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REPUBLIC OF KENYA



Mombasa Pipeline Board

***Report and Accounts
for
Financial Year Ending
30th June, 1974***

Mombasa Pipeline Board

*Report and Accounts
for
Financial Year Ending
30th June, 1974*

KENYA NATIONAL ASSEMBLY

Accession: 10013249

Call No: 657-3 MPB



MOMBASA PIPELINE BOARD

P.O. Box 30521

NAIROBI, KENYA

17th December, 1974

The Minister for Water Development,
Ministry of Water Development,
P.O. Box 30521, Nairobi.

Sir,

As required by Part IV, section 13 (5) of the Mombasa Pipeline Board Act, No. 19 of 1957, I have the honour to submit the Report and Annual Accounts of the Board for the financial year ended 30th June, 1974.

Yours faithfully,

J. W. MUREITHI,
Executive Chairman,
Mombasa Pipeline Board.

MOMBASA PIPELINE BOARD
REPORT AND ACCOUNTS FOR THE FINANCIAL YEAR ENDED
30th JUNE, 1974

Address:—

P.O. Box 30521, Nairobi

CONSTITUTION OF THE BOARD

During the year under review, the Board was constituted as follows:—

Chairman

J. W. Mureithi, Esq., with effect from 1st October, 1973.

T. C. J. Ramtu, Esq., up to 31st August, 1973.

Vice-Chairman

Johnson Mweru, Esq.

Members

Rockie Mchinga, Esq.

Councillor R. S. Ali (Mombasa Municipal Council).

Deputy Director-General, East African Harbours Corporation, Mombasa.

P. Mwangola, Esq.

V. G. Matthews, Esq.

Permanent Secretary, Ministry of Agriculture, Nairobi.

Director of Agriculture, Ministry of Agriculture, Nairobi.

Secretary

E. A. Ngunya, B.Sc. (Civil) Eng., Director of Water Department, Government of Kenya.

There were three meetings during the year—and no changes in Board membership.

Members of Staff

O. S. Cege, Esq., B.E. (Civil), D.I.C. Engineer.

Mrs. A. Pires—Personal Secretary.

Bankers

Kenya Commercial Bank, Government Road, Nairobi.

Auditors

Controller and Auditor-General, Kenya Government.

SYSTEMS OPERATED

The Board's bulk supplies are delivered by two major pipelines connected with their respective sources of supply. These are:—

1. The Mzima/Mombasa Pipeline, and
2. The Marere/Mombasa Pipeline.

The Mzima/Mombasa Pipeline, a 24-inch prestressed concrete pipeline which collects the supply at the Mzima Springs, conducting it through the arid country north-west of Mombasa and delivering it to the reservoirs at Mazeras 130 miles to the south-east. The reservoirs are three prestressed concrete tanks each with a capacity of six million gallons making a total of 18 million gallons. From the Mazeras Reservoirs this Mzima water is conducted by twin 21-inch prestressed concrete pipelines which convey the water in the first instance to the service reservoirs at Changamwe prior to discharge into the Mombasa reticulation system. These reservoirs have a capacity of some 6.5 million gallons.

The Marere Pipeline is a cement lined steel pipeline which takes its supply from the Marere Springs in the Shimba Hills 20 miles to the south of Mombasa. The water is conducted to the service reservoirs at Changamwe where it mixes with the incoming Mzima water. From Changamwe where the Board sells the water in bulk to the Ministry of Agriculture as the Water Undertaker, the water as mixed is reticulated into the Mombasa Water Supply.

There are a number of subsidiary lines to various parts of the north and south coastal regions which derive their supply from the above two major systems. These may be described as follows:—

(a) A North Mainland Supply which delivers water to the Mainland north of Mombasa including Nyali, Bamburi, Kisauni and Shimo-la-Tewa. It comprises a 10-inch main drawing Mzima water direct from the Mazeras Reservoirs and capable of delivering 775,000 gallons a day to three reservoirs at Nguu Tatu 12 miles to the north-east. From here the water is reticulated to the several areas under the regime as referred to above. The reservoirs have a combined capacity of two million gallons.

In order to reduce to a minimum the difficulties caused by the not infrequent rupture of this pipeline resulting from soil movement in the unstable terrain through which the line is laid a six-inch pipeline has now been carried over the Nyali Bridge which links Mombasa Island with the North Mainland reticulation system only when that supply suffers interruption. As was anticipated in last year's report it has been necessary to keep this pipeline in continuous operation in order to maintain supplies at an adequate level.

(b) A further pipeline originates at the Mazeras reservoirs, viz. the Mazeras/Kilifi Pipeline delivering water as far north as Kilifi. The six-inch asbestos cement pipe can deliver 350,000 gallons per diem and is regulated by three tank reservoirs of 100,000 gallons each at Ribe, Kaloleni and Mikirani. This is of course also Mzima water. If the economics of such an extension proves acceptable, it is possible that this line may be extended as far as Sokoke.

(c) On the South Mainland there are two subsidiary supplies taken from a single connexion to the Marere Pipeline near Kaya Bombo. A connecting pipe to the main pipeline conducts water to a 250,000 gallon tank reservoir on the Kaya Bombo Hill and from thence one branch pipeline supplies water northwards as far as Likoni and another conducts it southwards as far as Diani. The connecting pipeline is capable of delivering 450,000 gallons per diem to the two systems.

In last year's annual report reference was made to the constant difficulties experienced in the various pipeline systems, and because of this the Board appointed consultants, Messrs. Scott Wilson Kirkpatrick and Partners, to investigate and report on ways and means of augmenting the water supplies to Mombasa and the rapidly developing areas to the North Coast and South Coast, because the existing supplies were rapidly being caught up by increasing demand. The

consulting engineers made four or five recommendations, most of which were accepted by the Board. During the year the Board was mainly engaged in the implementation of the consultants' recommendations as detailed under capital works.

CAPITAL WORKS

(a) Pemba River Works

These works were substantially completed during August this year by which time the commissioning was well under way. All the units right up to the final injection-pumps have been tested and brought into operation. Unfortunately, during the final stages of the commissioning, failures occurred in the pressure filters which are the last units before entry into the Marere Pipeline. Close examination of the filters revealed the cause of the failure to be some poor welding combined with an assembly fault. The manufacturers of the filters carried out the repairs successfully and gave an unconditional two years guarantee. The works are now completed and final commissioning is taking place at present. It is expected that the supply from this source will come into operation any time.

The boreholes in the vicinity of the Marere line were tested during the year and it was decided to develop and equip three of them. As indicated in last year's report, at certain times we would not be able to get the full amount of 1.5 million g.p.d. from the Pemba River and to cover against this condition it was decided to test pump existing boreholes near Marere line, equip those found satisfactory and introduce their flow into the pipeline. These boreholes were to be developed at an estimated cost of £82,000 which was approved by the Board during the financial year 1971/72. These holes were test pumped and together gave an output of approximately 600,000 g.p.d. At the moment, contract documents are being prepared and should be ready before the end of 1974.

(b) North Mainland Scheme Augmentation

Work on this contract was expected to be completed by 31st October, 1973. As explained elsewhere in the report, there have been considerable delays in this contract caused mainly by the pipe manufacturer having difficulties in obtaining the raw materials for their manufacturing processes. However, by the end of April the contract was completed and commissioning started taking place. This scheme has now been completed and has already been handed over to the Operations Branch of the Water Department.

(c) South Mainland Augmentation

Three boreholes were drilled on the South Coast, unfortunately, two of them proved to have yields too small for development. However, one hole near Tiwi yielded more than 6,000 gallons per hour and it was decided to equip it. The design for this scheme has now been completed and the construction would cost about £75,000.

(d) Mzima Pipeline Renewals

The scheme consists basically of renewing weaker sections of the existing pipelines by lining new sections of piping parallel to it and reconnecting these to the original ones when circumstances permit, i.e. during periods of low demand or at a time when the lines may be shut due to a burst having occurred. The design for the scheme was completed during the year and the contract documents prepared. The final loan application for the scheme was sent to the Japanese Government and it is anticipated that a loan to cover at least the foreign exchange

element of the scheme will be obtained. The contracts for the supply of pipes, fittings and coupling joints have already gone to tender, and work on site is estimated to commence during October, 1974. The reason for the apparent delay is that there is a world shortage of steel at present and therefore the delivery period for the piping is somewhat longer than normal. The latest estimated project cost is £1m.

(e) The Alarm System

In the last year's annual report, it was stated that the consultants had submitted a report on alarm and telephone equipment already supplied but not working. The consultants had recommended purchase of new telephone equipment which will operate in conjunction with the alarm equipment already supplied. They also recommend that the installation and commissioning of the modified system be carried out by Messrs. International Aeradio (E.A.) Ltd.

As already mentioned earlier, the Government has embarked on a major water project to provide an additional source of water for Mombasa and the Coastal Area, and as this project would also require an alarm system, the Board at the advice of the Director, Water Department, decided to postpone the implementation of the recommendations by the consultants.

The Mombasa Pipeline Board was established under the authority of the Mombasa Pipeline Board Act, No. 19 of 1957, which makes the Board responsible in the discharge of its functions to the Minister for the time being in charge of water. During the year under report, this has been the Minister for Agriculture. The actual operation and maintenance of the installations is undertaken by the Directorate of Water Department, Government of Kenya, acting as the Board's agents. The fees for these services are calculated in accordance with an agreed formula.

The plan at Appendix "A" shows a layout of the systems operated by the Board during 1973/74.

FINANCE

(a) Capital Account

The capital at charge on the 1st July, 1973, was K£4.720 million made up as follows:—

- (i) Mzima System—K£4.175 million.
- (ii) Marere System—K£31,848.
- (iii) North Mainland System—K£144,821.
- (iv) Marere/Kaya Bombo System—K£183,784.
- (v) Mazeras/Kilifi System—K£184,552.

The capital is wholly borrowed on loan capital, the creditors being the Government of Kenya for projects (i), (ii) and (iii) and the East African Railways and Harbours Corporation, Barclays Bank International, the Kenya Commercial Bank Limited and the Standard Bank in respect of project (i) only. The three banks loaned as a consortium a total of K£1,350,000 the repayment of which is guaranteed by the Government of Kenya. This loan is covered by an issue of Registered Bonds. The loans and guarantee by the Government of Kenya are secured by a debenture issued to the Government by the Board. The new South Mainland project and the Mazeras/Kilifi project referred to under (iv) and (v) have been financed partly by a loan made by the Israeli Government to the Kenya Government and re-lent to the Board, partly by a loan from the British

Government and partly from the Board's own resources. The terms of the Israeli loan are interest at 6 per cent and a period of seven years. In recognition of the fact that seven years is an impossibly short life in respect of projects of this kind, the Government of Kenya in relending extended the period to 25 years. Even 25 years is a short period in relation to such projects and this has inevitably had its effect on the charges which have necessarily had to be made to the consumers for the water from these new supplies. Of the 25-year term, four years were taken up in construction. The Board was not permitted to capitalize the interest during this construction period and the need to find funds to pay interest during a period of no revenue also had its effect upon the water tariff. The loan is being repaid over the remaining 21 years in equated instalments at 6 per cent. The same terms apply to the British Government loan.

The Marere project and the North Mainland project were financed by loans from the Government of Kenya. These are being repaid by equated instalments of interest and capital, the details of which can be seen in the Accounts. Repayment in respect of the Marere project commenced in 1958 and in 1962 in respect of the North Mainland Project.

It will be observed that the loan of K£500,000 made in respect of the Mzima/Mombasa Project by the then Railways and Harbours Administration (now the separate Railways Corporation and the Harbours Corporation) was referred to in the last Annual Report as having been extended until the 31st December, 1973. This means, of course, that there is a need for fresh negotiations to extend this loan beyond that date.

Loans totalling K£2,170,000 made by the Kenya Government in respect of the Mzima/Mombasa project fell due for repayment, partly on the 31st December, 1968, and partly on the 1st January, 1969. The negotiations by the Board for further renewal led to the loans being extended until the 31st December, 1974, with a small upward adjustment of interest. It is likely that the current financial year will see the opening of preliminary discussions on the possibility and the terms and conditions of extensions beyond 1974.

During the year under review capital repayments were as follows:—

- (i) Mzima System—K£156,805.
- (ii) Marere System—K£3,456.
- (iii) North Mainland System—K£8,412.
- (iv) Marere/Kaya Bombo System—K£5,947.
- (v) Mazeras/Kilifi System—K£5,971.

The capital remaining on charge at the end of the year on the 30th June, 1974, was K£4.539 million made up as follows:—

- (i) Mzima System—K£4.018 million.
- (ii) Marere System—K£28,391.
- (iii) North Mainland System—K£136,409.
- (iv) Marere/Kaya Bombo System—K£177,838.
- (v) Mazeras/Kilifi System—K£178,580.

(b) Revenue

The Board revenue accrues almost entirely from the bulk sale of its water. Below are set out the comparative figures of consumption and revenue for the year ending 30th June, 1974, compared with that ending 30th June, 1973. These figures are given in respect of the Board's principal regimes.

YEAR ENDED 30th JUNE, 1973

<i>Mombasa and District</i>		<i>North Mainland</i>		<i>Mazeras/Kilifi</i>		<i>South Mainland</i>	
Consumption million gallons	Revenue K£	Consumption million gallons	Revenue K£	Consumption million gallons	Revenue K£	Consumption million gallons	Revenue K£
2,659	623,678	298	63,821	40	15,077	90	34,077

YEAR ENDED 30th JUNE, 1974

<i>Mombasa and District</i>		<i>North Mainland</i>		<i>Mazeras/Kilifi</i>		<i>South Mainland</i>	
Consumption million gallons	Revenue K£	Consumption million gallons	Revenue K£	Consumption million gallons	Revenue K£	Consumption million gallons	Revenue K£
2,800	678,520	350	81,948	64	24,004	106	39,871

The figures above disclose the same story throughout, the story of ever rising consumption. Throughout the Board's regimes consumption has increased and is increasing, emphasizing the urgency of developing new sources of supply if difficulties over shortage are not to be encountered in the not too distant future.

(c) Expenditure

The Board's outgoings during the year fell under four headings as shown here below:—

- (i) The service charges on payments of the outstanding capital loans—K£273,540.
- (ii) Fees paid to the Directorate of Water Department in respect of operation and maintenance of the Board's installations—K£127,711.
- (iii) The expenditure on new work improvements, special maintenance, etc.—K£5,420.
- (iv) The cost of the Board and its staff—K£12,935.

(d) Financial Results for the Year

The Board's overall revenue comprising the income from the sale of water and certain minor sources such as house and meter rents totalled K£853,548. With a total outgoing of K£671,393, the year's working disclosed an operating surplus of K£182,155. This is the amount, therefore, available from the year's working to be conveyed to the Reserve Fund and brings the total of the Fund as at the 1st July, 1973, to K£996,738.

(e) Operation of Systems

(i) *Mzima Pipeline*.—The Mzima pipeline has operated successfully during the year apart from few leaks in Sections 7, 8, 9, 10, 11 and 13. During the year, bursts occurred on Section 10 approximately 450 feet upstream of S.V. 10-3.

Frequent and heavy storm floods in Tsavo between Mzima Springs and Mile 45 caused a lot of damage to the pipeline road. Repairs were immediately effected, including grading, stone pitching, etc., so that the road became passable again. Normal maintenance on the pipeline road has continued throughout the year.

The 21-inch pipeline known as Southern Leg through old Changamwe was replaced during the year where it crosses the new Mombasa Municipal road, with 4 lengths of 21-inch steel pipe. The new pipe runs through a box culvert with reinforced concrete roof slab.

(ii) *North Mainland Pipeline*.—The pipeline has operated without major difficulties. There were two bursts on the pipeline which were repaired without hardship to the consumers. A serious leak that developed at Marejeni Creek on the 10 in. A.C. pipeline necessitated replacement with 16 numbers 12 in. steel

bitumen lined and 4 numbers 12 in. steel concrete line pipes. The total cost of replacing the piping and labour amounted to some £2,415. Although a new engine was installed at Bwagamoyo Pumping Station, troubles were experienced but no major difficulties occurred. Installation of an electric motor at Bwagamoyo was started and should be completed by the end of the year.

Electrification of Bwagamoyo pump house was completed and one electric motor installed. However, electrical difficulties have been experienced on the electrical motor.

The new 1,000,000 gallon butyl tank was put in operation and the 12-inch pipeline from the reservoir to old Malindi was also operated successfully. Unfortunately, in early July the patch on the roof of the tank came off and was sucked down blocking the outlet of the tank.

(iii) *Marere Pipeline*.—The pipeline has been operating without serious trouble over the period apart from minor leaks. The commissioning of Mile 8 Booster Station brought about three bursts, all of which were repaired without serious trouble. The commissioning of Pemba Treatment Plant was not completed as there were certain constructional faults to be rectified by the contractors and up to the end of the year the plant was not fully operational. The repairs to Mwache Bridge were completed during the period.

(iv) *Mazeras/Kilifi Pipeline*.—No serious troubles have been experienced with this pipeline. As reported in last year's annual report, the pipeline is approaching its design capacity and there have been constant complaints due to insufficient water supply in meeting the demand from the Tezo Roko and Kilifi consumers. The condition of the plant at Ribe Pumping Station deteriorated rapidly and we were unable to meet the demand. Again the E.A. Power and Lighting Co. were slow in spite of repeated requests for them to submit a firm estimate for the installation of electrical supply.

(v) *Mazeras Reservoirs*.—The reservoirs' levels which have been up to maximum started falling off in October, 1973, and by early November of the same year rationing was found necessary. Rationing was applied on 2nd November and ended on 14th November. Since then, the levels fluctuated widely due to high consumption because of the peak tourist season and because of drought which caused a lot of misuse of water for gardening. Rationing had to be applied from 6 p.m. to 6 a.m. twice, i.e. from 25th January to 17th February, and from 12th March to 2nd April, 1974. During the first rationing period, bursts on Section 10 necessitated strict rationing on the 1st to 2nd February but even then the levels went down to approximately zero, before normal flow was reinstated.

Due to high demand and a prolonged drought which necessitated watering of gardens it proved difficult to maintain safe levels at Mazeras. Water rationing was applied for two periods 16th April to 8th May and 23rd May to 28th June. Although June was relatively a wet month, rationing continued as a result of bursts along Marere-Changamwe pipeline during the commissioning of Pemba Treatment Works and Mile 8 Booster Station.

(vi) *Changamwe Reservoirs*.—The Reservoirs have been in good working order during the period. The lining of Reservoir No. 5 was completed during the year. Both mushroom valves for Reservoir No. 6 broke down and repairs including installation had to be done by divers. Chlorination has been maintained although

the equipment is still causing trouble from time to time. Sparling meter spares were delivered in Mombasa early in the year, but unfortunately, broke down again and it became necessary to place new orders. So far, the spares have not been received due to difficulties with overseas deliveries.

(vii) *Secondary Water Supplies*.—These secondary water supplies are set out in the Statement of Water Supply in the accounts which form part of this report. They operated successfully throughout the year.

J. W. MUREITHI,
Executive Chairman,
Mombasa Pipeline Board.

**CERTIFICATE OF THE CONTROLLER AND AUDITOR-GENERAL
ON THE ACCOUNTS AND BALANCE SHEET OF THE MOMBASA
PIPELINE BOARD FOR THE YEAR ENDED 30th JUNE, 1974**

Revenue Account	...	...	...	...	Statement No. 1
Net Revenue Account	...	...	...	...	Statement No. 2
Net Revenue Appropriation Account	...	...	...	...	Statement No. 3
Capital Account	...	...	...	...	Statement No. 4
Balance Sheet	...	...	...	...	Statement No. 5
Statement of Water Supplied	...	...	...	...	Statement No. 6

The attached accounts and balance sheet have been examined in accordance with section 13 of the Mombasa Pipeline Board Act (Cap. 373). I have obtained all the information and explanations I have required and as a result of my audit, I certify that in my opinion, the accounts and balance sheet are in agreement with the book of accounts maintained by the Board and reflect a true and fair view of the Board's operations.

Nairobi,
25th April, 1975.

D. G. NJOROGE,
Controller and Auditor-General.

MOMBASA PIPELINE BOARD
REVENUE ACCOUNT FOR THE YEAR ENDED 30th JUNE, 1974

1972/73		EXPENDITURE		1972/73		INCOME				
K£	s. cts.	K£	s. cts.	K£	s. cts.	K£	s. cts.			
		PIPELINE BOARD—HEAD OFFICE:				ACCRUED REVENUE FOR THE YEAR:				
3,999	19 80	Chairman's Remuneration ..	3,666	13 15	736,647	03 55	State of Water ..	824,343	01 10	
4,975	07 60	Staff Salaries ..	5,059	03 90	740	04 85	Meter Rents ..	341	15 75	
87	08 05	Cost of Official Entertainment ..	245	07 70	737,387	08 40	House Rent ..	824,684	16 85	
62	00 55	Incidental Expenses ..	413	07 85	982	06 00	Miscellaneous Revenue ..	1,178	12 00	
838	08 55	Travelling Expenses and Allowance of Members ..	682	05 45	76	02 20		6	10 00	
25	00 00	Audit Fee ..	25	00 00						
68	05 25	Bank Charges ..	59	12 45						
915	03 25	Maintenance and Running Expenses of Board's Transport ..	576	15 35						
1,866	00 00	House Rent ..	813	18 20						
732	00 00	House Allowance (Staff) ..	533	12 00						
1,666	13 35	Provision for Gratuity ..	166	13 30						
—	—	Pension Contribution—Chairman ..	688	10 00						
—	—	N.S.S.F. Contribution—Staff ..	4	08 50						
15,236	06 40									
				12,935	07 85					
		MAINTENANCE AND OPERATION OF PIPELINE:								
		Reimbursement to the Ministry of Agriculture:—								
73,608	04 70	(i) Main Pipelines ..	85,245	03 40						
12,404	17 85	(ii) North Mainland Scheme ..	19,842	13 95						
5,920	12 35	(iii) Marere/Kaya Bomba Scheme ..	4,656	17 45						
6,127	01 55	(iv) Mazeras/Kilifi Scheme ..	9,508	11 50						
—	—	Extraordinary maintenance and Renewals ..	5,419	10 75						
8,931	09 60	Hire Charges of Vehicles ..	8,456	13 00						
106,992	06 05			133,129	10 05					
616,217	04 15	Balance carried to Net Revenue Account ..		679,805	00 95					
738,445	16 60			825,869	18 85					
				738,445	16 60				825,869	18 85

MOMBASA PIPELINE BOARD

NET REVENUE ACCOUNT FOR THE YEAR ENDED 30th JUNE, 1974

1972/73		EXPENDITURE		1972/73		INCOME	
K£	s. cts.	K£	s. cts.	K£	s. cts.	K£	s. cts.
35,345	08 78	INTEREST CHARGES:		616,217	04 15	Balance brought from Revenue	
60,000	00 00	Bank Loans (K£1,350,000) ..	24,369 02 40			Account ..	679,805 00 95
		Kenya Government Loan—	60,000 00 00			INTEREST RECEIVED:	
		(K£1,000,000) ..	40,000 00 00	5,024	05 00	Investments ..	5,597 09 30
40,000	00 00	E.A.R. & H. Loan (K£500,000)	40,000 00 00	15,760	05 45	Cash on deposit with Cereals	
116,875	00 00	Kenya Government Loan—	116,876 00 00			and Sugar Finance Corpo-	
		(K£2,170,000) ..		2,226	00 00	ration ..	
1,406	16 95	Kenya Government Loan—	1,273 18 20			Cash on deposit with East	5,249 19 95
		(K£70,277) ..				African Building Society ..	16,830 19 55
9,423	19 55	Kenya Government Loan—	8,921 17 85	23,010	10 45		
		North Mainland Scheme					
		(K£210,000) ..					
		Kenya Government Loan—	11,027 01 45				
		Marere/Kaya Bombo					
22,774	15 00	Scheme (K£199,680) ..					
		Kenya Government Loan—	11,073 01 40				
		Mazeras/Kilifi Scheme					
		(K£200,513) ..					
285,826	00 28			273,540	01 30		
3,323	08 60	LOANS REDEEMED:					
		Annual Instalment—Kenya					
7,909	14 75	Government Loan—Marere	3,456 07 35				
		Supply ..					
		Annual Instalment—Kenya	8,411 16 45				
146,546	06 41	Government Loan—North					
		Mainland Scheme ..	156,804 11 22				
		Annual Instalment—Bank					
		Loans ..					
11,243	09 25	Annual Instalment—Kenya	5,946 12 65				
		Government Loan—Mare-					
		re/Kaya Bombo Scheme ..	5,971 08 75				
		Government Loan—Maze-					
		ras/Kilifi Scheme ..					
169,022	19 01			180,590	16 42		

NET REVENUE APPROPRIATION ACCOUNT FOR THE YEAR ENDED 30th JUNE, 1974

1972/73		1972/73		INCOME	
EXPENDITURE		K£	s. cts.	K£	s. cts.
		K£	s. cts.	Transfer from Net Revenue Account ..	
	Balance as at 1st July, 1973	1,220,552	10 00	Balance as at 30th June, 1974 ..	
	Balance brought from Net Revenue Account	145,932	00 00		
	Financing the cost of rehabilitation of the				
	Mzimba/Marere Pipeline North Mainland,				
	Marere/Kaya Bombo and Mazeras/Killifi				
	Schemes	71,197	00 30		
		1,437,681	10 30		
		1,404,931	05 31		1,437,681 10 30

STATEMENT OF INVESTMENT AS AT 30th JUNE, 1974

Stock	Amount of Stock	Cost Price	Quotation (Middle Market Value)	Market Value as at 30th June, 1974	
	K£	s. cts.	Per cent	K£	s. cts.
4½ per cent Nyasaland 1971/78 ..	3,263	15 60	62.5	2,039	17 20
8½ per cent East African Railways and Harbours 1975	66,110	00 80	95	62,804	10 80
	69,373	16 40		64,844	08 00

CAPITAL ACCOUNT FOR THE YEAR ENDED 30th JUNE, 1974

EXPENDITURE	Assets as at 30th June, 1973		Expenditure during the year		Total to 30th June, 1974		INCOME	Loans as at 30th June, 1973		Received during the year		Total to 30th June, 1974		
	K£	s. cts.	K£	s. cts.	K£	s. cts.		K£	s. cts.	K£	s. cts.	K£	s. cts.	
ASSETS:														
Mzima and Marere Installations	5,397,885	8 16	33,144	0 80	5,431,029	8 96	..	1,350,000	0 00	—	—	1,350,000	0 00	
North Mainland Scheme	285,069	18 89	34,320	6 80	319,390	5 69	..	500,000	0 00	—	—	500,000	0 00	
Marere/Kaya Bombo Scheme	204,536	3 40	—	—	204,536	3 40	Kenya Government Loan—Marere Supply	2,170,000	0 00	—	—	2,170,000	0 00	
Mazeras/Kilifi Scheme	201,133	2 90	4,165	12 70	205,298	15 60	Kenya Government Loan—Mainland Scheme	70,277	0 00	—	—	70,277	0 00	
	6,088,624	13 35	71,630	0 30	6,160,254	13 65	Kenya Government Loan—Uganda	210,000	0 00	—	—	210,000	0 00	
							Kenya Government Loan—Mazeras/Kilifi Scheme	1,000,000	0 00	—	—	1,000,000	0 00	
							Kenya Government Loan—Marere/Kaya Bombo Scheme	200,512	17 85	—	—	200,512	17 85	
							..	199,679	19 15	—	—	199,679	19 15	
								K£ 5,700,469	17 00	—	—	5,700,469	17 00	
							CAPITAL RECEIPTS:							
							Sale of Assets	4,231	0 57	433	0 00	—	4,664	0 57
							Recovery of damaged valves	1,589	0 00	—	—	—	1,589	0 00
							Contribution from the Admiralty for North Mainland Scheme	2,750	0 00	—	—	—	2,750	0 00
							Refund of Consultants' fees	180	3 00	—	—	—	180	3 00
							Refund on installation of telephone at Nguu Tatu	57	0 00	—	—	—	57	0 00
							..	8,807	3 57	433	0 00	—	9,240	3 57
								K£						
							Contribution from Net Revenue							
							Appropriation Account for the rehabilitation of the Mzima/Marere pipelines, North Mainland Scheme, Marere/Kaya Bombo Scheme and Mazeras/Kilifi Scheme							
							..	379,347	12 78	71,197	0 30	—	450,544	13 08
								6,088,624	13 35	71,630	0 30	—	6,160,254	13 65

BALANCE SHEET AS AT 30th JUNE, 1974

1972/73		LIABILITIES		1972/73		ASSETS	
K£	s. cts.	K£	s. cts.	K£	s. cts.	K£	s. cts.
4,719,939	04 14	CAPITAL ACCOUNT:		CAPITAL ACCOUNT:			
38,429	04 69	Loans:		Capital Expenditure as per Capital Account			
65,179	02 05	Outstanding (Note 1) ..		6,160,254	13 65		
845,065	03 22	Kenya Loan, Mairere					
31,857	02 90	Supply					
		Kenya Loan, North					
		Mainland Scheme ..					
		Bank Loans ..					
		Kenya Loan, Mairere/					
		Kaya Bombo and Ma-					
		zeras/Kilifi Schemes					
5,700,469	17 00	43,775 04 30					
8,807	03 57						
379,347	12 78						
		Capital Receipts ..					
6,088,624	13 35	9,240 03 57					
1,899,459	09 14	Contribution from Net					
135,675	13 51	Revenue Appropriation					
138,347	18 83	Account					
		450,544 13 00					
		6,160,254 13 65					
		REVENUE ACCOUNT:		REVENUE ACCOUNT:			
		Loan Redemption Fund as		Net Revenue Appropriation Account ..			
		at 1st July, 1973 (Note 2)		1,220,552 10 00			
		Add Provision for 1973/74		Investments—Crown			
		Sundry Creditors...		Agents* ..			
				Less Provision for loss on			
				devaluation			
				Sterling ..			
				6,399 16 95			
				Sundry Debtors ..			
				Cash:			
				On deposit with East			
				African Building So-			
				ciety ..			
				316,050 18 10			
				On deposit with Cereals			
				and Sugar Finance			
				Corporation ..			
				125,000 00 00			
				At Bank (Note 3) ..			
				323,006 01 30			
8,262,107	14 83	8,489,355 10 05		764,056 19 40			
		8,262,107 14 83		8,489,355 10 05			

*The middle market value of investments as at 30th June, 1974 was K£64,844-8s.-00cts.

I. G. MWANIKI,
Chief Accountant,
Mombasa Pipeline Board.

J. W. MUREITHI,
Executive Chairman,
Mombasa Pipeline Board.

MOMBASA PIPELINE BOARD

NOTES ON ACCOUNTS FOR THE YEAR ENDED 30th JUNE, 1974

1. LOANS

The outstanding amount of K£4,539,348-6-82 is made up of the following loans:—

	K£	s. cts.	
Kenya Government			2,170,000 0 00
Kenya Government—Ex-Uganda			1,000,000 0 00
E.A. Railways and Harbours Corporations			500,000 0 00
	K£	s. cts.	
Kenya Government for Marere Supply	70,277	0 00	
Less: Total repayment	41,885	12 04	28,391 7 96
Kenya Government for North Mainland Scheme	210,000	0 00	
Less: Total repayment	73,590	19 40	136,409 0 60
Banks	1,350,000	0 00	
Less: Total repayments	1,001,869	14 44	348,130 5 56
Kenya Government for Marere/Kaya Bombo and Mazaras/ Kilifi Schemes	400,192	17 00	
Less: Total repayments	43,775	4 30	356,417 12 70
Outstanding loans as at 30th June, 1974	K£		<u>4,539,348 6 82</u>

2. MOVEMENT OF FUNDS STATEMENT FOR THE YEAR ENDED 30TH JUNE, 1974

	K£	s. cts.
Cash at the beginning of the year	257,638	9 05
<i>Sources of funds:</i>		
Net operating surplus for the year	253,352	12 03
Sale of fixed assets during the year	433	0 00
Decrease in debtors	37,351	3 70
Increase in creditors	9,685	14 92
		<u>558,460 19 70</u>
<i>Application of funds:</i>		
Capital expenditure during the year	K£	s. cts.
Increase in cash deposited with E.A.B. Society	71,630	0 30
	163,824	18 10
		<u>235,454 18 40</u>
Cash at the end of the year	323,006	1 30

STATEMENT OF WATER SUPPLIED—1973/74

Conn. No.	CONSUMER	Gallons	Rate per 1,000 Gallons	Amount	Total Value of Water Supplied
			K.Sh. cts.	K.E. s. cts.	K.E. s. cts.
M.W.S.	MINISTRY OF AGRICULTURE				
2	Main Pipeline	2,042,932,000	5 60	11,440,423 90	
7	Voi Water Supply	41,110,200	5 60	230,217 10	
15	Mariakani Water Supply	125,843M3	1 23	154,786 85	
17-75	K.wale Water Supply	10,475,580	6.50, 1.23, 5.60	62,754 80	
41	Mazeras Water Supply	11,093,300	5 60	62,291 60	
	Kinango Water Supply	6,597,000	1 23	36,864 25	
	South Mainland Water Supply	106,323,100	7 50	188,706 50	599,366 18 50
	Mazeras/Jaribuni Water Supply	21,160,600	7 50	192,453 95	39,871 03 25
	Kilifi Water Supply	117,350M3	1 64	128,921 40	
	Tezo Roka Water Supply	78,614M3	1 64		
25	Bachuma Research Station	1,696,900	5 60		24,004 01 85
78	Matuga Holding Ground	417,100	7 50		475 02 65
46-51-68-71	North Mainland Water Supply	152,683,600	—	860,628 20	154 18 60
42, 44, 70 & 91	(WDD) Nyali Water Supply	120,527,760	—	451,338 95	
	MINISTRY OF WORKS:				
40	Road Construction Unit-Mackinnon Road	181,700	5 60		65,598 06 15
	E.A. RAILWAYS CORPORATION:				
3	Maungu	113,920M3	1 23	140,121 50	
4	Mackinnon Road	13,241,800	5 60	74,154 10	
6	Samburu	150,499M3	1 23	185,113 75	
35	Manyani	894,500	5 60	5,953 20	
55-59	Landhies	3,695,200	5 60	20,693 60	
	PRISONS DEPARTMENT:				
I	Manyani Camp (Mbololo Hills Prison)	30,126,660	5 60	167,624 45	
45	Shimo-la-Tewa Prison	32,081,900	5 60	179,658 75	
					21,251 16 15
					17,364 03 20

STATEMENT OF WATER SUPPLIED—1973/74—(Contd.)

Conn. No.	CONSUMER	Gallons	Rate per 1,000 Gallons	Amount	Total Value of Water Supplied
			K.Sh. cts.	K.£ s. cts.	K.£ s. cts.
	COUNTY COUNCIL OF KWALE:				
16	Samburu	2,000	5	1 20	
19	Mwando	182,700	60	514 05	
53	Mgalani Water Dip	134,600	60	753 75	
54	Mwachi	193,7M3	1 23	238 10	
63	Mwachinga	4,851M3	1 23	5,966 75	
64	Mwalungani	736M3	1 23	905 20	
65	Lutsangani	24,800	5 60	130 60	
83	C. C. Kwale	997M3	1 23	1,226 35	
93	Gwachemi	105,600	5 60	591 25	
					516 17 25
	PRIVATE:				
5	Project Manager UNDP/FAO	680,000	5 60		190 07 90
18	Mrs. Betty Deaneu	44,600	5 60		12 15 90
21	Mr. Jackson N. Mwabaki	212,340	1 23		59 08 55
23	Mr. Samuel Chidsugwe Nguma	90,400	5 60	506 80	
109	Mr. Samuel Chidsugwe Nguma	188M3	1 23	231 25	
					36 18 05
24	Kenya National Parks Tsavo East	8,355,940	1 23	46,764 85	
85	Kenya National Parks Tsavo West	32,700	1 23	180 35	
98	Kenya National Parks	1,652M3	1 23	2,031 95	
99	Kenya National Parks	348,3M3	1 23	421 55	
106	Kenya National Parks	1,908M3	1 23	2,346 90	
					2,587 05 60
26	Kanwar Store	507,500	5 60		142 02 25
29	E.A. Oil Refineries	572,042M3	5 60		35,184 03 70
39	Taita Ranching Co. Ltd.	11,634M3	1 23		715 09 85
43	Bamburi Portland Cement Co. Ltd.	45,255,800	5 60		7,350 11 55
52	Mr. Burusi Tsuma	197,000	5 60		57 10 70
61	Kenya Meat Commission	780,400	5 60		218 10 15
62 and 74	Kenya Safari Lodges and Hotels	18,229,040	5 60		4,534 14 15
67	Provincial Vet. Officer, Mombasa	6,858M3	1 23		421 15 40
69	Mr. Raymond Sydney Mayers	46,583M3	1 23		2,877 03 10
72	Mr. Yusuf Ali Mwatsahu	150,800	5 60		42 04 70
73	Mr. J. L. Karuru	67,100	5 60		18 15 70

STATEMENT OF WATER SUPPLIED—1973/74—(Contd.)

Conn. No.	CONSUMER	Gallons	Rate per 1,000 Gallons	Amount	Total Value of Water Supplied
			K. Sh. cts.	K.£ s. cts.	K.£ s. cts.
76	Mr. Ikonge Mwangunda	1,612M3	5	80.60	99 02 75
77	Mr. Chuppi Ngataa	656,100	1	656.10	183 14 15
79	Headmistress, Taru Harambee Secondary School	2,932M3	1	2,932.00	180 06 35
80	Mrs. Mnyazi Kombo	70,860	1	708.60	26 11 10
81	Mr. William Kombo	33,200	5	166.00	8 19 15
82	Mr. Kazungu Nyanze	113.8M3	1	113.80	7 00 05
86	Mr. Mvuu Lembi	174,100	5	870.50	48 15 00
87	Mr. Salim Abdallah	27,100	5	135.50	7 13 45
88	Mr. Chengo Mazarakwe	73,420	1	734.20	26 05 40
89	Mrs. Mary Lucas	52,400	5	262.00	14 13 15
90	Mr. Mwinji Hamisi Juma	560M3	1	560.00	45 18 35
92	Major O. N. Wanyoike	596M3	1	596.00	36 13 05
94	Bachuma Graziers Scheme	633,880	1	633.88	177 07 95
95	Brollo Kenya Ltd...	NIL			
96	Mr. T. C. J. Ramitu	47M3	1	47.00	29 03 05
100	Mr. Patrick M. Nzomo	103,600	5	518.00	29 00 00
102	Joseph Fosi Charo	115,100	1	1,151.00	32 04 60
103	Mr. Stephen Mwaito Menza	312M3	1	312.00	19 03 75
104	Mrs. Margaret Samuel	109.2M3	1	109.20	6 09 35
105	Mreje Gerza	330.2M3	1	330.20	20 06 15
107	Mr. John Paton	199,300	7	1,395.10	73 06 80
108	Firoze Construction Co.	403,600	5	2,018.00	113 60 00
110	Mrs. Costence Mwakishe	114M3	1	114.00	7 00 05
111	Mr. Nyondo Ndimbe	95,400	5	477.00	26 14 25
112	Mr. Ngome Mwachiti	213M3	1	213.00	13 02 25
117	Daniel John Kombo	140M3	1	140.00	10 14 95
118	George Leka	600,000	5	3,000.00	1 13 60
		2,672,936,280			824,343 01 10
		273,179,060			
		2,946,115,340			

NOTE:

- (1) Water consumed in gallons = 2,672,936,280
 (2) Water consumed in cu. meters = 1,241,723M3

(9.1M3 = 2,000 gallons)

APPENDIX. I.



