatements were found. The financial statements present fairly, in all material respects the operations of the entity. An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, is effective in the use of resources, or that its internal control, risk management and governance systems are properly designed and working effectively in the financial year under review.

The Unmodified Opinion on the report on the Financial Statements should be read together with the report on the Lawfulness and Effectiveness in the Use of Public

Report of the Auditor-General on Kenya Towns Sustainable Water Supply and Sanitation Programme (AfDB Loan No.2000200000501) for the year ended 30 June, 2024 - Tana Water Works Development Agency

Resources, and the report on the Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Kenya Towns Sustainable Water Supply and Sanitation Programme set out on pages 1 to 18, which comprise the statement of financial assets as at 30 June, 2024, and the statement of receipts and payments, statement of cash flows and the statement of comparative budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Kenya Towns Sustainable Water Supply and Sanitation Programme as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Loan Agreement No.2000200000501 dated 09 January, 2017 and subsequent subsidiary agreement dated 29 September, 2017 between the African Development Bank (AfDB) and the Republic of Kenya, and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Towns Sustainable Water Supply and Sanitation Programme Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.1,756,000,000 and Kshs.1,379,683,557, respectively, resulting in under-funding of Kshs.376,316,443 or 21% of the budget. This

is an indication of unrealized targets and which may be as a result of overbudgeting. There is need therefore for the programme management to prepare a realistic budget.

In the circumstances, the underfunding implies that some of the budgeted programs and activities may not have been achieved.

My opinion is not modified in respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit section of the report including in relation to these matters. Accordingly, the audit included the performance of procedures designed to respond to the assessment of the risks of material misstatement of the financial statements. The results of the audit procedures, including the procedures performed to address the matters above provide the basis for my audit opinion on the accompanying financial statements.

Other Matter

1. Unresolved Prior Year Matter

Progress on follow up on prior Year Auditor's Recommendations indicated that, various issues in the audit report of the previous year raised under the Report on Lawfulness and Effectiveness in Use of Public Resources were outstanding and unresolved. It was however, noted that the matter had been outstanding for a long period and no progress had been achieved from the prior years.

In the circumstances, the matter remains unresolved.

2. Outstanding Pending Bills

Annex 4a of other important disclosures to the financial statements reflects pending account payables balance of Kshs.129,870,252 as at 30 June, 2024. However, at the time of audit in the Month of October 2024, Kshs.73,933,423 had been paid leaving a pending balance of Kshs.55,936,829. Further, annex 4b reflects land acquisition and legal fees pending payables balance of Kshs.111,099,685 that had been outstanding for a period of more than three (3) years.

In the circumstances, the nonpayment of pending bills would indicate inadequate funding or disputed amounts in implemented works and services.

3 Long Outstanding Payables –Project Affected Persons (PAPs)

Annex 4c to the financial statements reflects pending account payables balance of Kshs.315,021,639 as at 30 June, 2024 which includes Kshs.309,730,215 in respect of outstanding land compensation to various Project Affected Persons (PAPs). The amount ought to have been settled before the project commencement as per the conditions set

out in the Loan Agreement, Section 5.04 (ii) of loan agreement between the republic of Kenya and the Africa Development Bank which states that the borrower undertakes, in form and substance satisfactory to the bank to ensure that all Projects Affected Population("PAP") are compensated in accordance with the Sub-project's Resettlement Action Plan , prior to the commencement of any construction on affected parts of the projects.

In the circumstances, the Project is at risk of incurring significant interest costs and penalties due to the continued delay in payment.

Other Information

The Management is responsible for the other information set out on page iii to xxxvi which comprise of Project Information and Overall Performance, Statement of Performance Against Project's Predetermined Activities, Environmental and Sustainability Reporting, and Statement of Project Management Responsibilities.

The Other Information does not include the financial statements and my audit report thereon.

Basis for Conclusion

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Delayed Completion of Projects

During the year under review, eighteen (18) projects with a contract sum of Kshs.8,421,064,639 were reviewed. A visit to the projects in the month of October, 2024

revealed that 10 (ten) projects with a contract sum of Kshs3,806,741 were complete and in use. However, the following unsatisfactory observations were made on eight (8) projects with a contract sum of Kshs.4,614,332, 242 whose completion was delayed as shown in the table below:

Project Description	Contract Sum (Kshs)	Amount Paid to Date (Kshs)	Revised Completion Dates	Audit Observations
Chuka Water Supply Project.	628,130,532	532,183,526	31 December, 2024	<ul style="list-style-type: none"> a) The overall completion was at 94%. b) Delays in acquisition of wayleaves for Nthirani Tank site. c) Rehabilitation of Tungu River intake, 2 Nr. raw water mains and Kiang' Ondu treatment works is at 58%.
Chuka Sewerage Project.	459,368,692	396,416,906	31 December, 2024	<ul style="list-style-type: none"> a) The overall completion was at 94% b) 5 Km of Secondary Sewer network and 111 Nr. Manholes are not yet done due to pending wayleaves acquisition. c) 2.4 Km of Trunk Sewer Network and 44 Nr. Manholes are not yet done due to pending acquisition of the wayleaves.
Marsabit Sewerage Project	1,001,017,386	747,561,987	30 June, 2025	<ul style="list-style-type: none"> a) The overall completion was at 94%. b) Supply and installation of the penstocks, measuring flume and screens are not yet done at treatment plant. c) 5.6 Kms of sewer lines with 176 No. Manholes are not yet done due to the delay in acquisition of the wayleaves. d) 7 No. Manhole for public institutions have not yet been connected to the sewer lines..

Project Description	Contract Sum (Kshs)	Amount Paid to Date (Kshs)	Revised Completion Dates	Audit Observations
Mandera Sewerage Project	1,523,674,239	1,005,869,218	30 June, 2025	a) The overall completion was at 76%.
Meru Sewerage Project	874,506,524	504,932,967	9 December, 2024	a) The overall completion was at 76%. b) Kaaga Trunk sewer line of 24.67 kilometers had not started, also work component in the treatment works such as outfall structure had not started.
Construction of Decentralized Treatment Facility for Kiawara Town	15,976,133	2,396,420	4 October, 2024	a) The overall completion was at 72%. b) Contract time elapsed on 4 October, 2024 and have not been extended. c) contractor was also not on site and project was not completed and thus the project had delayed
Construction of Othaya Sewerage Infrastructure – Last Mile Connectivity	75,712,014	Nil	4 October, 2024	a) The overall completion was at 17%. b) The sewer lines were done for about 2.3km out of the expected 17km, due to the delay of the approval of the master list by The National treasury. c) Construction of solid waste incinerator at 98%. d) No approval of time extension by the management.
Construction of Biogas Production Domes for 3 No. Secondary Schools	35,937,722.	Nil	5 October, 2024	a) Not yet started. b) contract time had elapsed, performance bond dated 11 August, 2023 also expired on 01 October, 2024 and have not been renewed.
Total	4,614,332,242	3,189,361,024		

Review of records including contract agreements for the works being implemented by both Tana Water Works Development Agency and Northern Water Works Development Agency show that various contract agreements for the implementation of the Projects were signed in 2018 and early 2019 with various revised completion dates set. However, the completion dates of 3 out of the 8 projects had since expired without completion, while the remaining project's scope of works may not be achieved within the remaining time frame. In addition, the Mandera Water Supply project had stalled due to a dispute in court lodged by the contractor.

In the circumstances, there is risk of the projects not being completed thereby denying the public the benefits that were to arise from the usage.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by African Development Bank Loan Agreement No. 2000200000501 dated 09 January, 2017, except for the matters under Emphasis of Matter, Other Matter and the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, I report based on my audit that:

- i I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit;

- ii In my opinion, adequate accounting records have been kept by the Programme, so far as it appears from the examination of those records; and
- iii The Programme's financial statements agree with the accounting records and returns.

The Financing Agreement requires that I report on the legal or regulatory requirements, or on performance information disclosed. These matters require expressing a separate opinion as to the Project's compliance with laws and regulations. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Programme's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Programme or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit


My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

06 November, 2024

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

	Note	2023/2024			2022/2023			*Cumulative to date
		Receipts and Payments controlled by TWWDA	Payments made by AfDB	Total	Receipts and Payment controlled by TWWDA	Payments made by AfDB	Total	
		Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
RECEIPTS								
Transfers from Government Entities	1 Pg 10	124,400,000	-	124,400,000	250,000,000	-	250,000,000	1,339,273,884
Loan from External Development Partners	2a Pg 10	-	907,118,277	907,118,277	-	830,598,892	830,598,892	4,476,471,403
Loan from External Development Partners	2b Pg 10	-	348,165,280	348,165,280	-	420,953,421	420,953,421	4,008,330,090
TOTAL RECEIPTS		124,400,000	1,255,283,557	1,379,683,557	250,000,000	1,251,552,313	1,501,552,313	9,824,075,377
PAYMENTS								
Purchase of goods and services	3a Pg 10		57,909,482	57,909,482		115,599,305	115,599,305	472,204,650
Purchase of goods and services	3b Pg 10		97,037,540	97,037,540		40,865,237	40,865,237	375,089,120
Purchase of goods and services	3c Pg 10		7,612,600	7,612,600		14,792,850	14,792,850	22,405,450
Acquisition of Non-Financial Assets	4a Pg 11	-	849,208,795	849,208,795	-	714,999,588	714,999,588	4,176,630,522
Acquisition of Non-Financial Assets	4b Pg 11	-	243,515,140	243,515,140	49,630,942	365,295,334	414,926,276	3,921,585,791
Other Grants, Transfers and Payments	5 Pg 11	124,310,471		124,310,471	200,369,069		200,369,069	856,070,313
TOTAL PAYMENTS		124,310,471	1,255,283,557	1,379,594,028	250,000,011	1,251,552,313	1,501,552,324	9,823,985,847
SURPLUS/(DEFICIT)		89,529	-	89,529	(11)	-	(11)	89,530

*Cumulative to date figures are tabulated as follows:

Receipts	Note	FY 2023/2024	FY 2022/2023	FY 2021/2022	FY 2020/2021	FY 2019/2020	FY 2018/2019	FY 2017/2018	Cumulative to date
		Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Transfers from Government Entities	1 Pg 10	124,400,000	250,000,000	350,000,000	175,000,000	300,000,000	75,000,000	64,873,884	1,339,273,884
Loan from External Development Partners	2a Pg 10	907,118,277	830,598,892	1,088,439,951	658,094,146	769,128,459	107,915,889	115,175,789	4,476,471,403
Loan from External Development Partners	2b Pg 10	348,165,280	420,953,421	1,186,461,068	754,233,908	623,217,361	599,578,737	75,720,315	4,008,330,090
Total		1,379,683,557	1,501,552,313	2,624,901,019	1,587,328,054	1,692,345,820	782,494,626	255,769,988	9,824,075,377
Payments									
Purchase of Goods and Services	3a Pg 10	57,909,482	115,599,305	96,293,198	66,239,644	13,099,232	7,888,000	115,175,789	472,204,650
Purchase of Goods and Services	3b Pg 10	97,037,540	40,865,237	83,136,377	30,774,366	-	47,555,285	75,720,315	375,089,120
Purchase of Goods and Services	3c Pg 10	7,612,600	14,792,850	-	-	-	-	-	22,405,450
Acquisition of Non-Financial Assets	4a Pg 11	849,208,795	714,999,588	1,012,099,700	623,758,653	825,968,544	125,577,784	25,017,458	4,176,630,522
Acquisition of Non-Financial Assets	4b Pg 11	243,515,140	414,926,276	1,180,080,191	878,376,987	652,663,745	552,023,452	-	3,921,585,791
Other Grants, Transfers and Payments	5 Pg 11	124,310,471	200,369,069	253,311,835	142,469,716	59,855,642	35,897,155	39,856,426	856,070,313
Total		1,379,594,028	1,501,552,324	2,624,921,301	1,741,619,366	1,551,587,163	768,941,676	255,769,988	9,823,985,847

Notes

2a, 3a, & 4a Relates to Tana Water Works Development Agency

2b, 3b, 3c & 4b Relates to Northern Water Works Development Agency

3c Relates to AfDB Loan for Northern Water Works Development Agency

The accounting policies and explanatory notes from page 5 to 13 to these financial statements are an integral part of the financial statements.

Eng. Philip Kariuki, MBS
Chief Executive Officer

Arthur Mamo
Programme Coordinator

CPA Nicholas Kariuki
Programme Accountant
ICPAK Member No: 6863

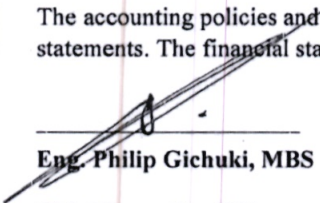


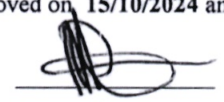
**Tana Water Works Development Agency
Kenya Towns Sustainable Water Supply and Sanitation Programme
Annual Report and Financial Statements for the financial year ended June 30 2024**

8. Statement of Financial Assets and Liabilities as at 30 June 2024

Description	Note	2023/2024	2022/2023
		Kshs.	Kshs.
Financial Assets			
Cash and Cash Equivalents			
Bank Balances	6a Pg 11	89,530	1
Cash Balances	6b Pg 11	-	-
Cash Equivalents (short-term deposits)	6c Pg 11	-	-
Total Cash and Cash Equivalents		89,530	1
Accounts receivables – Imprest and Advances		-	-
Total Financial Assets		89,530	1
Represented By			
Fund balance b/f		1	12
Prior year adjustments		-	-
Surplus/(Deficit) for the year		89,529	(11)
Net Financial Position		89,530	1

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 15/10/2024 and signed by:


Eng. Philip Gichuki, MBS
Chief Executive Officer


Arthur Mamo
Programme
Coordinator


CPA Nicholas Kariuki
Programme Accountant
ICPAK Member No:6863

Tana Water Works Development Agency
Kenya Towns Sustainable Water Supply and Sanitation Programme
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9. Statement of Cashflows for the year ended 30 June 2024

	Note	2023/2024	2022/2023
		Kshs.	Kshs.
Cashflow from operating activities			
Receipts			
Transfer from Government Entities	1 Pg 10	124,400,000	250,000,000
Total Receipts		124,400,000	250,000,000
Payments for operating activities			
Purchase of goods and services	3a Pg10	(57,909,482)	(115,599,305)
Purchase of goods and services	3b Pg10	(97,037,540)	(40,865,237)
Purchase of goods and services	3c Pg 10	(7,612,600)	(14,792,850)
Acquisition of Non- Financial Asset	4a Pg 11	(849,208,795)	(714,999,588)
Acquisition of Non- Financial Asset	4b Pg 11	(243,515,140)	(365,295,334)
Other Grants, Transfers and Payments	5 Pg 11	(124,310,471)	(200,369,069)
Total Payments		(1,379,594,028)	(1,451,921,382)
Net cash flow from operating activities		(1,255,194,028)	(1,201,921,382)
Cashflow from investing activities			
Acquisition of Assets	4 Pg 11	-	(49,630,942)
Net cash flows from investing activities		-	(49,630,942)
Cashflow from financing activities			
Proceeds from foreign borrowings	2a Pg 10	907,118,277	830,598,892
Proceeds from foreign borrowings	2b Pg 10	348,165,280	420,953,421
Net cash flow from financing activities		1,255,283,557	1,251,552,313
Net increase in cash and cash equivalent		-	-
Cash and cash equivalent at beginning of the year		1	12
Cash and cash equivalent at end of the year*		89,530	1

*Reconciliation of cash and cash equivalent at end of the year

	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Balance b/d	1	12
Receipt from Government	124,400,000	250,000,000
Less: Payments	(124,310,471)	(250,000,011)
Surplus	89,530	1

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

Tana Water Works Development Agency
Kenya Towns Sustainable Water Supply and Sanitation Programme
Annual Report and Financial Statements for the financial year ended June 30 2024

10. Statement of Comparison of Budget and Actual amounts for the year ended 30 June, 2024

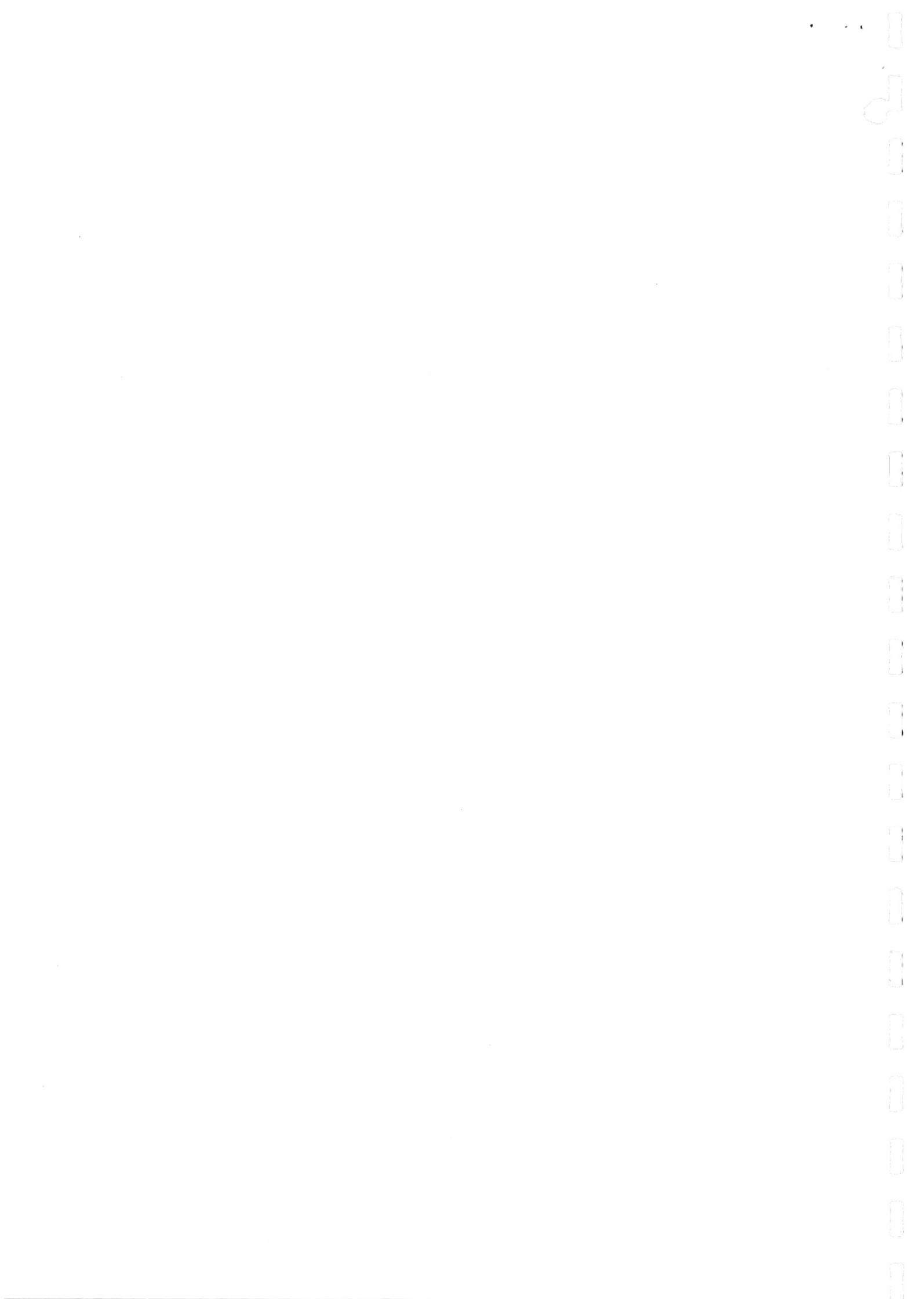
Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
Receipts	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
Transfer from Government Entities	943,830,000	(643,830,000)	300,000,000	124,400,000	175,600,000	41%
Proceeds from Borrowings*	1,287,971,500	(289,771,000)	998,200,500	907,118,277	91,082,223	91%
Proceeds from Borrowings**	1,237,218,500	(779,419,000)	457,799,500	348,165,280	109,634,220	76%
Total Receipts	3,469,020,000	(1,713,020,000)	1,756,000,000	1,379,683,557		
Payments						
Purchase of Services*	57,909,482	5,800,000	63,709,482	57,909,482	5,800,000	91%
Purchase of Services**	104,650,140	86,250,000	190,900,140	104,650,140	86,250,000	55%
Acquisition of Non- Financial Assets*	1,230,062,018	(295,571,000)	934,491,018	849,208,795	85,282,223	91%
Acquisition of Non- Financial Assets**	1,132,568,360	(865,669,000)	266,899,360	243,515,140	23,384,220	91%
Other Grants and Transfers ***	943,830,000	(643,830,000)	300,000,000	124,310,471	175,689,529	41%
Total Payments	3,469,020,000	(1,713,020,000)	1,756,000,000	1,379,594,028		
Surplus				89,529		

* Related to Tana Water Works Development Agency

** Related to Northern Water Works Development Agency

*** Related to Project Counterpart Expenditure

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



11. Significant Accounting Policies

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

a) Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of accounting, as prescribed by the PSASB and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for;

a) Receivables that include imprests and salary advances; and

b) Payables that include deposits and retentions.

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

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

b) Reporting entity

The financial statements are for the Kenya Towns Sustainable Water Supply and Sanitation Programme under The Ministry of Water, Sanitation and Irrigation as required by section 81/Section 164 of the PFM Act, 2012.

c) Reporting currency

The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Programme and all values are rounded to the nearest Kenya Shilling.

d) Recognition of receipts

The Programme recognises all receipts from African Development Bank (AfDB) when the event occurs and the related cash has actually been received by the contractor/ consultant.

i. Transfers from the exchequer

Transfer from Exchequer is being recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to Tana Water Works Development Agency.

ii. External assistance

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

iii. Other receipts

During the financial year there were no proceeds from A-in-A under this programme.

iv. Donations and grants

The Agency did not receive any donation / grants under this programme.

Significant Accounting Policies (Continued)

v. Proceeds from borrowing

Borrowing includes external loans acquired by the programme or any other debt the programme may take on will be treated on cash basis and recognized as a receipt during the year they were received.

vi. Undrawn external assistance

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

e) Recognition of payments

The Programme recognises all payments by AfDB when the event occurs and the related cash has actually been paid out by African Development Bank (AfDB).

i. Compensation to employees

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

ii. Use of goods and services

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

iii. Interest on borrowing

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

iv. Repayment of borrowing (principal amount)

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The programme did not have debt stock.

v. Acquisition of fixed assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by TWWDA and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

Significant Accounting Policies (Continued)

f) In-kind donations

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

g) Cash and cash equivalents

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

For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

h) Restriction on cash

The Agency did not have restricted cash under the programme.

i) Imprests and Advances

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

j) Contingent Liabilities

The Agency does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outlaw of resources embodying economic benefits or service potential is remote.

k) Contingent Assets

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

Significant Accounting Policies (Continued)

l) Pending bills

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

m) Budget

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

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

n) Third party payments

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

o) Exchange rate differences

The accounting records are maintained in (Kenya Shillings) which is the functional currency of the primary economic environment in which the Programme operates. Transactions in foreign currencies during the year/period are converted into the functional currency using the following:

- Goods and Works- exchange rates as provided in the individual contracts.
- Consultancy Services- exchange rate prevailing during tender evaluation.

Significant Accounting Policies (Continued)

p) Comparative figures

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

q) Subsequent events

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

r) Prior period adjustments

There were no prior period adjustments.



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12 Notes to the Financial Statements

1. Transfers from Government entities

These represent Counterpart Funding from Government as follows:

Description	2023/2024	2022/2023	Previous Years	Cumulative to date
	Kshs.	Kshs.	Kshs.	Kshs.
<i>Counterpart Funding through Ministry of Water, Sanitation and Irrigation</i>				
Counterpart funds Quarter 1	124,400,000	125,000,000	588,148,350	712,548,350
Counterpart funds Quarter 2		125,000,000	395,177,835	395,177,835
Counterpart funds Quarter 3			- 29,181,653	29,181,653
Counterpart funds Quarter 4			202,366,046	202,366,046
Total (See Annex 3)	124,400,000	250,000,000	1,214,873,884	1,339,273,884

1 (a) & (b) Loan from External Development Partners

During the financial period to 30 June 2024 we received funding from AfDB in form of loans negotiated by The National Treasury and Economic Planning as detailed in the table below:

Description	Date received	FY 2023/2024				Total amount in Kshs.		Cumulative to date
		Amount received in loan currency	Loans received in actual amount.	Loans received as direct payment	Total amount in Kshs.	FY 2023/2024	Previous Years	
						USD	Kshs.	
<i>Loans Received from multilateral Donors</i>								
(a) Africa Development Bank		8,178,283	-	907,118,277	907,118,277	830,598,892	3,569,353,126	4,476,471,403
(b) Africa Development Bank		3,023,497	-	348,165,280	348,165,280	420,953,421	3,660,164,810	4,008,330,090
Total		11,201,780		1,255,283,557	1,255,283,557	1,251,552,313	7,229,517,936	8,484,801,493

- (a) Relates to Tana Water Works Development Agency
(b) Relates to Northern Water Works Development Agency

3 (a) & (b) Purchase of Goods and Services

Description	FY 2023/2024			FY 2022/2023	Previous Years	Cumulative to date
	Payments made by TWWDA in Cash	Payments made by AfDB	Total Payments			
(a) Utilities, Supplies and Services	-	57,909,482	57,909,482	115,599,305	414,295,168	472,204,650
(b) Utilities, Supplies and Services	-	97,037,540	97,037,540	40,865,237	278,051,580	375,089,120
Total	-	154,947,022	154,947,022	156,464,541	692,346,748	847,293,770

- (a) Relates to Tana Water Works Development Agency
(b) Relates to Northern Water Works Development Agency

3 (c) Purchase of goods and services

Description	FY 2023/2024			FY 2022/2023	Previous Years	Cumulative to date
	Payments made by TWWDA in Cash	Payments made by AfDB	Total Payments			
(c) Utilities, Supplies and Services	-	7,612,600	7,612,600	14,792,850	14,792,850	22,405,450
Total	-	7,612,600	7,612,600	14,792,850	14,792,850	22,405,450

- (c) Relates to AfDB Loan for Northern Water Works Development Agency

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Notes to Financial Statements (Continued)

4 (a) & (b) Acquisition of Non-Financial Assets

Description	FY 2023/2024			FY 2022/2023	Previous Years	Cumulative to-date
	Payments made by TWWDA in Cash	Payments made by AfDB	Total Payments			
	Kshs.	Kshs.	Kshs.			
(a) Acquisition of Land	-	-	-	-	165,422,819	165,422,819
(a) Payments for Works	-	849,208,795	849,208,795	714,999,588	3,161,998,909	4,011,207,704
Sub Total	-	849,208,795	849,208,795	714,999,588	3,327,421,728	4,176,630,523
(b) Acquisition of Land	-	-	-	49,630,942	310,750,271	310,750,271
(b) Payments for Works	-	243,515,140	243,515,140	365,295,334	3,367,320,380	3,610,835,520
Sub Total	-	243,515,140	243,515,140	414,926,276	3,678,070,651	3,921,585,791
Total	-	1,092,723,935	1,092,723,935	1,129,925,864	7,005,492,379	8,098,216,314

(a) Relates to Tana Water Works Development Agency

(b) Relates to Northern Water Works Development Agency

5 Other Grants, Transfers and Payments

Description	FY 2023/2024			FY 2022/2023	Previous Years	Cumulative to-date
	Payments made by TWWDA in Cash	Payments made by AfDB	Total Payments			
	Kshs.	Kshs.	Kshs.			
Project Administrative Costs	117,271,723	-	117,271,723	164,490,296	364,501,984	481,773,707
Land Easement and Wayleaves	7,038,748	-	7,038,748	35,878,773	367,257,859	374,296,607
Total	124,310,471	-	124,310,471	200,369,069	731,759,843	856,070,314

6 Cash and Cash equivalents

Description	FY 2023/2024		FY 2022/2023	
	Kshs.		Kshs.	
Bank Account (Note 6 a)	89,530			1
Cash in Hand (Note 6 b)	-		-	-
Cash and Cash Equivalents (Short-Term Deposit) Note 6c	-		-	-
Total	89,530			1

The Agency operates KCB Bank Account A/C No. 1101-998-733 where GoK Grants for development are deposited.

6a Bank Account

Project Bank Account

Description	FY 2023/2024		FY 2022/2023	
	Kshs.		Kshs.	
Kenya Commercial Bank- A/C No. 1101-998-733	89,530			1
Total	89,530			1

Special Deposit Accounts

The Programme has no Special Deposit Account (SDA)

6b Cash in hand

There was no Cash in hand during the reporting period

6c Cash Equivalents (Short-term Deposit)

There were no Short-term Deposit during the reporting period.

7 Imprests and Advances

No Imprest was outstanding as at 30th June 2024.



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Notes to Financial Statements (Continued)

8 Fund balance brought forward

	FY 2023/2024	FY 2022/2023
	Kshs.	Kshs.
Bank Account (Note 6 a)	89,530	1
Cash in Hand (Note 6 b)	-	-
Cash and Cash Equivalents (Short-Term Deposit) (Note 6 c)	-	-
Outstanding imprest and Advances	-	-
Total	89,530	1

Others important Disclosures

9. Pending Accounts Payable -- (See Annex 4a)

Description	Balance b/f FY 2022/2023	Additional for the period	Paid during the year	*Balance c/f FY 2023/2024
	Kshs.	Kshs.	Kshs.	Kshs.
Construction of Civil Works	371,846,335	764,017,944	1,092,723,935	43,140,344
Supply of Services- Consultancy	174,968,315	74,321,216	162,559,622	86,729,909
Total	546,814,650	838,339,159	1,255,283,557	129,870,252

*Balance c/f FY 2023/2024

Description	TWWD A	NWWD A	TOTAL
	Kshs.	Kshs.	Kshs.
Construction of Civil Works	36,635,436	6,504,907	43,140,343
Supply of Services- Consultancy	3,611,000	83,118,909	86,729,909
Total	40,246,436	89,623,816	129,870,252

10. Pending Staff Payables (See Annex 4b)

Description	Balance b/f FY 2022/2023	Additional for the period	Paid for the year	Balance c/f 2023/2024
	Kshs.	Kshs.	Kshs.	Kshs.
Senior Management	N/A	N/A	N/A	N/A
Middle Management	N/A	N/A	N/A	N/A
Unionisable Employees	N/A	N/A	N/A	N/A
Total	-	-	-	-

11. Other Pending Payables - Acquisition of land pending accounts payable.(See Annex 4c)

Description	Balance b/f FY 2022/2023	Additional for the period	Paid for the year	Balance c/f 2023/2024
	Kshs.	Kshs.	Kshs.	Kshs.
Acquisition of Land Commitment	111,099,685	-	-	111,099,685
Total	111,099,685	-	-	111,099,685

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Others important Disclosures

4 External Assistance

	FY 2023/2024	FY 2022/2023
Description	Kshs.	Kshs.
External assistance received as loans from African Development Bank	1,255,283,557	1,251,552,313
Total	1,255,283,557	1,251,552,313

4a External assistance relating to loan and grants

	FY 2023/2024	FY 2022/2023
Description	Kshs.	Kshs.
External assistance received as loans from African Development Bank	1,255,283,557	1,251,552,313
External assistance received as grants	-	-
Total	1,255,283,557	1,251,552,313

b Undrawn external assistance

	Purpose for which the undrawn external assistance may be used	FY 2023/2024	FY 2022/2023
Description		Kshs.	Kshs.
Undrawn external assistance- loans	Purchase of services and acquisition of Non-Financial Assets	2,593,355,074	3,848,638,631
Undrawn external assistance- grants		-	-
Total		2,593,355,074	3,848,638,631

4c Class of providers of external assistance

	FY 2023/2024	FY 2022/2023
Description	Kshs.	Kshs.
Multilateral Donor -African Development Bank	1,255,283,557	1,251,552,313
Total	1,255,283,557	1,251,552,313

The external assistance was for infrastructure development.

4d Purpose and use of external assistance

	FY 2023/2024	FY 2022/2023
Payments by Third Parties	Kshs.	Kshs.
Use of Goods and Services	162,559,622	171,257,391
Acquisition of Non -Financial Assets	1,092,723,935	1,080,294,922
Total	1,255,283,557	1,251,552,313

4e External assistance paid by third parties on behalf of the TWWDA by Sources

	FY 2023/2024	FY 2022/2023
Description	Kshs.	Kshs.
Multilateral Donor- African Development Bank	1,255,283,557	1,251,552,313
Total	1,255,283,557	1,251,552,313

12. Related Party Disclosures

Entities and other parties related to the Kenya Towns Sustainable Water Supply & Sanitation Programme include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions.

These comprise of related parties to the Programme.

i)The National Treasury and Economic Planning

ii)The Ministry of Water, Sanitation and Irrigation

Particulars	FY 2023/2024	FY 2022/2023
	Kshs.	Kshs.
Transfers from related parties		
GoK Counterpart Grants	124,400,000	250,000,000
Total Transfers from related parties	124,400,000	250,000,000

13. Annexes

Annex 1: Prior Year Auditor- General's Recommendations

The following is the summary of issue raised by the Office of the Auditor General, and management comment that were provided to the auditor. We have nominated focal person to resolve the issue as shown below with the associated time frame within which we expect the issue to be resolved.

Reference No on the external audit report	Issue/Observations from Auditor	Management comments	Status (Resolved/ Not Resolved)	Time Frame
Other Matters				
1	<p>Unresolved prior year matter. As previously reported title deed for parcels of land valued at Kshs.7,325,775 had not been acquired. Further, annex 4(c) to the financial statements shows an analysis of other pending payables on land acquisition. This relates to various parcels of land whose value had been paid to a sum of Kshs.15,826,526 or 60% of the payable amounts for each parcel. The Management explained that these parcels of land are pending succession suit in court and that the balance will be paid upon finalization of the transfer of ownership. It was however noted that the matter had been outstanding for a long period and no progress had been</p>	<p>Land parcels amounting to Kshs.7,325,775 are pending succession suit in court.</p>	<p>Not Resolved Land parcels amounting to Kshs.7,325,775 are pending succession suit in court. The amount of Kshs.7,325,775 relates to part payment for fourteen (14) parcels of land for implementation for Chogoria and Chuka Water and Sewerage Infrastructure which are under succession and were gazetted on 13th August 2021 vide gazette notice No. 8294 for eight (8) parcels and certificate of confirmation of grant issued on 5th April 2022 for six (6) parcels of land. Therefore, the Agency is waiting completion of pending succession which are undergoing court processing.</p>	

Reference No on the external audit report	Issue/Observations from Auditor	Management comments	Status (Resolved/ Not Resolved)	Time Frame
	achieved from prior years. In the circumstances the matter remains unresolved.			
2	<p>Outstanding Pending Bills.</p> <p>The Financial statements reflects pending account payables on construction of civil works and supply services (Consultancy) amounting to Kshs.546,814,650 for the period ended 30 June 2023 as per Note 1 of other important disclosures and Annex 4a. Further annex 4c reflects Kshs.1,593,828 that had been outstanding for a period of more than three (3) years in respect to delayed conclusion of land acquisition processes of various parcels of land.</p> <p>In the circumstances the nonpayment of pending bills would indicate inadequate funding or disputed amounts in implemented works and services.</p>	<p>The funds for AfDB Direct disbursement are available. However, the payments were at various processing stages before onward transmission to the ADB Office for payment due to the lengthy payment process.</p> <p>The balance of Kshs.1,593,828 is still pending. The Agency is still waiting for succession process to be completed. However, the farmers have allowed the contractors to proceed with the works.</p>	<p>Not Resolved</p> <p>Out of Kshs.546,814,650 direct payments pending during FY 2022/2023 Kshs. 518,537,004 has been paid. The remaining pending payments are in the process of payment at The National Treasury and AfDB Offices.</p> <p>The outstanding balance of Kshs.1,598,823 for land acquisitions is still outstanding. The Agency is still waiting for succession process to be completed.</p>	

Reference No on the external audit report	Issue/Observations from Auditor	Management comments	Status (Resolved/ Not Resolved)	Time Frame
3	<p>Budgetary control and performance. Review of the statement of budget and actual amounts indicated total receipts budget of Kshs.3,030,974,00 against actual receipts of Kshs. 1,501,552,313 resulting to unrealized receipts amounting to Kshs.1,529,421,687 or 50% of the budget. This is an indication of unrealized targets and which may be as a result of overbudgeting. There is need therefore for the programme management to prepare a realistic budget. Further the total payments budget amounted to Kshs.3,030,974,000 against actual payments of Kshs.1,501,552,324, resulting to under absorption of Kshs.1,529,421,676 or 50% of the budget. There is therefore need for the programme to have a proper budgeting mechanism with a view to utilizing the budget in full for better service delivery to the public.</p>	<p>There were pending Direct payments disbursement request amounting to Kshs.546,814,650 at the close of financial year 2022/2023. This represents an overall absorption of 69.6% of the ADB Funds. The under absorption of GoK funds resulted from delay in release of counterpart funds which resulted to delay in acquisition of land and wayleave thus slowing down implementation of works. The Agency will endeavor to pay for all outstanding wayleaves and easements in order to ensure that all wayleaves are handed over to contractors. This will Fastrack delivery of services to the general public.</p>	<p>Not Resolved</p> <p>The under absorption of GoK funds resulted from delay in release of counterpart funds which resulted to delay in acquisition of land and wayleave thus slowing down implementation of works.</p> <p>The Agency will endeavor to pay for all outstanding wayleaves and easements in order to ensure that all wayleaves are handed over to contractors.</p> <p>This will Fastrack delivery of services to the general public.</p>	

Reference No on the external audit report	Issue/Observations from Auditor	Management comments	Status (Resolved/ Not Resolved)	Time Frame																											
Report on Lawfulness and Effectiveness in use of Public Resources																															
1	<p>Delay Completion of Projects During the year under review ten (10) projects with a contract sum of Kshs.6,417,810,078 were visited for verification in the month of September, 2023. Two projects with a total contract sum of Kshs. 697,378,157 had been completed and in use. Review of records including contract agreements for the works being implemented by both Tana Water works Development Agency and Northern Water Works Development Agency show that various contract agreements for the implementation of the projects were signed in 2018 and early 2019 with various revised completion dates set. However, the remaining projects scope of works may not be achieved within the remaining time frame. In addition, the Mandera Water Supply Project has stalled with a dispute lodged by the</p>	<p>The Agency is fast-tracking completion of the project to ensure that the intended benefit to the community is achieved. The Agency has been holding meetings with the contractor and also internal Rapid Results Initiative (RRI) Meetings every Wednesday with officers attached to the projects to ensure that the projects are completed in time and the intended benefit to the community is met.</p> <p>The delay in overall project completion has been occasioned by contractors cashflow challenges. The employer has issued notice to correct and subsequently, termination notice in order to re-advertise the works. The contractor obtained orders from the court to restrain the employer from terminating the contract and the courts referred the issue to arbitration. The arbitration process is ongoing. The management intends to cancel the contract and re-advertise the works as soon as the arbitration process is complete. Costs overruns are not anticipated since the</p>	<p>The overall project percentage progress has increased from then 87.5% as at 30/06/2023 to 90% as at 30/06/2024 as shown below:</p> <table border="1"> <thead> <tr> <th>Project</th> <th>Completion Rate FY 2022/2023</th> <th>Completion Rate FY 2023/2024</th> </tr> </thead> <tbody> <tr> <td>Kerugoya Kutus Sewerage Infrastructure</td> <td>92%</td> <td>100%</td> </tr> <tr> <td>Kerugoya Kutus Water Supply Infrastructure</td> <td>89%</td> <td>100%</td> </tr> <tr> <td>Chogoria Sewerage Infrastructure</td> <td>89%</td> <td>97%</td> </tr> <tr> <td>Chuka Sewerage Infrastructure</td> <td>77%</td> <td>92%</td> </tr> <tr> <td>Chuka Water Supply Infrastructure</td> <td>75%</td> <td>93%</td> </tr> <tr> <td>Meru Sewerage Infrastructure</td> <td>62%</td> <td>73%</td> </tr> <tr> <td>Marsabit Sewerage Infrastructure</td> <td>87.9%</td> <td>88%</td> </tr> <tr> <td>Marsabit Water Supply Infrastructure</td> <td>95.6%</td> <td>100%</td> </tr> </tbody> </table>	Project	Completion Rate FY 2022/2023	Completion Rate FY 2023/2024	Kerugoya Kutus Sewerage Infrastructure	92%	100%	Kerugoya Kutus Water Supply Infrastructure	89%	100%	Chogoria Sewerage Infrastructure	89%	97%	Chuka Sewerage Infrastructure	77%	92%	Chuka Water Supply Infrastructure	75%	93%	Meru Sewerage Infrastructure	62%	73%	Marsabit Sewerage Infrastructure	87.9%	88%	Marsabit Water Supply Infrastructure	95.6%	100%	
Project	Completion Rate FY 2022/2023	Completion Rate FY 2023/2024																													
Kerugoya Kutus Sewerage Infrastructure	92%	100%																													
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Chogoria Sewerage Infrastructure	89%	97%																													
Chuka Sewerage Infrastructure	77%	92%																													
Chuka Water Supply Infrastructure	75%	93%																													
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Reference No on the external audit report	Issue/Observations from Auditor	Management comments	Status (Resolved/ Not Resolved)	Time Frame
	<p>contractor in court. In the circumstances there is risk of the projects not being completed thereby denying the public the benefits that were to arise from the usage.</p>	<p>employer intends to cash the securities upon conclusion of arbitration process.</p> <p>The chairman Chartered Institute of arbitrators (CIARB) appointed an arbitrator on 22nd September 2023. The first arbitration hearing is scheduled for 29th September 2023. The management envisages to conclude the process by 31st December 2023.</p> <p>The project objectives will be achieved once the termination process is completed and the works are re-advertised and awarded to another contractor. The courts directed the matter to arbitration on 8th August 2023.</p>	<p>The arbitration process is still ongoing.</p>	

.....
Eng. Philip Gichuki, MBS
Chief Executive Officer

.....
Arthur Mamo
Programme Coordinator

Tana Water Works Development Agency
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Annex 2 - Variance Explanations - Comparative Budget and Actual Amounts for FY 2023/2024

	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation	Comments on Variance (Below 90% and above 100%)
	a	b	c=a-b	d=b/a %	
Receipts during the Year/Period	Kshs	Kshs	Kshs		
Government of Kenya	300,000,000	124,400,000	175,600,000	41%	The budget underutilisation is as a result of delay in release of allocation of counterpart funds for FY 2023/2024.
External financing	1,456,000,000	1,255,283,557	200,716,443	86%	IPCs amounting to Kshs. 129 Million has been processed and submitted to Ministry for onward transmission to AfDB. However, as at 30th June 2024 they had not been paid to the contractors/consultants. If considered the percentage of utilisation will be 95%.
Total Receipts	1,756,000,000	1,379,683,557	376,316,443		
Payments during the Year/Period					
Purchase of Services*	63,709,482	57,909,482	5,800,000	91%	
Purchase of Services**	190,900,140	104,650,140	86,250,000	55%	IPCs amounting to Kshs. 76.5 Million has been processed and submitted to Ministry for onward transmission to AfDB. However, as at 30th June 2024 they had not been paid to the consultants. If considered the percentage of utilisation will be 95%.
Acquisition of Non-Financial* Assets	934,491,018	849,208,795	85,282,223	91%	
Acquisition of Non-Financial** Assets	266,899,360	243,515,140	23,384,220	91%	
Gok Counterpart Expenditure	300,000,000	124,310,471	175,689,529	41%	The budget underutilisation is as a result of delay in release of allocation of counterpart funds for FY 2023/2024.
Total Payments	1,756,000,000	1,379,594,028	376,405,972		

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Annex 3: Reconciliation of Inter-Entity Transfer				
Kenya Towns Sustainable Water Supply and Sanitation Programme				
Break down of Transfers from Ministry of Water, Sanitation and Irrigation				
a	Government Counterpart Funding			
		Bank Statement Date	Amount (Kshs)	FY to which the amounts relate
		05/07/2023	124,400,000	FY 2022/2023
			124,400,000	
b	Direct Payment			
	TWWDA Works			
	272	11/07/2023	22,910,049.32	FY 2022/2023
	273	12/07/2023	5,727,512.37	FY 2022/2023
	265	13/07/2023	7,523,285.13	FY 2022/2023
	264	17/07/2023	46,214,465.72	FY 2022/2023
	278	27/07/2023	28,757,344.37	FY 2022/2023
	279	28/07/2023	7,189,336.03	FY 2022/2023
	257	31/07/2023	61,170,094.06	FY 2022/2023
	258	01/08/2023	26,215,754.56	FY 2022/2023
	290	07/08/2023	34,549,953.75	FY 2023/2024
	291	08/08/2023	8,637,488.55	FY 2023/2024
	289	16/08/2023	32,048,978.62	FY 2023/2024
	284	08/09/2023	22,341,633.61	FY 2023/2024
	285	08/09/2023	5,346,735.54	FY 2023/2024
	283	11/09/2023	18,101,888.25	FY 2023/2024
	282	11/09/2023	42,237,738.94	FY 2023/2024
	261	29/09/2023	549,797.34	FY 2023/2024
	286	29/09/2023	42,666,862.95	FY 2023/2024
	262	03/10/2023	120,687.15	FY 2022/2023

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		Bank Statement Date	Amount (Kshs)	FY to which the amounts relate
	287	03/10/2023	10,666,715.83	FY 2022/2023
	292	11/10/2023	13,016,812.46	FY 2023/2024
	293	13/10/2023	19,525,218.32	FY 2023/2024
	294	22/11/2023	13,563,168.46	FY 2023/2024
	271	30/11/2023	16,117,236.14	FY 2022/2023
	296	30/11/2023	49,795,992.26	FY 2023/2024
	297	30/11/2023	12,448,998.11	FY 2023/2024
	295	06/12/2023	3,390,792.16	FY 2023/2024
	298	07/12/2023	25,854,498.13	FY 2023/2024
	299	08/12/2023	6,463,624.62	FY 2023/2024
	303	05/02/2024	36,954,061.80	FY 2023/2024
	304	06/02/2024	9,238,515.39	FY 2023/2024
	311	07/03/2024	34,543,924.32	FY 2023/2024
	313	07/03/2024	16,314,229.32	FY 2023/2024
	312	07/03/2024	8,635,981.08	FY 2023/2024
	314	07/03/2024	4,078,557.42	FY 2023/2024
	305	16/04/2024	62,763,823.34	FY 2023/2024
	306	17/04/2024	26,898,781.56	FY 2023/2024
	309	08/05/2024	11,907,158.43	FY 2023/2024
	324	29/05/2024	10,507,322.29	FY 2023/2024
	323	30/05/2024	42,029,289.32	FY 2023/2024
	310	19/06/2024	2,184,487.34	FY 2023/2024
			849,208,794	

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NWWDA Works			
	Bank Statement Date	Amount (Kshs)	FY to which the amounts relate
301	01/03/2024	69,403,730.88	FY 2023/2024
302	01/03/2024	69,403,730.87	FY 2023/2024
317	10/04/2024	48,861,978.72	FY 2023/2024
316	18/04/2024	48,861,978.49	FY 2023/2024
320	19/06/2024	6,983,721.50	FY 2023/2024
		243,515,140	
TWWDA Consultancy			
270	19/10/2023	23,664,000.00	FY 2023/2024
274	14/12/2023	12,078,270.26	FY 2023/2024
318	15/04/2024	6,291,241.33	FY 2023/2024
288	08/05/2024	15,875,970.40	FY 2023/2024
		57,909,482	
NWWDA Consultancy			
256	07/07/2023	16,000,000.00	FY 2022/2023
250	11/10/2023	55,977,622.05	FY 2022/2023
249	15/11/2023	16,937,540.10	FY 2022/2023
318	15/04/2024	3,145,620.67	FY 2023/2024
246	17/04/2024	4,976,757.12	FY 2022/2023
308	22/04/2024	6,574,600.00	FY 2023/2024
315	15/05/2024	1,038,000.00	FY 2023/2024
		104,650,140	
	Total Direct Payment	1,255,283,557	
	Grand Total (a+b)	1,379,683,557	

The above amounts have been communicated to and reconciled with the parent Ministry

Programme Coordinator
Tana Water Works development Agency
Arthur Mamo



Head of Accounting Unit
Ministry of Water, Sanitation
& Irrigation,



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Annex 4a - Analysis of Pending Bills

	Supplier of Goods or Services	Date Contracted/Invoiced	Original Amount	Amount Paid To-Date	Outstanding Balance FY 2023/2024	Outstanding Balance FY 2022/2023	Comments
			a	b	c=a-b		
			Kshs.		Kshs.	Kshs.	Kshs.
A.	Construction of Civil Works- TWWDA						
1	Nanchang Municipal Engineering Development Group Company Limited	14 th November 2018	1,159,898,600	1,045,585,652	114,312,949	351,701,028	
2	Zhonghao Oversease Construction Engineering Co. Ltd	14 th November 2018	500,139,446	417,216,968	82,922,478	190,477,002	
3	Zhongmei Engineering co Ltd	26 th October 2020	628,130,533	532,183,527	95,947,006	267,000,433	
4	Zhonghao Oversease Construction Engineering Co. Ltd	20 th November 2018	459,368,692	396,416,907	62,951,785	204,324,337	
5	Oriental Construction Co Ltd	20 th November 2018	624,139,241	622,044,151	2,095,090	69,803,525	
6	Zhonghao Oversease Construction Engineering Co. Ltd	20 th November 2018	374,595,276	333,066,754	41,528,522	115,254,888	
7	Toddy Civil Engineering Co Ltd	6 th December 2018	874,506,524	504,932,967	369,573,557	402,115,587	
8	Oriental Construction Co Ltd	9 th August 2019	26,853,325	26,819,369	33,956	704,440	
9	Oriental Construction Co Ltd	9 th August 2019	55,086,207	54,285,442	800,765	1,642,631	
10	Visrom company Ltd	9 th August 2019	78,638,020	70,760,404	7,877,616	23,994,852	
11	Machine Center Limited	9th October 2023	15,976,133	-	15,976,133	0	
12	Wizpro Enterprises Limited	5th October 2023	75,712,015	-	75,712,015	0	
13	Ranju Limited	5th October 2023	35,937,722	-	35,937,722	0	
	Sub-Total		4,908,981,735	4,003,312,140	905,669,595	1,627,018,725	
B	Supply of Goods and Services -TWWDA						
1	Mangat I B Patel	2nd January 2019	140,631,663	133,999,642	6,632,021	18,314,538	
2	CAS Consulting Ltd	1st November 2018	157,760,000	149,872,000	7,888,000	31,552,000	
3	Ecosite Development Consultant	21st January 2019	104,224,640	83,379,712	20,844,928	20,844,928	
4	Isuzu East Africa Ltd	9th August 2019	38,144,827	38,144,827	0	-	
5	BSK Global Technologies Limited	26th October 2020	68,481,147	55,076,409	13,404,738	29,280,708	
6	Tiles and Carpets	27th October 2022	17,570,000	-	17,570,000	17,570,000	
7	Mariana Enterprice	1st September 2022	1,950,000	-	1,950,000	1,950,000	
8	Alpex Consulting Limited	26th May 2024	25,300,130	-	25,300,130	-	
	Sub-Total		554,062,406	460,472,590	93,589,816	119,512,173	

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	Supplier of Goods or Services	Date Contracted/Invoiced	Original Amount	Amount Paid To- Date	Outstanding Balance FY 2022/2023	Outstanding Balance FY 2022/2023	Comments
			a	b	c	d=a-c	
			Kshs.		Kshs.	Kshs.	Kshs.
C	Construction of Civil Works- NWWDA						
1	Suhufi Agencies Ltd	3 rd January 2019	1,420,417,043	1,029,080,354	391,336,689	391,336,689	
2	Sinohydro Corporation Ltd	6 th December 2018	1,039,413,014	1,005,869,218	33,543,796	131,267,752	
3	Sinohydro Corporation Ltd	6 th December 2018	722,685,030	601,109,422	121,575,608	260,382,965	
4	Sinohydro Corporation Ltd	6 th December 2018	1,001,017,386	747,561,987	253,455,399	253,455,391	
5	Dido & Sons Ltds	26 th October 2018	73,238,917	56,667,470	16,571,447	23,555,168	
6	Concordia Building and Civil Eng Co Ltd	26 th October 2018	191,467,331	171,146,599	20,320,732	20,320,732	
	Sub-Total		4,448,238,721	3,611,435,050	836,803,671	1,080,318,697	
D	Supply of Goods and Services-NWWDA						
1	Runji Consultancy	31st January 2019	154,416,385	112,072,876	42,343,509	47,320,266	
2	Saman Engineering Consultants	1st November 2018	279,888,110	184,725,320	95,162,790	168,433,036	
3	Isuzu East Africa Ltd	9th August 2019	38,144,828	38,144,828	-	-	
4	Impax Business Solutions	26th October 2020	35,902,132	2,635,150	33,266,982	33,266,982	
5	NWWDA-Training	27th May 2021	39,424,094	32,000,000	7,424,094	23,424,094	
6	Kiri Consult Ltd	27th November 2020	32,873,000	21,367,450	11,505,550	18,080,150	
7	Sari Consulting Ltd	22nd September 2023		-			
			32,637,683		32,637,683	32,637,683	
8	Gath Consulting Engineers Ltd	22nd September 2023		-			
9	Tiles and Carpets	27th October 2022	22,270,000	-	22,270,000	22,270,000	
10	Mariana Enterprices	1st September 2022	1,950,000	-	1,950,000	1,950,000	
11	Vision 4 Africa	27th October 2022	25,300,130	17,598,089	7,702,040	17,138,902	
12	Joseph Muchiri		5,196,600	1,038,000	4,158,600		
13							
	Sub-Total		668,002,961	409,581,713	258,421,249	364,521,114	
	Total		10,579,285,823	8,484,801,492	2,094,484,331	3,191,370,709	

NB:

	Kshs
1. Pending bills brought down FY 2022/2023	546,814,650
2. Payment request forwarded to MWS& I during FY 2023/2024	838,339,159
Total Payments forwarded	1,385,153,809
3. Payments made during FY 2023/2024	1,255,283,557
Pending Bills c/f as at 30th June 2024	129,870,252

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Annex 4b: Analysis of pending staff bills								
During the Financial year 2023/2024 there were no pending staff bills								
Annex 4c - Analysis of other pending payables - Land Acquisition								
	Name	Brief Description	Date Payable Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance FY 2023/2024	Outstanding Balance FY 2022/2023	Comments
A	Chuka Sewerage Project							
1	Henry Kithinji - Land L.R. Karingani/Ndagani/1938	Land acquisition for Chuka Sewerage Project	27 May, 2020	12,024,685	11,701,200	323,485	323,485	Value of Land paid is 60%
2	Jediline Muthoni - Land L.R. Karingani/Ndagani/1938	Land acquisition for Chuka Sewerage Project	27 May, 2020	420,710	192,253	228,457	228,457	Value of Land paid is 60%
3	Eliphira Kanyua - Land L.R. Karingani/Ndagani/1938	Land acquisition for Chuka Sewerage Project	27 May, 2020	331,710	151,583	180,127	180,127	Value of Land paid is 60%
4	Janet Mwendu - Land L.R. Karingani/Ndagani/1938	Land acquisition for Chuka Sewerage Project	27 May, 2020	331,710	151,583	180,127	180,127	Value of Land paid is 60%
5	Purity Murugi - Land L.R. Karingani/Ndagani/1938	Land acquisition for Chuka Sewerage Project	27 May, 2020	331,710	151,583	180,127	180,127	Value of Land paid is 60%
6	Julius Mbabu Findenzio- Land L.R. Karingani/Ndagani/11546	Land acquisition for Chuka Sewerage Project	11 June, 2020	3,779,824	3,386,927	392,897	392,897	Value of Land paid is 60%
7	Mary Njeri - Land L.R. Karingani/Ndagani/1938	Land acquisition for Chuka Sewerage Project	27 May, 2020	200,005	91,397	108,608	108,608	Value of Land paid is 60%
	Sub Total			17,420,354	15,826,526	1,593,828	1,593,828	

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Name	Brief Description	Date Payable Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance FY 2023/2024	Outstanding Balance FY 2022/2023	Comments
B	Chogoria Sewerage Infrastructure						
1	Ashford Miti M... Land L.R. WIMBI/KIRARO/665	17 March, 2020	1,159,579	625,832	533,747	533,747	Value of Land paid is 60%
2	Esther Nigana Muta - Land L.R. WIMBI/KIRARO/556	31 March, 2020	2,913,738	2,913,738	-	-	Value of Land paid is 60%
3	Mangi Chambari - Land L.R. WIMBI/KIRARO 657	07 April, 2020	2,255,717	1,381,654	854,063	854,063	Value of Land paid is 60%
	Japhet Mvambini Mutinda - Land L.R. WIMBI/KIRARO/732	07 April, 2020	2,446,343	1,272,098	1,174,245	1,174,245	Value of Land paid is 60%
4	Julian Rungu - Land L.R. WIMBI/KIRARO/599	07 April, 2020	4,892,687	2,544,187	2,348,500	2,348,500	Value of Land paid is 60%
5	Beatrice Nkucue - Land L.R. WIMBI/KIRARO/655	07 April, 2020	1,334,369	693,872	640,497	640,497	Value of Land paid is 60%
	Wilfred Kathanya - Land L.R. WIMBI/KIRARO/656	07 April, 2020	1,556,764	1,556,764	-	-	Value of Land paid is 60%
6	Jackchin Kidhueli L.R. WIMBI/MURUGI/2320	09 June, 2020	3,040,000	3,040,000	-	-	Value of Land paid is 60%
	Hellen Kabuni Kairanya - L.R. No Mwimbi/KIRARO/147	14 September, 2020	1,000,000	520,000	480,000	480,000	Value of Land paid is 60%
7	Wilfred Michemi Kiaranya - L.R. No 147	14 September, 2020	1,643,859	1,404,287	239,572	239,572	Value of Land paid is 60%
8	Nicholas Rungu Kairanya - L.R. No Mwimbi/KIRARO/147	14 September, 2020	3,217,009	2,977,437	239,572	239,572	Value of Land paid is 60%
9	Japhet Karituki Kairanya - L.R. No Mwimbi/KIRARO/147	14 September, 2020	3,851,673	3,612,101	239,572	239,572	Value of Land paid is 60%
10	James Kairanya - L.R. No Mwimbi/KIRARO/147	14 September, 2020	899,465	179,893	719,572	719,572	Value of Land paid is 60%
11	Caroline Wanja Nkonge - L.R. No Mwimbi/KIRARO/276	14 September, 2020	30,000	-	30,000	30,000	Value of Land paid is 60%
12	Wilson Mutebezi Nkiria - L.R. No Mwimbi/KIRARO/652	14 September, 2020	344,267	-	344,267	344,267	Value of Land paid is 60%
13	Frank Kinugara S Kathimbu - L.R. No Mwimbi/KIRARO/273	14 September, 2020	2,523,478	1,638,791	884,687	884,687	Value of Land paid is 60%
14	Timothy Mugendi Kathanya - L.R. No Mwimbi/KIRARO/744	14 September, 2020	808,283	613,032	195,251	195,251	Value of Land paid is 60%
15	Andelime Nkuruni Rucha - L.R. No Mwimbi/KIRARO/555	14 September, 2020	3,513,699	3,513,699	-	-	Value of Land paid is 60%
16	Ndumbui Mwangangia - L.R. No Mwimbi/KIRARO/555	14 September, 2020	5,297,079	5,297,079	-	-	Value of Land paid is 60%
17	Columen Kangai Kathanya - L.R. No Mwimbi/KIRARO/744	14 September, 2020	200,000	116,000	84,000	84,000	Value of Land paid is 60%
18	Kimathi Kathanya - L.R. No Mwimbi/KIRARO/744	14 September, 2020	1,080,383	885,132	195,251	195,251	Value of Land paid is 60%
19	Catherine Kathure Marete	07 April, 2021	4,896,550	1,958,620	2,937,930	2,937,930	Value of Land paid is 60%
	Sub Total		43,988,392	34,785,596	12,140,726	12,140,726	
C	Chogoria Water Project						
1	Lloyd Nyaga	13 March, 2020	1,000,000	400,000	600,000	600,000	60% value of Land
	Sub Total		1,000,000	400,000	600,000	600,000	

No.	Brief Description	Date Payable Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2023	Outstanding Balance 2022	Comments
D. Marsabit Sewerage Infrastructure							
1	Saleh Salim M Addulla- Land L.R. Marsabit/Mountain/538	13 March, 2020	46,362,750	16,710,750	29,652,000	29,652,000	Value of Land paid is 80%
2	Hasan Salim Mohamed- Land L.R. Marsabit/Mountain/56	13 March, 2020	46,362,750	16,710,750	29,652,000	29,652,000	Value of Land paid is 80%
3	Yusuf Ote Soko- Land L.R. Marsabit/Mountain/55	08 April, 2020	46,436,750	46,436,750	-	-	
4	Abubakar Salim Bashum- Land L.R. Marsabit/Mountain/539	19 August, 2021	46,362,750	18,545,100	27,817,650	27,817,650	Value of Land paid is 60%
5	Denge Godona Qarbiicha - Land L.R. Marsabit/JIRME/1059	21 December, 2021	1,292,000	521,000	771,000	771,000	Value of Land paid is 60%
6	Denge Godona Qarbiicha - Land L.R. Marsabit/JIRME/592	21 December, 2021	803,100	321,240	481,860	481,860	Value of Land paid is 60%
7	Fatuma Bagula - Land L.R. Marsabit/Mountain/53	17 May, 2022	3,212,400	1,284,960	1,927,440	1,927,440	Value of Land paid is 60%
8	Omar Salim - Land L.R. Marsabit/Mountain/1912	17 May, 2022	1,285,000	514,000	771,000	771,000	Value of Land paid is 60%
9	Soko Ote Soko - Land L.R. Marsabit/Mountain/2647	26 May, 2022	3,051,200	1,316,480	1,734,720	1,734,720	Value of Land paid is 40%
10	Ali Elema Kapchowa Land L.R. Marsabit/ Mountain/1911	26 May, 2022	1,461,700	584,680	877,020	877,020	Value of Land paid is 40%
11	Hibro Huka- Land L.R. Marsabit/ Mountain/1912	26 May, 2022	1,060,100	424,040	636,060	636,060	Value of Land paid is 40%
12	Khalif Kuse Kanelo	11 November, 2022	1,670,464	1,670,464	-	-	Value of Land paid is 100%
	Sub Total		199,360,964	105,040,214	94,320,750	94,320,750	
E. Mandera Water Infrastructure							
1	Osman Adow	25 July, 2022	1,320,750	1,320,750	-	-	Value of Land paid is 100%
2	Ibrahim Mohamed	25 July, 2022	1,062,000	1,062,000	-	-	Value of Land paid is 100%
3	Abdirizak Sheikh	25 July, 2022	7,502,000	7,502,000	-	-	Value of Land paid is 100%
4	Adey Ali Dierow	25 July, 2022	6,308,000	6,308,000	-	-	Value of Land paid is 100%
5	Adan Mohamed	25 July, 2022	281,750	281,750	-	-	Value of Land paid is 100%
6	Affin Hassan	25 July, 2022	5,864,000	5,864,000	-	-	Value of Land paid is 100%
7	Taruma Adan Issa	25 July, 2022	4,972,000	4,972,000	-	-	Value of Land paid is 100%
8	Nuria Adan Abdow	25 July, 2022	250,000	250,000	-	-	Value of Land paid is 100%
9	Abdi Latif Maalim	25 July, 2022	500,000	500,000	-	-	Value of Land paid is 100%
10	Fatuma Kula Hassa	25 July, 2022	499,500	499,500	-	-	Value of Land paid is 100%
11	Mohamed Hassan Maalim	25 July, 2022	712,500	712,500	-	-	Value of Land paid is 100%
12	Galgalo Beru	25 July, 2022	1,027,978	1,027,978	-	-	Value of Land paid is 100%

Name	Brief Description	Date Payable Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2023	Outstanding Balance 2022	Comments
13 Mohamed Gaiya Adan	Acquisition of land for Mandera Water Infrastructure	25 July, 2022	500,000	500,000	-	-	Value of Land paid is 100%
14 Ali Mohammed Kunaye	Acquisition of land for Mandera Water Infrastructure	25 July, 2022	500,000	500,000	-	-	Value of Land paid is 100%
15 Adan Bere Hassan	Acquisition of land for Mandera Water Infrastructure	25 July, 2022	450,000	450,000	-	-	Value of Land paid is 100%
16 Alqalim Academy	Acquisition of land for Mandera Water Infrastructure	17 October, 2022	3,900,000	3,900,000	-	-	Value of Land paid is 100%
17 Hamdi David Ali	Acquisition of land for Mandera Water Infrastructure	17 October, 2022	10,990,000	10,990,000	-	-	Value of Land paid is 100%
18 Jathan Abdi Dids	Acquisition of land for Mandera Water Infrastructure	17 October, 2022	1,320,000	1,320,000	-	-	Value of Land paid is 100%
			47,960,505	47,960,478	-	-	
			309,730,215	204,012,814	108,655,304	108,655,304	
F Legal Fees							
1 Giehuhi Mwangi	Legal Fees for Chuka Sewerage	11 May, 2020	1,426,099	811,882	614,217	614,217	50% Balance for drawing of land sale agreement for Chuka Sewerage
2 Mithiga K & Advocates	Legal Fees for Marsabit Sewerage	04 March, 2020	2,796,522	1,479,134	1,317,388	1,317,388	50% Balance for drawing of land sale agreement for Marsabit Sewerage
3 Mithiga Kariki	Legal Fees for Chogoria Sewerage	04 March, 2020	1,068,803	556,027	512,776	512,776	50% Balance for drawing of land sale agreement for Chogoria Sewerage
			5,291,424	2,847,043	2,444,381	2,444,381	
			315,021,639	206,859,857	111,099,685	111,099,685	
Sub-Total Legal Fees							
Grand Total							

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Annex 5 – Summary of fixed assets

Asset class	Opening Cost	Donations in form of Assets	Purchases/Additions in the Year	Disposals in the Year	Transfers in/(out)	Closing Cost
	2022/2023	2022/2023	2023/2024	2023/2024	2023/2024	2023/2024
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	(Kshs)	(Kshs)
	(a)	(b)	(c)	(d)	(e)	(f)= (a)+ (b)-(c)+(-) d+(-)e
Land	483,114,040	-	0	-	-	483,114,040
Total	483,114,040	-	-	-	-	483,114,040

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Appendices

S/ No.	Particulars	Remarks
1	Signed confirmations from beneficiaries in Transfers to Other Government Entities	N/A
2	Bank Reconciliations as at 30 th June 2024	N/A
3	Board of Survey Report	N/A
4	Special Deposit Account(s) reconciliation statement(s)	N/A
5	GoK IFMIS comparison Trial Balance	N/A