


REPUBLIC OF KENYA



REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
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OF

THE AUDITOR-GENERAL

ON

**COAST WATER WORKS DEVELOPMENT
AGENCY**

**FOR THE YEAR ENDED
30 JUNE, 2025**





COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2025

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

COAST WATER WORKS DEVELOPMENT AGENCY
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1. Acronyms and Definition of Key Terms

A: Acronyms

AFD	Agence Francaise De' development
BWSU	Bulk Water Supply Unit
CWWDA	Coast Water Works Development Agency
CBO	Community Based Organizations
CLSG	Conditional Liquidity Support Grant
CEO	Chief Executive Officer
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
KIMAWASCO	Kilifi/Mariakani Water and Sanitation Company
MALWASCO	Malindi Water and Sanitation Company
MOWASCO	Mombasa Water and Sanitation Company
NRW	Non Revenue Water
PFM	Public Finance Management
PPE	Property Plant & Equipment
TAWASCO	Taveta Water and Sanitation Company
WB	World Bank
WSDP	Water and Sanitation Development Project
WSP	Water Service Provider
WARA	Water Resources Authority
WASREB	Water Services Regulatory Authority

B: Definition of Key Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organization.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

a) Our identity

Coast Water Works Development Agency (CWWDA) is a corporate body established under the Provisions of the Water Act 2002 of the Laws of Kenya and it is domiciled in Kenya. Through Legal Notice Number 27 of 26th April 2019, and with reference to Water Act 2016, the Cabinet Secretary for Water and Sanitation established eight entities and named them ‘Water Works Development Agencies’ among them CWWDA with commencement date of 3rd May 2019 for this change.

CWWDA draws its mandate from the Water Act of 2016. As per the Act, the Agency’s mandate includes;

- a. Undertake the development, maintenance and management of National Public Water works;
- b. Operate the water works and provide water services as a water service provider, until such a time the responsibilities for the operation and management of waterworks are handed over to a County Government, joint committee, Authority of County Government or water services provider,
- c. Provide reserve capacity for purposes of providing water services where the Regulatory Board orders the transfer of water services functions from a defaulting water services provider to another licensee,
- d. Provide technical services and capacity building to such County Government and water providers,
- e. Provide to the Cabinet Secretary technical support in discharge of his or her functions under the Constitution and the Water Act 2016.

CWWDA is expected to contribute to accelerated delivery of water and sanitation services aimed at progressive realization of the right to water and reasonable standards of sanitation as provided for under Article 43 of the Constitution which states that, “*every person has the right to reasonable standards of sanitation and to clean and safe water in adequate quantities*”.

(b) Principal Activities

The principal activities of the agency are to ensure efficient, effective and sustainable provision of quality and affordable water services (defined to include sewerage) in its area of jurisdiction - Mombasa County, Kilifi County Lamu County, Kwale County, Taita Taveta County and Tana River County.

Vision

Universal access to clean water and sanitation services

Mission

To develop quality water, sanitation infrastructure and offer bulk-water services for a sustainable economy and social growth

Motto

The Coast Water Works Development Agency motto is “**Water for Generations**”

Core Values

The agency draws its values from Article 10 of the Constitution on National Values and Principles of Governance as follows:

Teamwork

The Agency will fully subscribe to the principles of working together in executing our mandate.

Integrity The Agency will conduct its affairs in serving Kenyans by upholding the highest degree of honesty and responsiveness.

Professionalism

The Agency's staff will effectively serve the public in a skilful manner and with the highest level of expertise.

Accountability

The Agency shall exercise prudence in use of public resources to effectively serve the public and bear responsibility in all its undertakings.

Customer Focus

The Agency will endeavor to build close relationships with its customers in serving the public.

Transparency The Agency shall execute its mandate by upholding openness through regular engagement with all our stakeholders.

Innovation

The Agency will embrace new technology, creativity in its pursuit for effective service delivery and continuous improvement.

Inclusivity

The Agency is committed to engage its stakeholders in all its undertakings including decision making that will affect the lives of the public

Key Responsibilities

The key responsibilities of CWWDA include:

- i) Ownership and holding of water and sewerage assets/infrastructure on behalf of the National Government.
- ii) Planning, development and expansion of water and sewerage infrastructure on behalf of the National Government.
- iii) Assisting the County Governments within its jurisdiction, during the transition period, in contracting out water and sewerage services provision to Water Services Providers (WSPs) and in the monitoring of water and sewerage services provision.

Strategic direction.

Strategic Goals

In pursuit of its mandate, the Agency will pursue the following strategic goals which are as follows:

- i. Increased access to water and sanitation services
- ii. Increased bulk water supply services
- iii. Enhanced human resources and institutional capacities
- iv. Enhanced resource mobilization

Strategic Objectives

Based on the identified strategic themes, CWWDA has resolved to focus on the accomplishment of various strategic objectives over a five-year period from July 2023 to June 2028. The strategic objectives reflect the key result areas that will respond to particular sets of strategic theme and challenges facing the agency.

The following are the strategic objectives: -

The following are the strategic objectives:

- i. To increase access to water from 57% in 2023 to 80% in 2027 and increase improved sanitation from 76% in 2023 to 90% in 2027.
- ii. To increase access to sewerage from 20% to 25% from 2023 to 2027.
- iii. To increase effectiveness of bulk water sources from 65% to 80% from 2023 to 2027.
- iv. To enhance human resource and institutional capacity.
- iv. To improve revenue collection from 69% to 95% from 2023 to 2027.
- v. To enhance resource mobilization

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Key Management

CWWDA day to day management is under the following key departments and the key management personnel who held office during the financial year ended 30th June, 2025 and who had direct fiduciary responsibility were:

- Chief Executive Officer
- Deputy Director Technical Services
- Deputy Director Corporate Communication
- Deputy Director Finance
- Deputy Director Human resource and administration
- Deputy Director Internal audit.
- Deputy Director corporation secretary and Legal Services.

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chief Executive Officer	Mr. Hamoud M.Mguza
2.	Deputy Director Technical Services	Eng. Martin Tsuma
3.	Deputy Director Corporate Services	Mrs. Mapenzi Chivila
4.	Deputy Director - Finance	CPA Stephen Kivuva
5.	Deputy Director- Internal audit.	CPA Hamadi Mwazito
6.	Deputy Director Legal Services	Mrs. Mary Okioma
7.	Ag. Deputy Director HRM	Mr James Mchiri

Key Entity Information and Management (continued)

(d) Fiduciary Oversight Arrangements

The ultimate oversight authority of CWWDA is exercised by the Board of Directors. To ensure that good corporate governance and that effectiveness is enhanced in this process, the Board of Directors have established Four committees:

- i) Finance, Human Resource and Administration Committee
- ii) Audit, Risk and Governance Committee
- iii) Technical, Planning and Development Committee
- iv) Assets Management Committee

(e) Entity Headquarters

Coast Water Works Development Agency
Mikindani Street
Off Nkrumah Road
P.O Box 90417-80100
MOMBASA

(f) Entity Contacts

TEL: 041-2315230
FAX: 041-2316471
EMAIL: info@cwvda.go.ke

(g) Entity Bankers

KCB Bank
Treasury Square
P.O. Box 90254, 80100
MOMBASA

Co-operative Bank
Digo Road
P.O. Box 86039 – 80100
MOMBASA

Consolidated Bank of Kenya
Nkrumah Road
P.O Box
MOMBASA

Key Entity Information and Management (continued)

(h) Independent Auditor





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

(i) Principal Legal Adviser





The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

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3. The Board of Directors





NAME	POSITION	QUALIFICATIONS	OPERATIONS
<p>DR. DANIEL KATAMA MWARINGA</p> 	<p>Chairman Effective from 26th April, 2024</p>	<ul style="list-style-type: none"> • PhD in Communication • MA in Communication Studies • Bachelor Degree in Education (English/Literature) 	<p>Non-Executive</p>
<p>HAFSWA ABDALLA DELE</p> 	<p>Director Effective from 1st February, 2023</p>	<ul style="list-style-type: none"> • Master (MBA) in Operations Management • Bachelor of Business Management (BBM) in Finance and Banking 	<p>Non-Executive</p>
<p>MOHAMED M. MWAHIMA</p> 	<p>Director Effective from 1st February, 2023</p>	<ul style="list-style-type: none"> • Certificate in Information and Communication Technology (ICT) 	<p>Non-Executive</p>
<p>GEORGE MAINA KARIUKI – REP. PS NATIONAL TREASURY</p> 	<p>Director Effective from 5th July, 2022</p>	<ul style="list-style-type: none"> • BSc Statistical Mathematics & Computer Science 	<p>Non-Executive</p>

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<p>JUDITH MWABOSHA MWAMBURI</p> 	<p>Director Effective from 1st February,2023</p>	<ul style="list-style-type: none"> • Leaving Certificate of Secondary School 	<p>Non-Executive</p>
<p>CPA. OSANO. OSANO - REP. PS MINISTRY OF WATER AND SANITATION</p> 	<p>Director Effective from 3rd March ,2025</p>	<ul style="list-style-type: none"> • Master of Arts (International Trade and Economic Cooperation), • Bachelor of Arts (Economics), 	<p>Non-Executive</p>
<p>HAMID MBARAK</p> 	<p>Director Effective from 9th June 2023</p>	<ul style="list-style-type: none"> • LLB degree in Law • Post graduate Diploma KSL 	<p>Non-Executive</p>
<p>HAMOUD M, MGUZA</p> 	<p>Chief Executive Officer Effective from 24th May,2025</p>	<ul style="list-style-type: none"> • Master of Arts in Public Policy and Planning • Bachelor of Arts • Higher Diploma in Human Resource Management 	<p>Executive</p>

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4. Key Management Team

Name of the Staff	Qualifications
<p>Mr. Hamoud.M. Mguza --- CHIEF EXECUTIVE OFFICER</p> 	<ul style="list-style-type: none"> • Master of Arts in Public Policy and Planning • Bachelor of Arts • Higher Diploma in Human Resource Management
<p>Mr. Stephen Kivuva ----- DEPUTY DIRECTOR FINANCE</p> 	<ul style="list-style-type: none"> • BBA-Finance and Accounting • CPA (K) • ICPAK MEMBER
<p>Mr. Simon Charoh --- DEPUTY DIRECTOR HR&ADMINISTRATION</p> 	<ul style="list-style-type: none"> • Master of Business Administration (Strategic Management) • Bachelor of Arts (Human Resource Management) • Diploma in Human Resource Management Registration - IHRM
<p>Ms. Mary Okioma – DEPUTY DIRECTOR CORPORATION SECRETARY</p> 	<ul style="list-style-type: none"> • Bachelor of Law • Diploma in Law • Practicing Certificate 2020

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<p>Mrs. Mapenzi Chivila –DEPUTY DIRECTOR CORPORATE COMMUNICATIONS</p> 	<ul style="list-style-type: none"> • Master of Arts in Communication • Bachelor of Science in Mass Communication
<p>Mr. Hamadi Mwazito -----DEPUTY DIRECTOR INTERNAL AUDIT</p> 	<ul style="list-style-type: none"> • Master of Business Administration (Finance) • Bachelor of Business Administration (Accounting & Finance) • CPA (K) • ICPAK MEMBER
<p>Eng. Martin Tsuma----- DEPUTY DIRECTOR TECHNICAL SERVICES</p> 	<ul style="list-style-type: none"> • MTech. In Sustainable Energy Engineering • BTech. (Production Engineering) • Professional Eng.- EBK • Corporate Member, IEK • Certified Energy Manager. <p>Member Institute of Electrical and Electronics Engineering (IEEE)</p>

5. Chairman's Statement

I am delighted to report the performance of CWWDA in the Annual Report and Financial Statements for the year ended 30th June, 2025.

Water assets and infrastructure Development Projects

Under its core mandate of infrastructure development, CWWDA has been recording an upward movement in the water infrastructure with development increasing year by year from the preceding period in the last 5 years.

During the year under review the total assets increased from Kshs.22,546,640,727 in the previous year to Kshs.23,160,195,452.

CWWDA has embarked on more projects under Water and Sanitation Development Programs (WSDP). The WSDP is undertaking various projects which include Baricho Lot 3, Baricho Replacement Boreholes, Nyali pipeline, Baricho Wellfield Protection, Second Baricho-Kakukuni Pipeline and Mombasa Water Distribution Works.

Revenue

The year under review also recorded a huge increase in total revenue billed amounting to Kshs.1,407,877,436 due to implementation of new tariff. The Agency Collected a total of Kshs. 963,753,965 from the sale of bulk water to the water service providers. This represents a collection efficiency of 69 %. Further disbursements from the Government to subsidize on Recurrent and Development expenditures amounted to Kshs.260,533,331 and Kshs.714,661,341 respectively.

Compliance

On compliance the Agency complied with all guidelines and laws applicable within its mandate and other applicable laws including deducting and remitting of all statutory deductions from its employee salaries as well as preparing financial statements to the relevant Agencies. In addition, CWWDA also complied with other guidelines from state agencies and circulars on the same.

Performance

Under its mandate, CWWDA covers six Coast Counties with an estimate area of 83,630 km² and with it an estimated current population for the region being 4.4 million. Water demand has continued to rise with the current demand for the region estimated at 329,306 m³/day. With the current water production from all sources being 180,000 m³/day the gap is evidence and this is a daily concern to us as an Agency with the mandate of ensuring adequate water infrastructure in the region. In consultation with other stakeholders CWWDA also has strategized on providing infrastructure for piped water considering that currently the total population that is served with piped water is approximately 55% or 2.405 Million.

During the year the Agency through its four water schemes produced 49,029,179 m³ of water. It was able to bill the Water Service Providers 41,408,159 m³. This indicated a Non Revenue Water level of 16%.

Corporate Governance

The Board's corporate governance structure and practices are in line with the guidelines issued by Mwongozo and other applicable regulations. At a Board level CWWDA has a non-executive Chairman and the Director's except the CEO who is in charge of day to day management of the Agency. The key role of the Board is to give direction and address policy issues. This clarity ensures the Board and management perform their roles within specific parameters.

All the members of the Board have committed themselves to observing ethical behavior and practices in all the Board's businesses. In addition, all the members of the Board have gone through various Governance training to enable them undertake their roles and mandate with information.

The Board has constituted appropriate committees which are the Human Resource and Administration, Technical and Asset Development and the Audit and Risk Committee. All the Board meetings are scheduled and are held on quarterly basis. Ad hoc board meetings are also held whenever necessary and with specific agenda.

Stakeholder Management

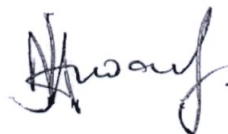
CWWDA has various types of stakeholders who perform different roles complimentary to it. Some of these are: the various water institutions like WASREB, WARA, Water Appeals Board, Water Services Providers, Water Services Trust Fund, Community Based Organizations (CBO) the Hospitality Industry players among others.

Appreciation

In conclusion, I take this opportunity to thank my colleagues in the Board for supporting me in providing leadership since I took over the leadership of this Agency as the Chairman. Their commitment contributed immensely to our performance and being able to focus on the future together.

I also commend management and staff for working tirelessly to achieve the level of service growth that we have witnessed. I am confident that they will continually spare no effort to attain and surpass the targets set for the new financial year. I recognize the support from the community at large and all other stakeholders for supporting and doing business with us.

I also wish to thank our Government and Development Partners for their continued support in building this Agency and in the process impacting positively on lives and communities in our region.



DR. DANIEL KATAMA MWARINGA
CHAIRMAN

6. Report of the Chief Executive Officer

Execution of our mandate

CWWDA mandate is implemented principally through two roles which are to develop and maintain water infrastructure and management of the Bulk Water Supply unit which produces water for sale to the Water Service Providers namely Mombasa, Kilifi-Mariakani, Malindi, Kwale and Tavevo Water Companies.

The assets development is under the technical unit which plays its role in various ways including:

- a) Operations and maintenance of Bulk Water Systems in the Region.
- b) Overall Planning Design and Construction for capital improvement projects, facility improvements and replacements for existing systems.
- c) Preparation of Terms of Reference, RfP's and Tender Documents.
- d) Projects' Supervision and reporting.
- e) Provision of Technical Assistance to the CS, other departments, WSPs and Counties.

The Bulk Unit (established under the technical department) is responsible for the operation and maintenance of the bulk system which comprises Baricho, Marere, Tiwi and Mzima schemes. Currently the Bulk Unit is semi-autonomous with offices at Mazaras and headed by a Managing Director. The bulk unit is financially supported by CWWDA.

The Operation and Maintenance (O & M) of the Bulk Water Supply Unit (BWSU) involves patrolling of the systems' pipelines, attending to leaks and bursts, servicing and repair of electrical installations, bulk meter reading and bulk water billing, servicing and repair of bulk water meters. In undertaking these activities, BWSU is able to effectively serve the Water Service Providers (WSPs) as well as the Community Based Organizations. (CBOs)

The water production under the below schemes has increased over time as shown in Table 1 below.

Table No 1. Production of water by different schemes

	Marere	Mzima	Tiwi	Baricho	Total Prod.(m ³)
2024-2025	2,358,836	14,440,000	2,030,291	30,200,052	49,029,179
2023-2024	2,606,800	14,640,000	2,139,013	29,777,101	49,162,914
2022-2023	1,778,430	14,782,000	2,241,122	27,498,196	46,299,748
2021-2022	2,534,000	14,609,000	2,257,654	27,359,364	46,760,018
2020-2021	2,902,535	14,618,182	2,062,185	25,749,835	45,332,737
2019-2020	3,441,893	14,760,000	2,394,188	23,183,100	43,779,181

The demand for water in the coast region is yet to be met despite the increase in Water production from these schemes. Some of the reasons that contribute to this scenario include aged infrastructure that requires frequent repairs and maintenance, non -revenue water as well as the length of time that it takes to complete projects when compared to the rise in demand for water.

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During the Financial year 2024-2025 the Agency was able to supply water to the water service providers amounting to 41,408,159 m³ There was a 16% loss in terms of Non-Revenue Water. The table below shows how the four water schemes supplied to the Companies.

Table No.2. Supply of water by different schemes

	Marere	Mzima	Tiwi	Baricho	Total Supply.(m ³)
2024-2025	1,761,017	9,796,775	2,030,291	27,820,076	41,408,159
2023-2024	2,056,045	11,275,099	1,733,631	22,898,101	37,962,876
2022-2023	1,778,430	14,782,000	2,241,122	27,498,196	46,299,748
2021-2022	2,534,000	14,609,000	2,257,654	27,359,364	46,760,018
2020-2021	2,902,535	14,618,182	2,062,185	25,749,835	45,332,737
2019-2020	3,441,893	14,760,000	2,394,188	23,183,100	43,779,181

Non-Revenue Water:

This is water lost from dilapidated infrastructure and from commercial sources like faulty meters, theft of water, wrong billing, estimated billing etc.

The Agency has been struggling with this menace since its inception. A lot of effort have been put in place to reduce the NRW since it impacts on the revenue side as well as water coverage and supply sufficiency. Every year hundreds of millions of shillings go to waste as a result of this.

Year	Total NRW (m ³)	Revenue Lost (Kshs)
2024-2025	7,621,020	259,114,680
2023-2024	11,900,040	380,801,292
2022-2023	7,998,204	159,964,080
2021-2022	7,512,494	150,249,880
2020-2021	7,227,614	144,552,280
2019-2020	6,798,900	135,978,000

Revenue collection

Coast Water Works Development Agency has had challenges with collection of its revenues that emanate from the bills generated and delivered to the WSPs. There has been a reluctance by these WSPs to pay in full their bills. For a very long time the efficiency level has been way below the standard set by WASREB of 95% and above.

Efforts to involve the Counties have yielded minimal results. The table below shows the revenue collection efficiency over the years.

Table 3: Revenue collection trend for the Last Five Years

Year	Billed Amount (Kshs)	Collected (Kshs)	Collection Efficiency (%)
2024-2025	1,407,877,436	963,753,965	69%
2023-2024	1,203,730,688	846,456,009	70%
2022-2023	790,421,418	605,946,684	77%
2021-2022	787,320,840	564,182,220	72%
2020-2021	784,271,796	521,289,333	66%

Working with Stakeholders

Stakeholders play an important role in our ability to deliver on our strategy and meet our customer expectations. We continue to engage with them, and are committed to developing and maintaining healthy relationships. These include various ministries in the government, Counties, various government agencies, private organizations, media houses, financial institutions, suppliers and the general public. CWWDA has maintained good working relationships with all stakeholders and will endeavor to do so in future.

Appreciation

In conclusion, I thank the Government of Kenya for its confidence in our ability to execute our strategy to ensure efficient and economical provision of water and sewerage services within our area of jurisdiction. I also thank the Board and the employees for their commitment and dedication in delivering on our mandate and our development partners who have continued to support our expansion of water and sanitation infrastructure.



MR. HAMOUD M. MGUZA
CHIEF EXECUTIVE OFFICER

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7. Statement of Performance against Predetermined Objectives for FY 2024-2025

Coast Water Works Development Agency draws its mandate from water Act 2016 as follows,

- i. Undertake the development, maintenance, and management of the national public waterworks within the six countries in the coastal region
- ii. Operate the waterworks and provide water services as a water service provider, until such a time as responsibility for the operation and management of the waterworks are handed over to a county government, joint committee, authority of governments or water services provider within whose area of jurisdiction or supply the water works is located
- iii. Provide reserve capacity for purposes of providing water services where the Regulatory Board orders the transfer of water services functions from a defaulting water services provider to another licensee
- iv. Provide technical services and capacity building to such county governments and water services providers within its area as may be requested
- v. Provide Cabinet Secretary technical support in the discharge of his or her functions under the Constitution and this Water Act, 2016.

CWWDA develops its annual work plans based on the above mandate. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The Agency performed as indicated below:

COAST WATER WORKS DEVELOPMENT AGENCY									
PERFORMANCE CONTRACT FY 2024/25: SELF EVALUATION RESULTS									
		Unit	Weight(%)	Target for contract period 2024/25	Cumulative achievement 2024/25	% Change	Raw Score	Weighted Score	Performance Grade
A. Finance and stewardship									
A.1	Absorption of allocated funds (GoK)	%	2	1,648,400,000	979,626,769.5	-40.57	3.8114	0.0762	Fair
A.2	Absorption of externally mobilized resources (Donor Funds)	%	3	4,000,000,000	154,202,979	-96.14	4.9229	0.1477	Poor
A.3	A-in-A	Kshs (m)	2	749,000,000	976,909,328.58	30.43	2.3914	0.0478	Excellent
A.4	Pending Bills	%	3	1	2.02	102.00	5.0400	0.1512	Poor
Weight Sub Total			10.0				16.1657	0.4229	
B. Service Delivery									

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B.1	Implementation of Citizens' Service Delivery Charter	%	4	100	100	0.00	3.0000	0.1200	Very Good
B.2	Digitization of Government Services	%	7	100	100	0.00	3.0000	0.2100	Very Good
B.3	Resolution of Public complaints	%	4	100	100	0.00	3.0000	0.1200	Very Good
Weight Sub Total			15				9.0000	0.4500	
C. Core Mandate									
C-25	Mwache Dam WTP	%	4	100	100	0.00	3.0000	0.1200	Very Good
C-26	Mwache WTP to west mainland	%	4	100	50	-50.00	4.0000	0.1600	Fair
C-27	Mwache WTP to North mainland	%	4	100	50	-50.00	4.0000	0.1600	Fair
C-28	Makamini Dam	%	5	100	0	-100.00	5.0000	0.2500	Poor
C-34	Tiwi Boreholes rehabilitated	%	3	100	30	-70.00	4.4000	0.1320	Poor
C-35	Project completion rate	%	2	100	100	0.00	3.0000	0.0600	Very Good
C-36	STI	%	2	100	100	0.00	3.0000	0.0600	Very Good
C-37	Productivity Improvement	%	3	100	100	0.00	3.0000	0.0900	Very Good
C-40	Drilling of Onjila B/H	%	5	100	90	-10.00	3.2000	0.1600	Good
C-41	Drilling of Sangenyi B/H	%	5	100	95	-5.00	3.1000	0.1550	Good
C-42	Drilling of Marungu B/H	%	3	100	60	-40.00	3.8000	0.1140	Fair
C-43	Drilling of Mwatate B/H	%	5	100	100	0.00	3.0000	0.1500	Very Good
C-44	Drilling of Ngongondinyi B/h	%	5	100	100	0.00	3.0000	0.1500	Very Good

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C-45	Drilling of Kapasho B/H	%	5	100	75	-25.00	3.5000	0.1750	Good
C-47	Construction of Mwache WTP to Dingo-Kundu	%	5	100	10	-90.00	4.8000	0.2400	Poor
C-48	Drilling of Baricho B/H	%	5	100	40	-60.00	4.2000	0.2100	Poor
Weight Sub Total			5.0			#DIV/0!	58.0000	2.3860	Poor
D. Implementation of Presidential Directives									
	Implementation of Presidential Directives	%	2.0	100	70	-30.00	3.6000	0.0720	Good
E. Access to Government Procurement Opportunities (AGPO)									
	Access to Government Procurement Opportunities (AGPO)	Kshs (m)	2.0	196,815,600	226,448,415	15.06	2.6989	0.0540	Very Good
630110685									
	Promotion of Local Content in Procurement	Kshs	2.0	262,420,800	630,110,685	140.11	0.1977	0.0040	Excellent
G. Cross Cutting									
G.1	Asset Management	%	1.0	100	95	-5.00	3.1000	0.0310	Good
G.2	Youth Internships/ Industrial Attachments/ Apprenticeships	No	1.0	145	170	17.24	2.6552	0.0266	Very Good
G.3	Competence Development	%	1.0	100	100	0.00	3.0000	0.0300	Very Good
G.9	National Cohesion and Values	%	1.0	100	100	0.00	3.0000	0.0300	Very Good
Weight Sub Total			4.0				11.7552	0.1176	
GRAND TOTAL			40.0				101.4175	3.5064	Good

8. Corporate Governance Statement

Introduction

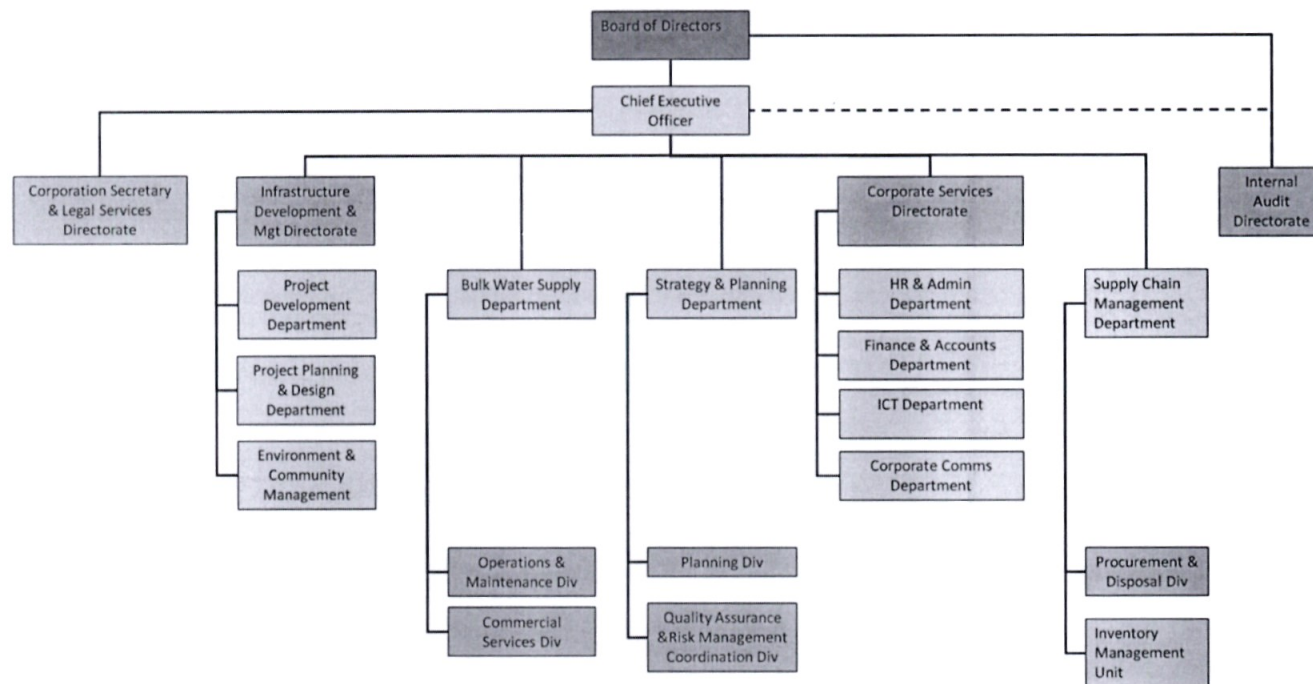
The agency is committed to maximizing business performance, generating appropriate levels of stakeholder’s value and financial returns, and sustaining the growth and success of CWWDA.

Effective governance is achieved through a combination of strong process and structures, underpinned by the right values and culture. The principles of corporate governance are contained in the Constitution and The Public Officer Ethics Act, 2003 among other guidelines. CWWDA is in compliance with the governance tenets of the recently developed “Code of Governance for Government Owned Entities”, Mwongozo. CWWDA is committed to ensuring compliance with the provisions of Water Act 2016 among other regulatory and supervisory Corporate Governance requirements.

In conducting business in accordance with these objectives, the Agency seeks to ensure that CWWDA is properly managed to protect and enhance stakeholder interests, and that CWWDA, its Directors, officers and employees operate in an appropriate environment of corporate governance.

The Board has in place a framework for governing CWWDA which includes adopting internal controls, risk management processes and corporate governance policies and practices, designed to promote responsible management and ethical conduct.

Organization structure



Board Size, Composition and Appointment

The structure of CWWDA Board starts with the Board of Directors who are appointed by the Cabinet Secretary and all independent except the CEO. The Cabinet Secretaries in both the National Treasury and the Ministry of water and sanitation are represented in the Board by their duly appointed nominees. The Inspectorate of state Corporations is also represented in the board.

The Board is well composed in terms of range and diversity of skills, knowledge, and experience in various sectors which makes it effective in providing an appropriate balance for the oversight of the Board's mandate

Roles and responsibilities of the Board and management

The Board provides overall strategic guidance for CWWDA and effective oversight of management. Responsibility for the governance of CWWDA, including establishing and monitoring key performance goals, rests with the Board. The Board monitors the operational performance and financial position of the agency through management reports, performance contracts procurement plans as well as the audited financial reports.

The Board Charter articulates the Board's roles and responsibilities, its membership and operation clearly stating which responsibilities may be delegated to committees or to management. Specific responsibilities have been reserved by the Board in key areas of strategy, governance, executive appointments and financial approvals. The Board has established Four standing committees to assist in performing its responsibilities by discussing in detail particular issues and making recommendations to the Board and these committees operate under specific terms of reference.

The CEO has the responsibility of managing the day-to-day affairs of CWWDA in line with the Board-approved corporate plan, the corporate strategy and policies.

Separation of Roles and Responsibilities

The roles and responsibilities of the Chairman of the Board, the Chief Executive Officer and non-executive directors remain distinct and separate which ensures a balance of power of authority and provides for checks and balances such that no one individual has unfettered powers of decision making. Their roles have been documented and are expected to be independent and free from conflict upon appointment. SCAC is responsible for reporting to the Board on the evaluation of the performance of the Chairman, Board and committees.

The Chairman provides overall leadership to the Board without limiting the principles of collective responsibility for Board's decisions. The Chairman builds an effective board and sets the board agenda in consultation with the Chief Executive Officer and ensures effective communication to stakeholders.

The Board does not consider the Chief Executive Officer to be independent as this is an executive role. All Directors are non-executive and are independent of management. Their roles include appointing the CEO and establishing a framework for the delegation of authority and ensure succession planning for the CEO and the senior management. Their main role is therefore to give oversight and strategy direction and monitor the progress of strategy implementation ensuring it is done within the risk appetite and control framework that is set out by the Board.

The CEO is responsible to the Board and takes the overall responsibility for the management of the affairs of CWWDA. The CEO recommends the strategy to the Board and implements it and makes operational decisions. The CEO further ensures appropriate and timely information flows within the Board, its committees and management.

Board Committees and Responsibilities

The Board delegates certain functions to well-structured committees but without abdicating its own responsibilities. The Board has developed a committee structure that assists in the execution of its duties, powers and authorities. Each Committee is guided by the Committee Charter/Terms of Reference, which outlines its responsibilities as mandated by the Board.

The Committees are appropriately constituted drawing membership from amongst the Board members with appropriate skills and experience. The Chairman of the Board, management and external parties/advisors are required to attend the committee meetings only by invitation. The committees are expected to operate transparently, ensure full disclosure to the Board and conduct themselves within the rules and procedures set out by the Board. Matters deliberated by the Committees are presented to the Board by the respective chairman during the next Board meeting.

Conflict of Interest, Code of Conduct and Ethics

The Directors and employees of CWWDA have a fiduciary duty to act honestly and in the best interest of the Agency. Business transactions with all parties must be carried out at arm's length and with integrity. The Board provides effective leadership based on ethical foundation and ensures all deliberations, decisions and actions are based on the Boards' core values underpinning good governance.

The Board has put various measures in place to ensure that there is no conflict of interest amongst its directors and staff. The Board has put in place corruption prevention plan and Code of Conduct & Ethics Policies that binds both the directors and the employees. A declaration of interest is signed by board members before deliberating on various matters. During the year, under review CWWDA conducted various training to Directors and staff on ethics and integrity.

Accountability & Audit /Control Environment Management

a) Internal Auditors

CWWDA has an internal audit function which has the role of providing independent and objective assurance to the Audit and Risk committee on the adequacy and effectiveness of the risk management framework, financial reporting processes, internal control systems and compliance

The annual internal audit plan, which is approved by the committee of the board is developed using a risk-based approach and is driven by the risk framework, risk profile and governance principles. The head of the internal audit function reports directly to the committee Chairman, with an administrative reporting line to the Chief Executive Officer. This ensures that internal audit is given the independence that is required.

The Manager, Internal Audit & Risk reports to the committee meeting on progress against the annual internal audit plan, audit findings and recommendations and the status of management actions. The Board has qualified staff who carry out the internal audit function and present reports on compliance. The Audit and Risk Committee is composed of non-executive directors.

b) Internal Controls and Risk Management

The Board has the responsibility of identifying internal risk exposures and developing measures to mitigate against the identified risks. The Board reviews and monitors the development and implementation of internal control systems and risk management systems using various approach including through policies and manuals.

c) Relationship with Stakeholders

As an organization, CWWDA appreciates that stakeholder perception affects the organizations reputation and may affect its ability to effectively undertake its mandate. Therefore, the Board strives to achieve an appropriate balance between its various stakeholders in the best interest of the organization by taking into account their legitimate interest and expectations in decision making.

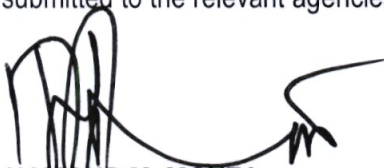
The Board values the importance of complete, timely, transparent and effective communication with its stakeholders for building and maintaining their trust and confidence by providing regular information on its performance, activities and addressing their concerns while taking into consideration legal and strategic considerations.

CWWDA has developed a Corporate Communications Strategy which encompasses internal & external communication, customer service and public relations. The main avenues for communication are through press releases, stakeholder forums and publications in print and social media, and annual reports and financial statements. The Board has continued to encourage electronic communication through publishing documents in the corporate website and has endeavored to ensure that the website is highly interactive and contains all the relevant information.

Additionally, the Board has dedicated staff to deal with complaints and public relations efficiently and effectively. The Board has an established mechanism of receiving, resolving and giving feedback on complaints referred to it by its stakeholders. The Board submits quarterly reports to the Commission of Administrative Justice on the complaints handling and management.

d) Annual Report and Accounts

The financial reports for CWWDA accounts are audited by the Auditor-General whose role and responsibilities are defined under the Constitution of Kenya. CWWDA has in the past prepared and submitted its annual reports and financial statements to the auditor general for review as required. In addition, quarterly reports are prepared and submitted to the relevant agencies as per existing guidelines.



MR. HAMOUD M. MGUZA
CHIEF EXECUTIVE OFFICER

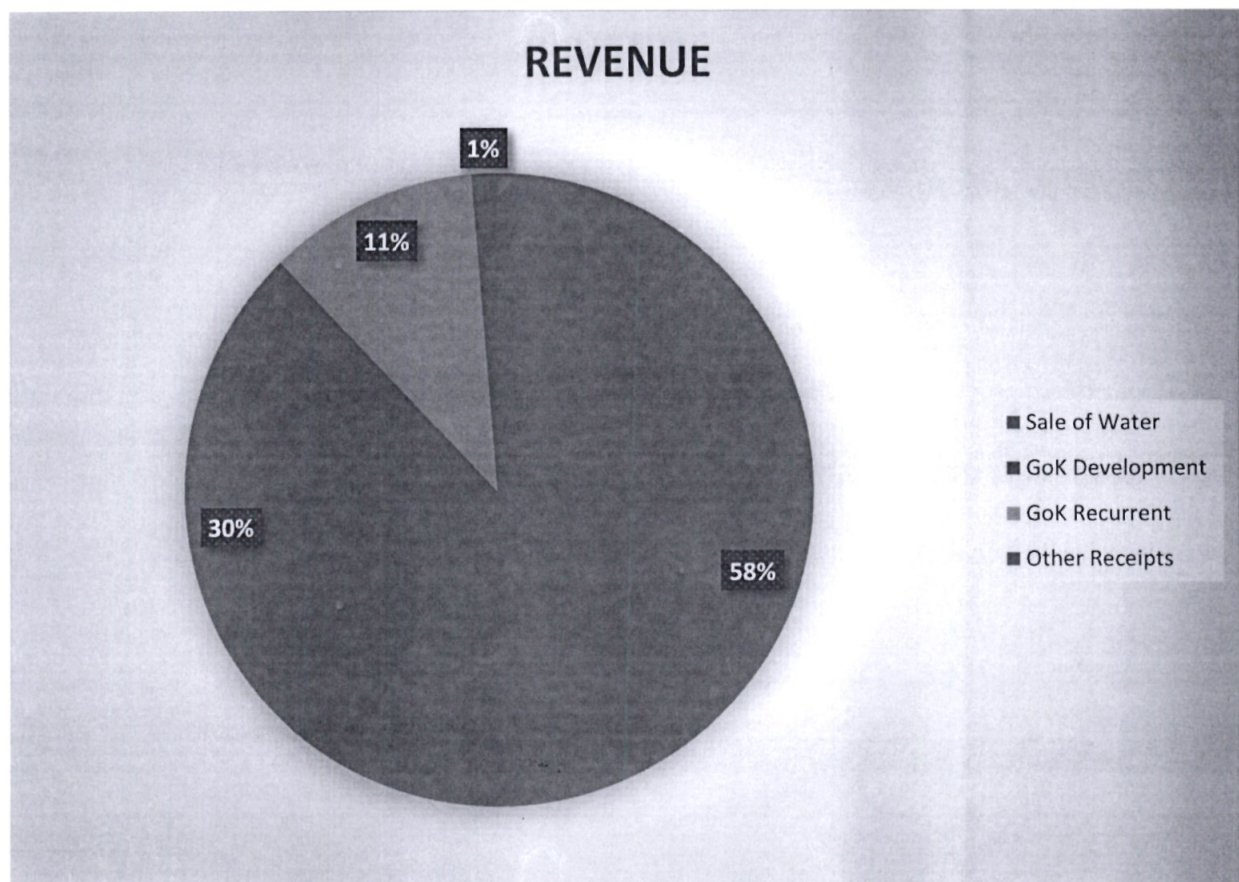
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9. Management Discussion and Analysis

Revenue

During the financial year ending 30th June 2025, CWWDA generated total revenue amounting to Kshs. 2,407,765,842 against an expenditure of Kshs. 2,014,109,538

Detail	Kshs	%
Sale of Water	1,407,877,436	58
GoK Development	714,661,341	30
GoK Recurrent	260,533,331	11
Other Receipts	24,693,734	1
Total	2,407,765,842	100

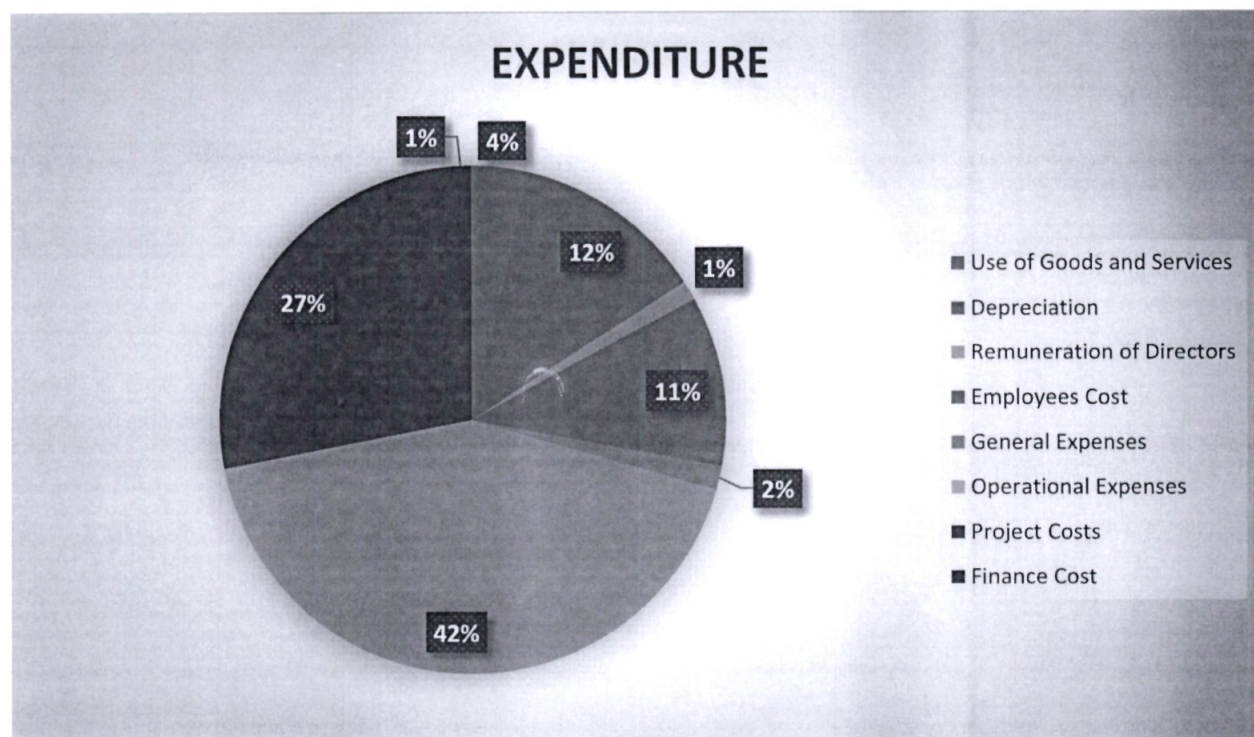


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Expenditure

The total expenditure for year under review was Kshs. 2,014,109,538 with bulk of the same being utilized for operational Expenses, Use of Goods and Services and Projects among others as indicated below;

Expenditure	Kshs.	%
Use of Goods and Services	80,269,467	4
Depreciation	245,090,893	12
Remuneration of Directors	24,492,397	1
Employees Cost	212,284,619	11
General Expenses	30,695,536	2
Operational Expenses	855,555,562	42
Project Costs	538,623,064	27
Finance Cost	27,098,000	1
Total	2,014,109,538	



Detailed Utilization of Revenue

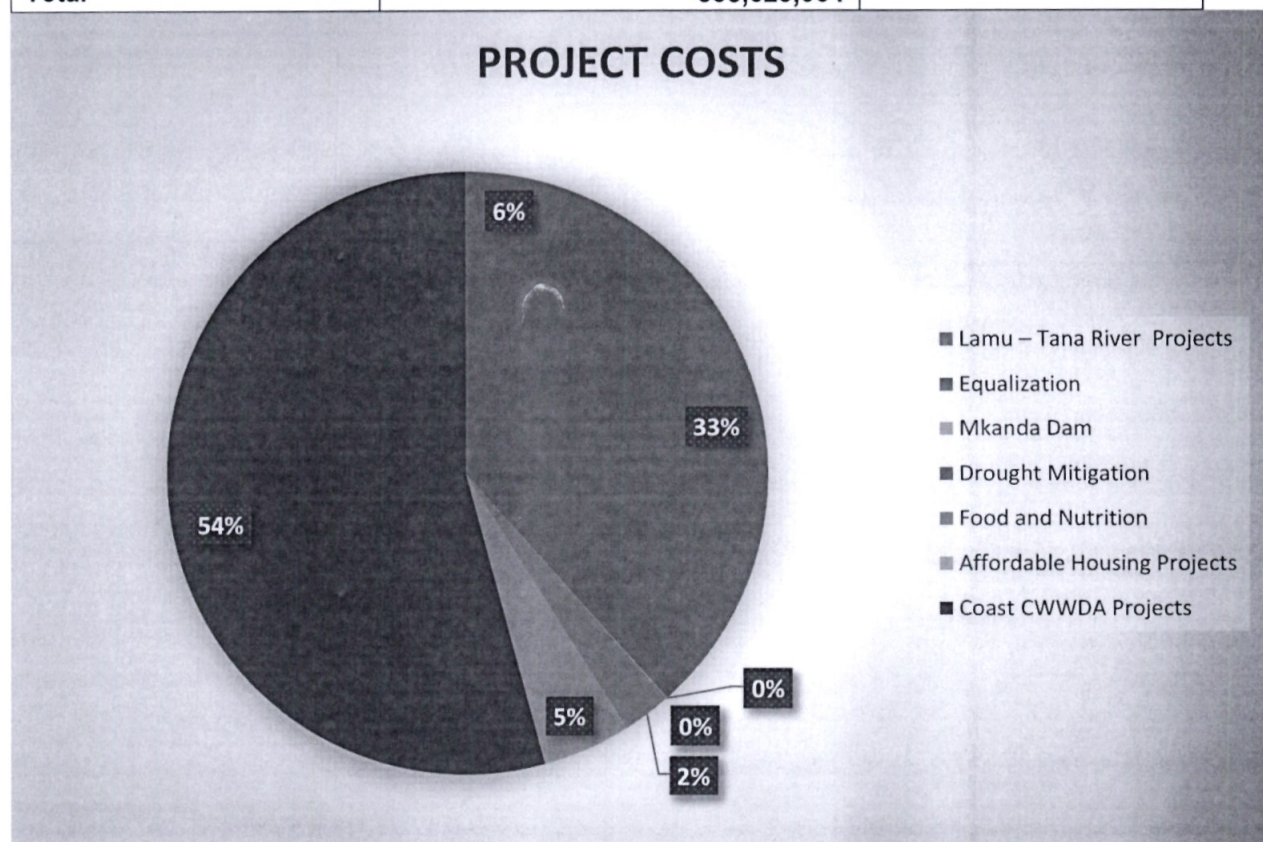
a) Projects expenses

During the year under review, CWWDA undertook several projects under its Master plan as well as other projects during period.

The projects that were undertaken were under different programmes depending on the source of funds as well as the key purpose of the project. Some projects were factored in the budget while others were continuing project from the previous period. Some of the projects were completed while others are ongoing and will be completed in the coming financial periods.

The table below shows the project expenditure as per each category respectively:

Project Name	Cost (Kshs)	%
Lamu – Tana River Projects	30,423,207	6
Equalization	176,019,486	33
Mkanda Dam	562,076	0
Drought Mitigation	175,421	0
Food and Nutrition	13,615,008	2
Affordable Housing Projects	25,732,398	5
Coast CWWDA Projects	292,095,469	54
Total	538,623,064	100



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The Agency planned to Implemented Several Projects in the financial year under review as indicated below,

S/No	Project Name	Funding Programme	Allocated (Kshs)
1	Improvement of Drinking Water & Sanitation Systems in Mombasa	Donor/GoK	4,050,000,000
2	Mwache Water Pipeline Extension	GoK	0
3	Dongo Kundu Water Supply Project BETA	GoK	30,000,000
4	Affordable housing water supply project	GoK	200,000,000
5	Mzima II Water Supply Project	GoK	20,000,000
6	Water Harvesting Projects	GoK	0
7	Coast WWDA Projects	GoK	280,000,000
	TOTAL		4,580,000,000

Most of these projects are ongoing including the Projects funded by World bank and AFD.

County Water Projects 2024 – 2025

These projects were initiated during the year and implementation is ongoing.

	PROJECT NAME	COUNTY	CONSTITUENCY	BUDGET AMOUNT
1	Drilling and Equipping of Kambi Ya Juu Borehole - Bulesa	Tana River	Garsen	10,000,000.00
2	Drilling and Equipping of Hamesa Village Borehole	Tana River	Garsen	10,000,000.00
3	Drilling and Equipping of Hindi Safiris Water Project	Lamu	Lamu	20,000,000.00
4	Drilling and Equipping of Ikuminyi Borehole	Taita Taveta	Wundanyi	10,000,000.00
5	Drilling and Equipping of Mwarondo Borehole	Taita Taveta	Mwatate	10,000,000.00
6	Drilling and Equipping of Mwazambo Borehole	Taita Taveta	Mwatate	10,000,000.00

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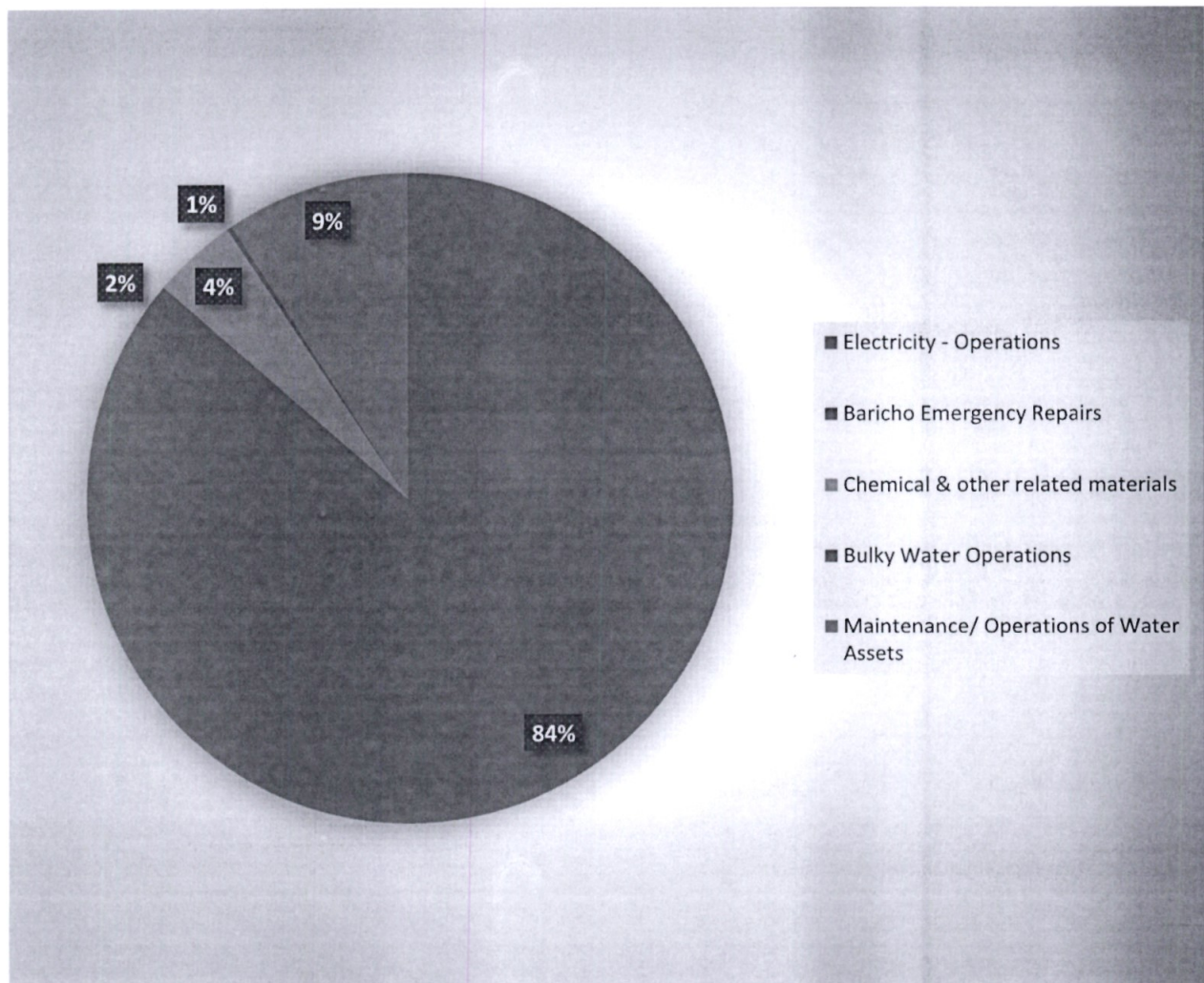
7	Drilling and Equipping of Odoganda Village Borehole	Tana River	Garsen	10,000,000.00
8	Construction of Chomo water pan	Lamu	Lamu East	25,000,000.00
9	Construction of Gafuru water pan	Tana River	Garsen	25,000,000.00
10	Construction of Mtsara wa Boho water pan	Kilifi	Kaloleni	25,000,000.00
11	Construction of Mnarani Water Pan	Kwale	Kinango	25,000,000.00
12	Construction of Kishushe Water Pan	Taita Taveta	Wundanyi	25,000,000.00
13	Construction of Kwa Bulu primary and secondary Water piping	Mombasa	Nyali	10,000,000.00
14	Drilling and equipping of 2no boreholes in mvita	Mombasa	Mvita	20,000,000.00
15	Drilling and Equipment of Chiferi Secondary School Borehole	Kilifi	Rabai	15,000,000.00
16	Construction of Maandani secondary school rainwater harvesting facilities	Kilifi	Kaloleni	10,000,000.00
17	Drilling and equipping of Zigira Borehole (Replace with Mayole)	Kwale	Msambweni	10,000,000.00
18	Drilling and equipping of Mlungunipa Borehole in Kinondo ward	Kwale	Msambweni	10,000,000.00
	TOTAL			280,000,000.00

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Operational Expenses

This is a major expenditure that the Agency incurred during the financial period with the main expenditure under this category being electricity for water production in Baricho plant.

Operational Expenses	Kshs.	%
Electricity - Operations	718,938,836	84
Baricho Emergency Repairs	19,269,217	2
Chemical & other related materials	36,272,130	4
Bulky Water Operations	2,255,369	1
Maintenance/ Operations of Water Assets	78,820,010	9
Total	855,555,562	100



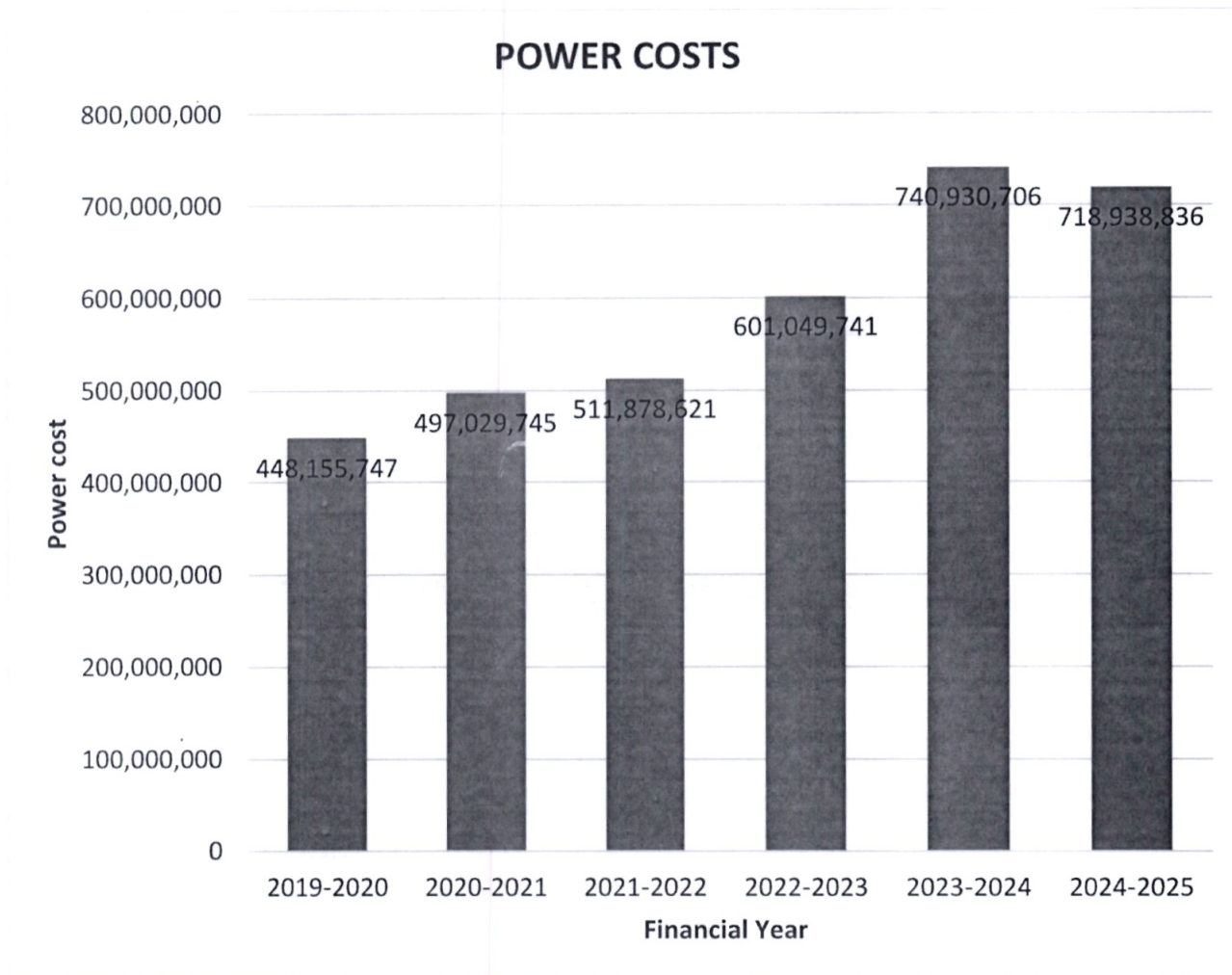


Table below show the trend of power bill over the last seven years
Cost of power bill for the last six years.

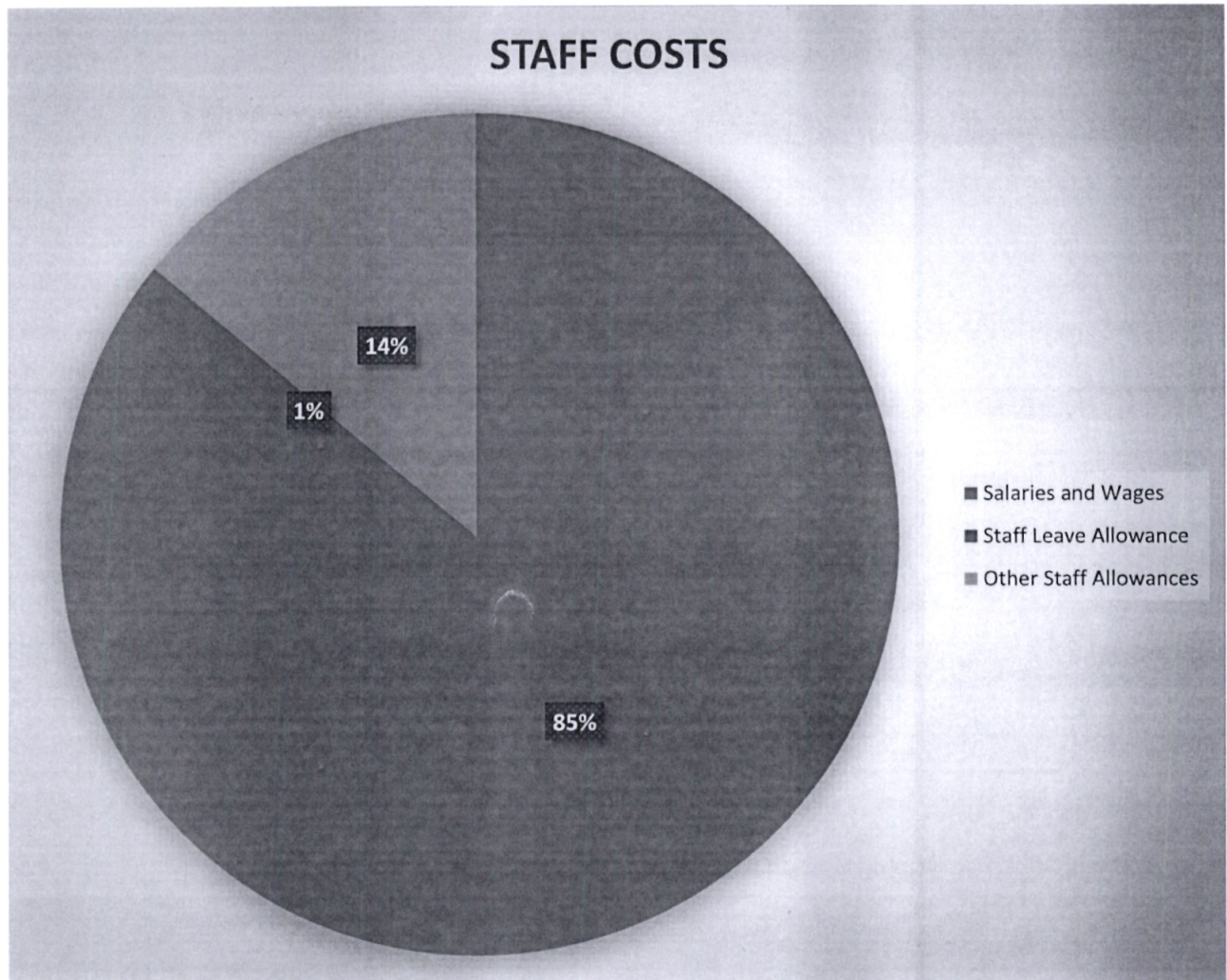
Year	Kshs
2019-2020	448,155,747
2020-2021	497,029,745
2021-2022	511,878,621
2022-2023	601,049,741
2023-2024	740,930,706
2024-2025	718,938,836

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Staff Costs

The summary of staff expenses is given by table below

	Kshs	%
Salaries and Wages	179,321,743	85
Staff Leave Allowance	3,151,983	1
Other Staff Allowances	29,810,893	14
Total	212,284,619	100

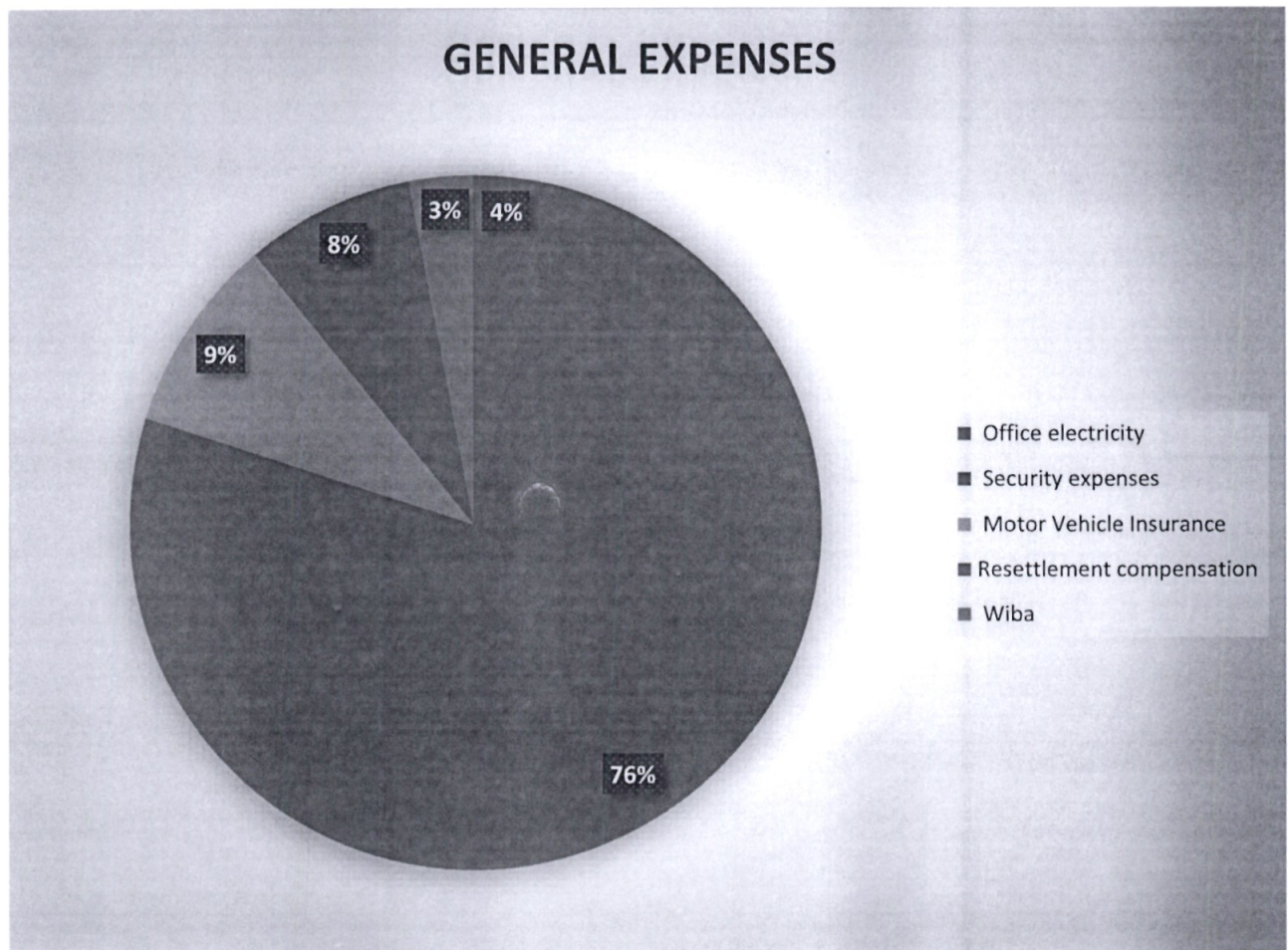


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General Expenses

This cost cover insurance among others and vital for the operations of the Agency

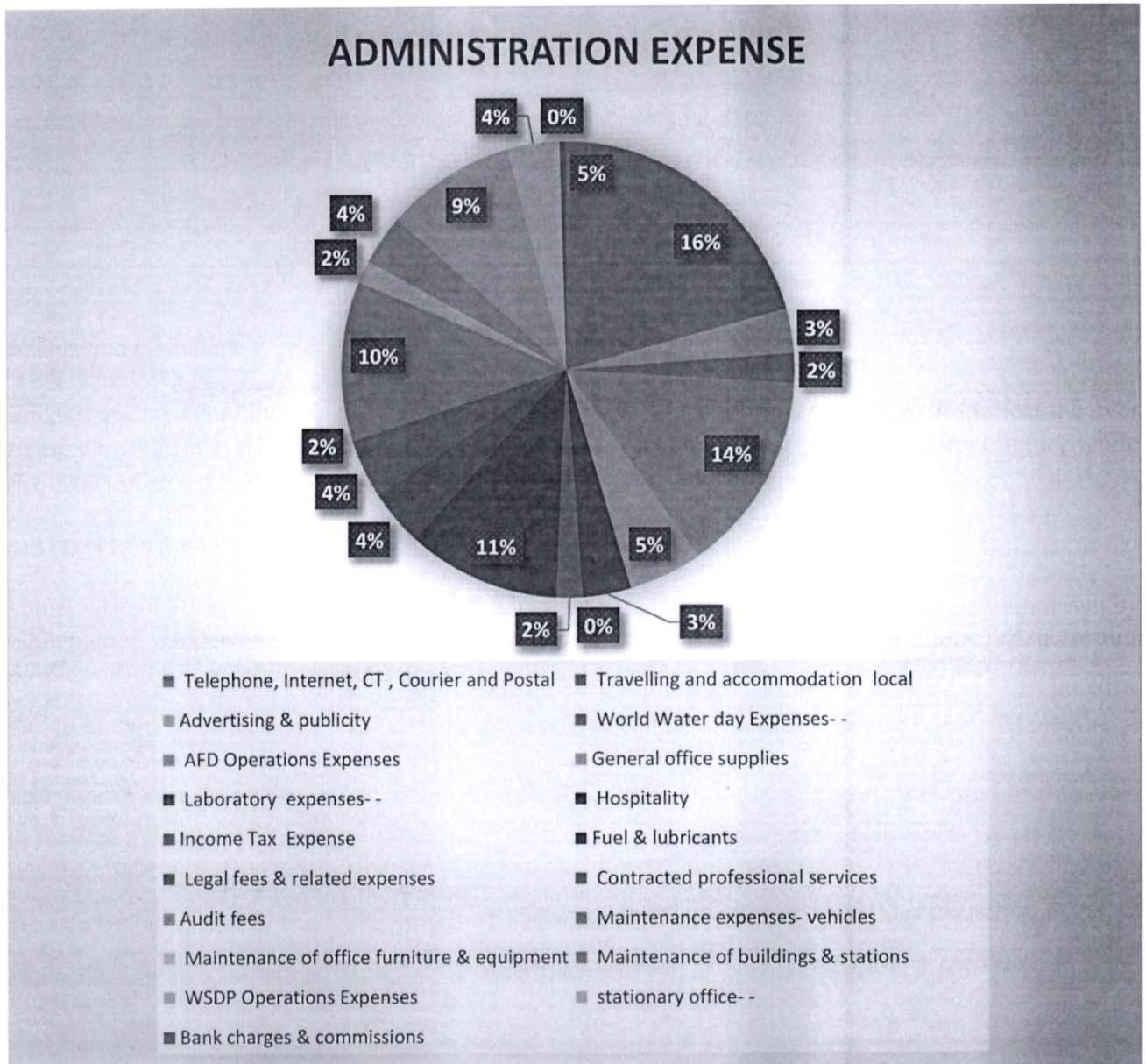
Details		%
Office electricity	1,156,353	4
Security expenses	23,377,250	76
Motor Vehicle Insurance	2,802,811	9
Resettlement compensation	2,437,048	8
WIBA	922,074	3
Total	30,695,536	100



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Use of Goods and Services

Telephone, Internet, CT , Courier and Postal	3,473,288	
Travelling and accommodation local	11,847,311	
Advertising & publicity	2,321,438	
World Water day Expenses- -	1,570,000	
AFD Operations Expenses	10,518,843	
General office supplies	3,857,415	
Laboratory expenses- -	2,513,381	
Hospitality	24,170	
Income Tax Expense	1,427,568	
Fuel & lubricants	8,094,053	
Legal fees & related expenses	2,964,620	
Contracted professional services	3,097,339	
Audit fees	1,172,760	
Maintenance expenses- vehicles	7,248,708	
Maintenance of office furniture & equipment	1,189,280	
Maintenance of buildings & stations	2,643,998	
WSDP Operations Expenses	6,839,494	
Stationary office- -	2,794,760	
Bank charges & commissions	318,573	
Training Allowance	1,682,078	
PC cross cutting and CSR	4,670,390	
Total	80,269,467	



Assets and Liabilities

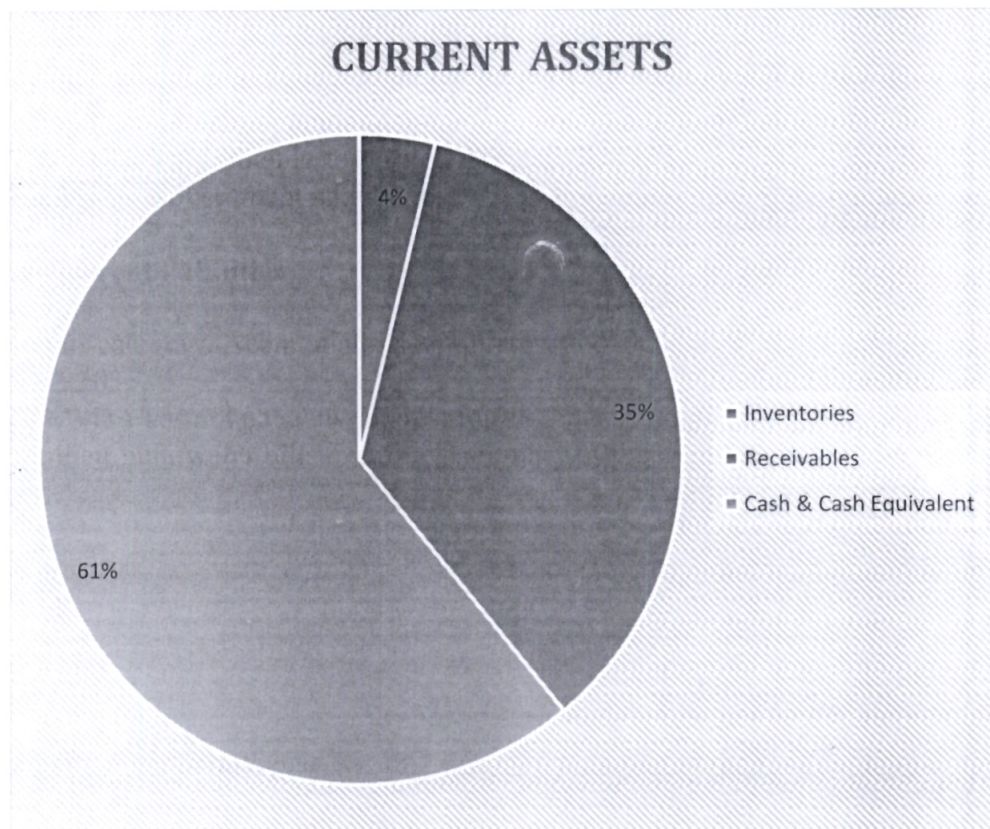
The Assets have continued to grow over the years as CWWDA continue to endeavor to meet the ever rising demand for water. The bulk of the non-current assets constitute the water infrastructure while the receivables constitute the biggest percentage of the current assets.

a) Current assets

Under current assets, the receivables take the highest percentage (86%) of the assets cost as shown by table below. Under Inventories, machinery, pipes and fittings are held for continuous repair for our pipelines and this were the closing stock.

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Current Assets	Kshs.	%
Inventories	39,543,913	4
Receivables	366,258,404	35
Cash & Cash Equivalent	632,300,868	61
Total	1,038,103,185	100



b) Non-current assets

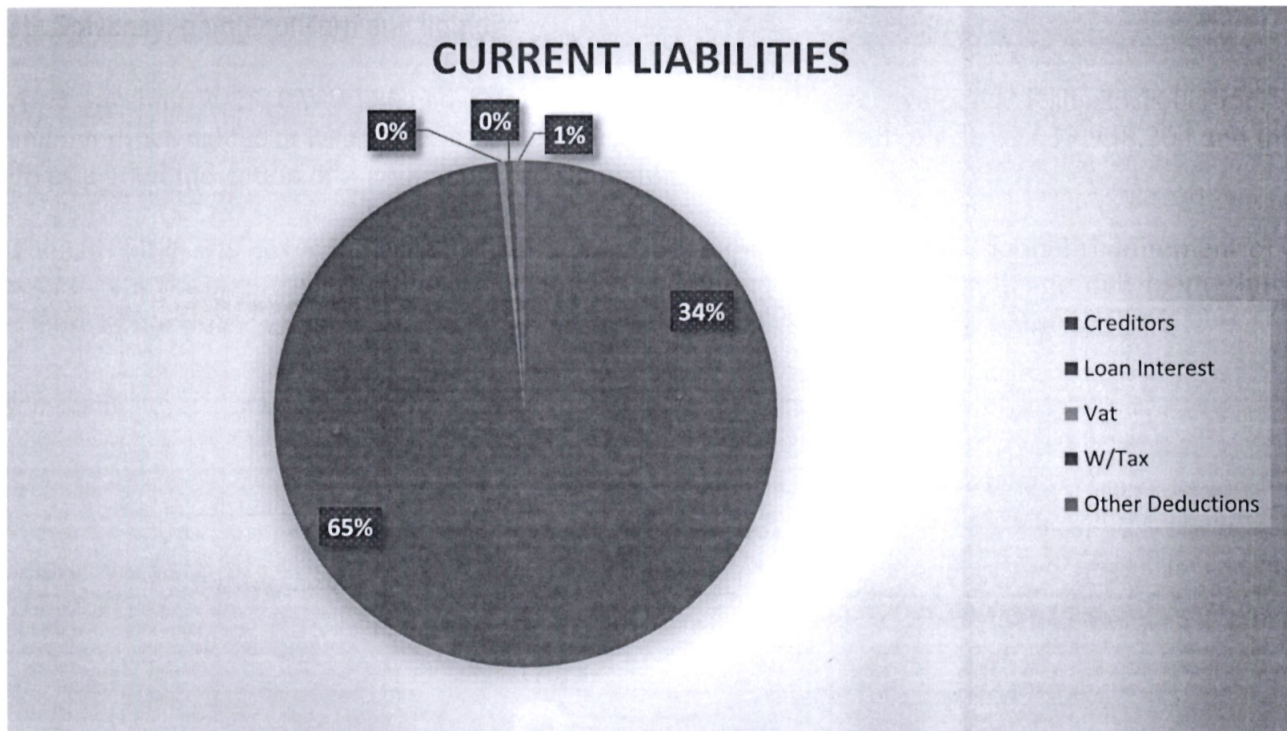
In this category, Work In Progress (WIP) takes 56% of the total cost while property, plant and equipment take the balance of 44%. The WIP is attributable to various projects that are on-going at different stages of implementation funded by Government and Donors

c) Current liabilities

In this category, Accumulated loan interest and General Creditors are the main components as at 30th June 2025. CWWDA has not paid any interest for the Loans and this is attributable to the failure by WSPs to pay for their bulk water bills in full. A summary of the current liabilities is given by table below

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Current Liabilities	Kshs	%
General Creditors	561,238,068	34
Loan Interest	1,239,351,955	65
W/Vat	9,610,839	0
W/Tax	9,650,437	0
Other Deductions	14,026,651	1
TOTAL	1,833,877,951	100



d) Non -Current liabilities

The non-current liabilities are composed of the World Bank (WB) loan, AFD Loan, and ADB Loans.

e) Solvency, going concern and liquidity

As at 30th June 2025, CWWDA had a strong solvency base with assets valued at Kshs.23,160,195,452 and liabilities valued at Kshs.20,526,257,248 hence a net assets worth of Kshs.2,633,938,204 and this gives a good indication of a going concern status for the Agency.

The current assets cover the current liabilities is above the minimum professional requirement of 2 which is a positive Financial position. However, liquidity has been a challenge due to the huge pending bills from WSPs.

Quality assurance and value for money

High quality standards are taken very seriously as CWWDA undertakes its mandate. Effort made to ensure the projects are designed, implemented and maintained by applying strict standards that are applicable in all aspects. Inspection teams composed of officers with relevant skills and experience are constituted and inspection criteria developed at all stages of the projects implementation. This ensures that there is value for money for the resources that are assigned to different task.

For the bulk unit, laboratory tests are conducted regularly to ensure the water that is released to the consumers is safe. In addition, CWWDA also ensures that chlorine and other chemicals that are required are procured and tested within the applicable standards.

As an agency, we do also appreciate the fact that not all consumers rely entirely on our water and in this regard, CWWDA offers laboratory services to the members of the public who wish to check the status of the water they are consuming. CWWDA has a monitoring and evaluation team in place.

Non-revenue water

This emanates from physical and commercial losses and is of big magnitude that demands attention all the time. A lot of water is lost from the four schemes due to their levels of dilapidation. The table below show the level of NRW per scheme as at 30.6.2025.

	Schemes				Total
	Tiwi	Mzima	Marere	Baricho	
Production(m ³)	2,030,291	14,440,000	2,358,836	30,200,052	49,029,179
Sales(m ³)	2,030,291	9,796,775	1,761,017	27,820,076	41,408,159
NRW(m ³)	0	4,643,225	597,819	2,379,976	7,621,020
NRW(%)	0%	32%	24%	8%	16%

Compliance with statutory requirements

During the financial year under review CWWDA complied with all the statutory requirements that are applicable. This includes deducting and submitting all taxes to Kenya Revenue Authority (KRA), NSSF deductions, NHIF and pension deductions among others.

10. Environmental and Sustainability Reporting

Introduction

Sustainable development is all about ensuring a better quality of life for everyone, now and for generations to come. This can be achieved through the three strands of social equity which recognizes the needs of everyone, maintenance of stable levels of economic growth and employment, and using natural resources prudently, whilst protecting, and if possible enhancing, the environment. Sustainable or ecological development is a process of change in which the exploitation of resources, the direction of investments, the orientation of technological development, and institutional change are made consistent with the future as well as present needs.

Sustainability requires continuous technological, economical the social progress of continuous improvement that respects the limits of the Earth's ecosystems, and meets the needs and aspirations of everyone for a better quality of life, now and for future generations to come.

CWWDA is committed to meeting our stakeholder's present and future requirements through a collaborative culture which provides the capability to provide services and knowledge allowing systematic change to take place whilst reinforcing mutually desired social, economic and environmental outcomes. CWWDA recognizes the importance of conducting operations in a manner that meets existing needs without compromising the ability of the future generation to meet their needs; therefore, it carries out its operations in a manner that ensures the economic life of the community in which it operates. It remains the policy of the agency to ensure that activities meet and exceed the social, economic and environmental expectations of stakeholders.

The agency considers key aspects to be able to achieve its goal on the above.

- (a) Our people, values and processes;
- (b) Stakeholder engagement;
- (c) Protecting the environment; and
- (d) Corporate Social Responsibility and Investment.

Our People, Values and Processes

The staff of CWWDA are the primary asset of the Agency. CWWDA therefore recruits, retains and invests in the best talent in the market and also gives opportunity for new comers through internships and attachments.

Diversity and Equal Opportunity

The Agency endeavors to preserve gender and cultural diversity in our employee mix and takes pride as an equal opportunity employer for all qualified persons.

Our Culture and Values

Our vision of "To be a world class water and sanitation infrastructure development agency.

This describes who we are, what we stand for and what makes our culture distinctive. The staff and Directors are committed in upholding our core values in the discharge of our mandate.

Employee Welfare

The agency takes every effort to ensure that employees' well-being is considered as this affects them both at home and at work.

The Board has continued to ensure that all cross cutting issues have been addressed; in particular, the policies and work plans for HIV/AIDs, Persons with Disability and Gender have been developed and are being implemented.

Staff Training and Development

To ensure that CWWDA not only attracts but also retains the best talent, the agency aims to nurture people's careers by making relevant opportunities accessible and helping them to develop skills,

knowledge and experience in different functions or specialism. Staff training and development are a prerequisite for employees' growth. In FY 2024/2025, training continued to focus on departmental technical competencies and people management skills at all levels.

The Board also provides opportunities for groups of existing and future senior leaders to benchmark with best practices on management. Capacity building will remain a key objective for the agency.

Occupational Health and Safety

Good health and safety standards are ideal and remain an individual and corporate responsibility for the staff and the agency. The agency is committed to proactively managing all health and safety risks associated with its mandates.

The Board has a comprehensive medical scheme for its staff and directors. The policies are reviewed annually to ensure that the CWWDA maintains a healthy workforce and safe environment.

Zero Tolerance to Corruption

CWWDA has a zero tolerance policy towards corruption. During the year the agency carried out corruption risk assessment and mitigation measures. In order to enhance integrity in public procurement, CWDA posted all advertisements and awards to the public notice board at the gate of the head quart officers. Advertised open tenders in the papers for everybody to participate.

Corporate Social Responsibility and Investment

Through stakeholder engagement, we have listened to and talked with our employees, customers, investors, regulators, suppliers, Non-governmental Organizations (NGOs) and community representatives, who have helped us to develop our water master plan.

Towards this, the Board continues to pay school fees for best performing student at Baricho primary school.

Environmental Sustainability Report

Environmental Sustainability refers to concerted efforts to mitigate against environmental degradation. It is the maintenance of the factors and practices that contribute to the quality of environment on a long term basis. It involves making decisions and taking action that are in the interests of protecting the natural world, with particular emphasis on preserving the capability of the environment to support human life. CWWDA is cognizance of the possible impacts (both positive and negative) resulting from interaction of the organization's activities with both physical and social environments.

The objective of the CWWDA in environmental sustainability is therefore to promote sustainable development within our area of jurisdiction by ensuring environmental protection, social equity, and economic development.

Approach

CWWDA environmental sustainability is guided by the Environmental Management and Coordination (Amendment) Act of 2015 which is the principal legislation governing the conduct of environmental management in Kenya; and the Constitution of Kenya, 2010. Other legislation related

to natural resources such as Water Act, forest Act, Land planning Act and guidelines by National Environment Management Authority (NEMA). During the year under review CWWDA undertook the following activities in compliance with the guidelines:

Environmental sustainability planning

CWWDA developed an integrated workplace environment health and safety policy statement which states the organization's commitment to protect the environment, preserve the health and safety of CWWDA employees and communities, and ensure safe development of water and sanitation infrastructure.

This policy statement provides a framework for developing environmental objectives, targets and programs. The organizational service charter also include the environmental considerations such as the enforcement of water quality monitoring

Some of the environmental and social impact assessment reports licensed by NEMA are for the following projects among others:

Rehabilitation of Mzima pipeline, rehabilitation of Marere pipeline, rehabilitation of Baricho Wellfields and rehabilitation of Tiwi Boreholes

CWWDA subjects all the new water and sanitation infrastructure projects to environmental and social impact assessment process in line with the Environmental Management and Coordination Act, (EMCA), 1999 in order to identify both potential positive and negative impacts. This process allows for provision of enhancement, mitigation, restoration and compensation measures to ensure that the projects are environmentally and socially sustainable. The reports are submitted to NEMA for review and licensing and also to funding agencies (where applicable) for approval based on international standards.

11. Report of the Directors

The Directors submit their report together with the un-audited financial statements for the year ended June 30, 2025 which show the state of CWWDA

Principal activities

The principal activity of the Board is to ensure efficient and sustainable provision of quality and affordable water and sewerage services in its area of jurisdiction.

The main functions of CWWDA

- i) Ownership and holding of water and sewerage assets/Infrastructure on behalf of the National Government in the Coast Region.
- ii) Planning, development and expansion of water and sewerage services Infrastructure on behalf of the National Government in the Coast Region.
- iii) Provision of Bulk water services in the Coast region.

Results

The results of the entity for the year ended 30th June, 2025 are set out on page 1 – 5.

Auditors

The Auditor General is responsible for the statutory audit of Coast Water Works Development Agency in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board

For and on its behalf



Mary Okioma
Corporation Secretary

Date. 11/12/2025.....

**Annual Report and Financial Statements
for the year ended June 30, 2025**

12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, require the Directors to prepare financial statements in respect of Coast Water Development Agency (CWWDA), which give a true and fair view of the state of affairs of the CWWDA at the end of the financial year and the operating results of CWWDA for the year. The Directors are also required to ensure that CWWDA keeps proper accounting records which disclose with reasonable accuracy the financial position of the agency. The Directors are also responsible for safeguarding the assets of the agency.

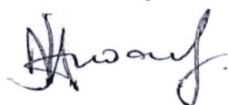
The Directors are responsible for the preparation and presentation of the CWWDA's financial statements, which give a true and fair view of the state of affairs of the Board for and as at the end of the financial year ended on June 30, 2024 This responsibility includes: (i) maintaining adequate financial management arrangements 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 agency; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the agency (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for CWWDA's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act, CAP 446. The Directors are of the opinion that CWWDA's financial statements give a true and fair view of the state of Agency's transactions during the financial year ended June 30, 2023, and of the Agency's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the Agency, which have been relied upon in the preparation of the Agency's financial statements as well as the adequacy of the internal control systems.

Nothing has come to the attention of the Directors to indicate that CWWDA will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The agency's financial statements were approved by the Board on 29th August 2025 and signed on its behalf by:



**DR. DANIEL KATAMA
CHAIRPERSON**



**MR. HAMOUD M. MGUZA
CHIEF EXECUTIVE OFFICER**

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON COAST WATER WORKS DEVELOPMENT AGENCY FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

- A. Report on 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 Lawfulness and Effectiveness in the 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 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.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General 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

Qualified Opinion

I have audited the accompanying financial statements of Coast Water Works Development Agency set out on pages 1 to 48, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance,

statement of changes in net assets, statement of cash flows and statement of comparison of 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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Coast Water Works Development Agency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Unconfirmed Existence and Ownership of Motor Vehicles

The statement of financial position and Note 22 to the financial statements reflects property, plant and equipment balance of Kshs.18,028,311,550. Review of log books revealed that eleven (11) motor vehicles with undetermined values were registered under the names of entities other than the Agency. According to Management, the vehicles had initially been registered in the names of contractors involved in donor-funded projects and were handed over to the Agency upon project completion. However, no explanation was provided for the Agency's failure to formally transfer ownership of the vehicles into its name. Further, Management did not provide for audit review the log book for Motor vehicle registration number KBC 135D make 4.2L 4 Door L/Cruiser Hard Top transferred to Northern Water Services Board and the approval of their transfer by the Board of Directors.

In the circumstances, ownership, valuation and existence of the property, plant and equipment balance of Kshs.18,028,311,550 could not be confirmed.

2.0 Use of Estimated Consumption for Customer Billing

The statement of financial performance and Note 7 to the financial statements reflects sale of bulk water of Kshs.1,407,877,436. Analysis of billing reports obtained from smart billing system revealed that during the year under review, bulk water sales amounting to Kshs.421,614,280 or 30% of total water sales reported was calculated using estimated meter readings rather than actual meter readings.

In the circumstances, the accuracy and completeness of the sale of bulk water of Kshs.1,407,877,436 could not be confirmed.

3.0 Unsupported Trade and Other Payables

The statement of financial position reflects trade and other payables balance of Kshs.1,833,877,951 which as shown in Note 23 to the financial statements includes Kshs.561,238,068, Kshs.1,239,351,955, Kshs.9,610,839, Kshs.9,650,437 and Kshs.14,026,651 in respect of general creditors, loan Interest, W/Tax, VAT/Tax and

other deductions respectively. However, included in payables balance is Kshs.1,239,351,955 loan interest payable for which a repayment plan was not provided.

In the circumstances, the accuracy and completeness of trade and other payables of Kshs.1,833,877,951 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Coast Water Works Development Agency Management in accordance with ISSAI 130 on the 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 qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual amounts on comparable basis of Kshs.2,197,722,000 and Kshs.2,971,380,870 respectively resulting in an over-collection of Kshs.773,658,870 or 35% of the budget. Similarly, the Agency expended an amount of Kshs.2,339,080,002 against actual receipts of Kshs.2,971,380,870, resulting in an under-utilization of Kshs.632,300,868 or 21% of actual receipts.

The overfunding indicates lack of a realistic budget while under absorption affected implementation of planned activities and impacted negatively on service delivery to the citizens.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Audit Matters

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the Agency in 2024/2025 revealed that the following eight (8) issues remained unresolved:

No.	Financial Year	Audit Issue
1	2023/2024	Inaccuracies in the financial statements
2	2023/2024	Unsupported capital balance
3	2023/2024	Lack of gender balance and ethnic distribution
4	2023/2024	Irregular payments of special duty and acting allowances
5	2023/2024	Unfunded projects under County Water Project 2023-2024
6	2023/2024	Project verification
7	2023/2024	Staff in employment with invalid certification
8	2023/2024	Stalled projects

Other Information

The Directors are responsible for the Other Information set out on page iv to xlv which comprise of Key Entity Information and Management, the Board of Directors, Key Management Team, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Agency'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 effect of the matters described in the Basis for Conclusion on the 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

1.0 Regularity of Human Resource Management Practices

Review of human resource management practices at the Agency revealed the following anomalies;

1.1 Lack of Gender Balance in Staff Establishment

During the year under review, the Agency had 158 permanent and contractual employees out of whom 128 or 81% were males while 30 or 19% were women. The male employees exceeded the prescribed two-thirds as stipulated in article 27(8) of the Constitution which states that not more than two-thirds of the members of elective or appointive bodies to be of the same gender.

In the circumstances, the Agency was in breach of the law.

1.2 Lack of Ethnic Diversity in Staff Establishment

Review of human resource records revealed that the Agency had one hundred and fifty-eight (158) employees engaged on contract and permanent terms, out of whom ninety-seven (97) or 61% were from the same dominant ethnic community. This is contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which provides that no public establishment to have more than one third of its staff from the same ethnic community.

In the circumstances, the Agency was in breach of the law.

2.0 Failure to Verify Academic Qualification for recruited Officer

During the year under review, the Agency recruited the Deputy Director Corporate Communications following a competitive recruitment process in which she was ranked fourth among the other interviewees all being male, and selected based on gender balance. However, evidence of confirmation of the officer's Masters certificate by the Kenya National Qualifications Authority was not provided for audit confirmation.

In the circumstances, the Agency was in breach of the law

3.0 Regularity of Procurement and Contract Management Practices

The statement of financial performance and Note 16 to the financial statements reflects project expenses of Kshs.538,623,064. Review of regularity of procurement and contract management practices revealed the following observations;

3.1 Delayed Completion of Vumbe - Faza Project Phase II

Management awarded contract number CWSB/LM-EQ/W/01/2017 for drilling and equipping of six (6) shallow wells at Vumbe and Kengeni area in Lamu County and connection to Kizingitini via Tchundwa, Myabogi and Mbwajumwali to a local contractor on 23 June, 2017 at a contract sum of Kshs.56,081,368 with works commencing on 7 July, 2017 with initial expected completion date of 7 February, 2018, which was extended to 31 August, 2023 upon the request by the contractor. Cumulative payments on the contract as at 30 June, 2025 amounted to Kshs.39,546,511 equivalent to 71% of the contract sum with the project being stalled at 72% completion rate. The project remained incomplete without a valid contract in place and the performance bond having expired on 6 April, 2018.

In the circumstances, the value for money on Kshs.39,546,511 paid to the contractor could not be confirmed.

3.2 Payment for Unproductive Borehole at Onjila in Tana River County

The statement of financial performance reflects project expenses of Kshs.538,623,064 as disclosed in Note 16 to the financial statements. Included in the expenditure is Coast CWWDA County Projects of Kshs.292,095,469 which in turn includes Kshs.7,727,729 paid to a local contractor for the drilling and equipping of one borehole at Onjila in Garsen Tana River County under contract number CWWDA/T/W/04/2023-2024. The contract was awarded on 23 May, 2024 at a contract sum of Kshs.13,899,999 with works expected to take six (6) months commencing on 5 June, 2024 and a completion date of 4 December, 2024. Cumulative payments on the contract as at 30 June, 2025 amounted to Kshs.7,727,729. However, review of project reports indicated that the ground water at Onjila was significantly low, water quality was not chemically suitable for domestic consumption and the project objective of increasing access to reliable water was not achieved. The borehole project was subsequently closed on December 2024.

In the circumstances, the value for money on the construction of the borehole at Onjila in Tana River County could not be confirmed.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 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 THE 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 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.

Responsibilities of Management and the Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls 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 controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention 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 comply with the authorities which govern them and that public resources are applied in an effective way.

The Board of Directors is responsible for overseeing the Agency's 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 International Standards of Supreme Audit Institutions (ISSAIs). The standards require 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 ISSAIs 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 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.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

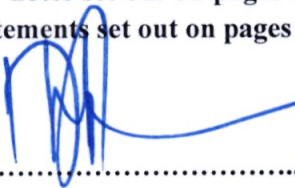
05 December, 2025

COAST WATER WORKS DEVELOPMENT AGENCY
Annual Report and Financial Statements
for the year ended June 30, 2025

14. Statement of Financial Performance for the year ended 30 June 2025

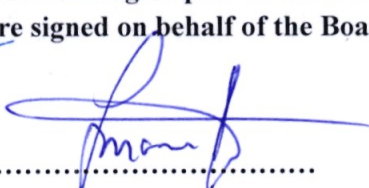
	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments entities	6	975,194,672	852,739,447
		975,194,672	852,739,447
Revenue from exchange transactions			
Sale of Bulk water	7	1,407,877,436	1,209,263,705
Rental revenue from facilities and equipment	8	3,671,500	1,308,125
Other income	9	21,022,234	13,054,759
Total revenue		2,407,765,842	2,076,366,036
Expenses			
Use of goods and services	10	80,269,467	127,977,366
Employee costs	11	212,284,619	229,376,351
Board Expenses	12	24,492,397	25,059,759
Depreciation and amortization expense	13	245,090,893	244,314,250
General Expenses	14	30,695,536	28,045,708
Operational Expense	15	855,555,562	859,038,427
Projects Expenses	16	538,623,064	235,663,769
Finance costs	17	27,098,000	38,712,000
Total expenses		2,014,109,538	1,788,007,630
Surplus/ (deficit) before tax		393,656,304	288,358,406
Surplus/(deficit) for the period/year		393,656,304	288,358,406
Net Surplus for the year		393,656,304	288,358,406

The notes set out on pages iii to xx form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 10 were signed on behalf of the Board of Directors by:



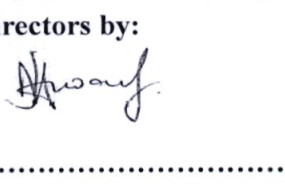
.....
Hamoud M.Mguza
Chief Executive Officer

Date... 11/12/2025



.....
Stephen M.Kivuva
Head of Finance

ICPAK M/No:13560
 Date... 11/12/2025



.....
Dr. Daniel K.Mwaringa
Chairman of the Board

Date... 11/12/2025

COAST WATER WORKS DEVELOPMENT AGENCY
Annual Report and Financial Statements
for the year ended June 30, 2025

15. Statement of Financial Position as at 30 June 2025

	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	18	632,300,868	888,343,210
Prepayments	19	10,417,544	6,775,452
Receivables from Exchange Transactions	20(a)	355,840,860	288,011,104
Inventories	21	39,543,913	48,892,038
Total Current Assets		1,038,103,185	1,232,021,804
Non-Current Assets			
Property, Plant and Equipment	22	18,028,311,550	17,488,185,675
Receivables from Exchange Transactions	20(b)	4,093,780,717	3,826,433,248
Total Non- Current Assets		22,122,092,267	21,314,618,923
Total Assets (A)		23,160,195,452	22,546,640,727
Liabilities			
Current Liabilities			
Trade and Other Payables	23	1,833,877,951	1,958,773,476
Total Current Liabilities		1,833,877,951	1,958,773,476
Non-Current Liabilities			
Borrowings	24	18,692,379,297	18,347,585,351
Total Non- Current Liabilities		18,692,379,297	18,347,585,351
Total Liabilities (B)		20,526,257,248	20,306,358,827
Net Assets (A-B)		2,633,938,204	2,240,281,900
Represented by:			
Reserves		2,240,281,900	1,948,523,494
Accumulated Surplus		393,656,304	288,358,406

COAST WATER WORKS DEVELOPMENT AGENCY
Annual Report and Financial Statements
for the year ended June 30, 2025

	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Capital Fund		-	3,400,000
Net Assets		2,633,938,204	2,240,281,900

The financial statements set out on pages 1 to 4 were signed on behalf of the Board of Directors by:

.....
Hamoud M.Mguza
Chief Executive Officer

Date: 1/12/2025.....

.....
Stephen M.Kivuva
Head of Finance
ICPAK :13560

Date: 1/12/2025.....

.....
Dr.Daniel K.Mwaringa
Chairman of the Board

Date: 1/12/2025.....

16. Statement of Changes in Net Assets for the year ended 30 June 2025

Description	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/Development Grants/Fund	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As at July 1, 2023	0	0	0	2,952,899,283	0	0	2,952,899,283
Issued new capital	0	-	-	-	-	-	-
Revaluation gain	-	-	-	-	-	-	0
Transfer of excess depreciation on revaluation	-	0	-	0	-	-	-
Deferred tax on excess depreciation	-	0	-	-	-	-	0
Reconciliation adjustment	-	-	0	(1,000,975,789)	-	-	(1,000,975,789)
Surplus/ deficit for the year	-	-	-	288,358,406	-	-	288,358,406
Capital/development grants received during the year	-	-	-	-	-	0	0
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	-	0	-	0	-
Dividends paid	-	-	-	-	0	0	0
Interim dividends paid	-	-	-	0	-	-	0
Proposed final dividends	-	-	-	0	0	0	-
As at June 30, 2024	0	0	0	2,240,281,900	0	0	2,240,281,900
As at July 1, 2025	0	0	0	2,240,281,900	0	0	2,240,281,900
Issue of new share capital	0	0	0	0	0	0	0
Revaluation gain	-	0	-	-	-	-	0
Transfer of excess depreciation on revaluation	-	0	-	0	-	-	-
Deferred tax on excess depreciation	-	0	-	-	-	-	0
Fair value adjustment on investments	-	-	0	-	-	-	0
Surplus/ (deficit) for the year	-	-	-	393,656,304	-	-	393,656,304

Annual Report and Financial Statements

for the year ended June 30, 2025

Description	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/Development Grants/Fund	Total
Capital/development grants received during the year	-	-	-	-	-	0	0
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	-	0	-	0	-
Dividends paid	-	-	-	-	0	0	0
Interim dividends paid	-	-	-	0	-	-	0
Proposed final dividends	-	-	-	0	0	0	-
As at June 30, 2025	0	0		2,633,938,204	0	0	2,633,938,204

COAST WATER WORKS DEVELOPMENT AGENCY
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17. Statement of Cash Flows for the year ended 30 June 2025

	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities		975,194,672	852,739,447
Sale of Bulk Water		1,071,985,056	887,496,878
Rental revenue from facilities and equipment		3,671,500	1,308,125
Other income		21,022,234	18,587,776
Total receipts		2,071,873,462	1,760,132,226
Payments			
Use of goods and services		83,368,417	237,839,288
Employee costs		220,115,943	127,254,849
Board Expenses		24,492,397	25,059,759
General Expenses		30,735,006	28,045,707
Operational Expenses		992,456,645	909,555,807
Projects Costs		536,324,574	235,663,768
Total payments		1,887,492,982	1,563,419,178
Net cash flows from/(used in) operating activities	25	184,380,480	196,713,048
Cash flows from investing activities			
Purchase of PPE and Intangible assets		(785,216,768)	(524,274,644)
Proceeds from sale of PPE		0	0
Purchase of investments		0	(1,682,063,346)
Sale of investments		0	0
Net cash flows from/(used in) investing activities		(785,216,768)	(2,206,337,990)
Cash flows from financing activities			
Proceeds from borrowings		344,793,946	1,991,519,217
Repayment of borrowings			
Proceeds from issue of shares		0	0
Net cash flows from financing Activities		344,793,946	1,991,519,217
Net increase/(decrease) in cash & Cash equivalents		(256,042,342))	(18,522,967)
Cash and cash equivalents at 1 July 2024	18	888,343,210	907,281,609
Cash and cash equivalents at 30 June 2025	18	632,300,868	888,343,210

**Annual Report and Financial Statements
for the year ended June 30, 2025**

18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryover	0	0	0	888,343,210		
Receipts						
Transfers Recurrent	294,400,000	-60,000,000	234,400,000	260,533,331	-26,133,331	111%
GOK Development	585,000,000	-247,000,000	338,000,000	714,661,341	-376,661,341	211%
Donor AFD	4,070,000,000	-3,647,700,000	422,300,000	39,036,336	383,193,664	9%
Property Taxes Revenue	0	-	0	0	0	0
Licenses and permits	0	-	0	0	0	0
Rendering of Services	0	0	0	0	0	0
Sale of water	749,000,000	445,772,000	1,194,772,000	1,044,112,918	150,659,082	81%
Rental Revenue from Facilities and Equipment	0	-	0	0	0	0
Finance Income	0	-	0	0	0	0
Agency Income	0	-	0	0	0	0
Other Income	8,250,000	0	8,250,000	24,693,734	-16,443,734	299%
Total Receipts	5,706,650,000	-3,508,928,000	2,197,722,000	2,971,380,870	-773,728,870	135%
Payments						
Use of Goods and Services	94,501,000	0	94,501,000	83,368,417	11,132,583	88%
Employee costs	230,748,000	0	230,748,000	220,115,943	10,632,057	95%
Remuneration of Directors	30,000,000	0	30,000,000	24,492,397	5,507,603	82%
General Expenses	45,007,000	0	45,007,000	30,695,536	14,311,464	68%
Operational Expenses	670,672,936	138,772,000	809,444,936	992,386,645	-183,011,709	123%
Projects Expenses	538,623,064	0	538,623,064	538,623,064	0	100%
Finance Costs	27,098,000	0	27,098,000	27,098,000	0	100%
Mwache projects	4,070,000,000	-3,647,700,000	422,300,000	422,300,000		
Total Payments	5,706,650,000	-3,508,928,000	2,197,722,000	2,339,080,002	141,358,002	106%
Surplus/(Deficit)	0	0	0	632,300,868		

**Annual Report and Financial Statements
for the year ended June 30, 2025**

Budget notes

The recurrent transfers exceeded the budgeted amount due to receipt of recurrent budget amount for the month of June 2024 in July 2024.

The operational expenditure was higher than the budgeted amount because of the increased electricity bills for Baricho plant.

The changes between the original and final budget was due to budget cuts as advised from time to time.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	632,300,868
1	Reason for differences	-
2	Reason for differences	-
3	Reason for differences	-
4	Reason for differences	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	632,300,868

NOTES

Operations Income

Approved Bulk budget was Kshs 1,194,722,000 for the year under review and actual billing amounting to Kshs. 1,407,877,436

Approved Recurrent budget was Kshs 294,400,000 ,which was later revised to 234,419,999 and all the funds were received with June allocation being received in July 2025.

GoK Grants includes Equalization funds received during the year which were not in the original budget. Other income increment is attributed Receipt from KeNHA which was not in the original budgeted.

The low budget under AFD loan receipt is due to slow implementation of the Project as no major works have started.

Use of Goods and Services.

Expenditure under use of Goods and services of 79% implies the utilization was within budget for the year under review.

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Board Expenses and Staff costs

Remuneration of Directors of the Board was Kshs.24,492,397 inclusive of Honoraria for the chairman and Staff Cost was Ksh.212,284,619 which were within the approved budget.

General Expenses

The general expenses are the repair and maintenance expenses and the overall expenditure was Kshs.30,695,536 which was within the approved budget for the year under review.

Operations Expenses

These mainly cover production Electricity, Water Chemicals, Bulk operations and pipeline operational costs and was within the approved budget for the year under review.

Project Costs

This are mainly ongoing Equalization projects and other GoK funded projects and were all fully funded in the year under review.

19. Notes to the Financial Statements

1. General Information

CWWDA is established by and derives its authority and accountability from PMF Act. The Entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The Entity's principal activity is water Provision. CWWDA was initially established under water Act 2002 and registered as Coast Water Services Board. Following the adoption of the water Act 2016 in the water sector, CWWDA changed its name to CWWDA as per the guidelines. CWWDA is wholly owned by the Government of Kenya and is domiciled in Kenya. CWWDA's principal activity is to ensure efficient, effective and sustainable provision of quality and affordable water services (defined to include sewerage) in its area of jurisdiction - Mombasa County, Taita Taveta County, Kilifi County, Kwale County, Lamu County and Tana River County.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *Entity's* accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *Entity*. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

- i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025.*
- ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025*

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by:

	<ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

Notes to the financial statements (continued)

iii. Early adoption of standards

The Entity did not adopt any new or amended standards in the financial year.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Taxes, Levies and fines

The *Entity* recognizes revenues from taxes, levies, and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Entity and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the *Entity* and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The Entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the *Entity*.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the Entity's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for the FY 2025 was approved by the National Assembly on *June 2024*. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Budget information (continued)

The *Entity's* budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of cash flows has been presented under section 9 of these financial statements.

c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the *Entity* operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable *Entity* and the same taxation authority.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii) When receivables and payables are stated with the amount of sales tax included
The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit. (entity to amend appropriately based on the model adopted)* Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

e) **Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation is calculated on the reducing balance basis to write down the cost of each asset to its residual value over its estimated useful life as follows;

Equipment	12.5%
Furniture, Fittings	12.5%
Computers	33.3%
Water Infrastructure	2.5%
Motor Vehicles and Cycles	25%

f) **Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the *Entity*. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The *Entity* also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the *Entity* will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the *Entity*. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

g) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

h) Biological Assets

The entity recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the entity, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

i) Research and development costs

The *Entity* expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the *Entity* can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale.
- ii) Its intention to complete and its ability to use or sell the asset.
- iii) How the asset will generate future economic benefits or service potential
- iv) The availability of resources to complete the asset.
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

Notes to the Financial Statements (Continued)

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

a) Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL).

b) Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

k) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

l) Provisions

Provisions are recognized when the *Entity* has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the *Entity* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

m) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

n) Contingent liabilities

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

o) Contingent assets

The Entity 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 Entity 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.



Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

p) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

Changes in accounting policies and estimates

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

q) Employee benefits

Retirement benefit plans

The *Entity* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

r) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

s) Related parties

The *Entity* regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the *Entity*, or vice versa. Members of key management are regarded as related parties and comprise *the directors, the CEO and senior managers*.

t) Service concession arrangements

The *Entity* analyses all aspects of service concession arrangements that it enters in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *Entity* recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the *Entity* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

u) 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.

v) Comparative figures

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

w) Subsequent events

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Entity's* financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all judgements, estimates and assumptions made:

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a) The condition of the asset based on the assessment of experts employed by the Entity.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.



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Notes to the Financial Statements (Continued)

6. Transfers from Other Government entities

Description	FY 2024-2025	FY 2023-2024
	KShs	KShs
Unconditional Grants		
Operational Grant	260,533,331	337,333,334
Development grants	714,661,341	515,406,113
Other Grants	0	0
Total Unconditional Grants	975,194,672	852,739,447
Conditional Grants amortised/ transferred to revenue		
Housing Development Grant		
Infrastructure Grant		
Library Grant		
Facilities Development Grant		
Other Organizational Grants		
Total Government Grants and Subsidies	975,194,672	852,739,447

b) Transfers from Ministries, Departments and Agencies (MDAs)

Name of The Entity Sending The Grant	Amount recognized to Statement of Financial performance.	Amount deferred under deferred income.	Amount recognised in capital fund.	Total transfers FY 2025	FY 2024
	KShs	KShs	KShs	KShs	KShs
Ministry/State Department					
Ministry	0	0	0	0	0
Total	0	0	0	0	0



Notes to the Financial Statements (Continued)

7. Sale of Bulk Water

Description	FY 2024-2025	FY2023-2024
	Kshs	Kshs
Sale of Bulk Water		
Sale of Bulk Water	1,407,877,436	1,209,263,705
Other	0	0
Total revenue from the Sale of Bulk Water	1,407,877,436	1,209,263,705

CWWDA sales water in Bulk to Water service providers in the coast region

8. Rental Revenue from Facilities and Equipment

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Staff Houses	3,671,500	1,308,125
Contingent Rentals		
Total Rentals	3,671,500	1,308,125

9. Other Income

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Income from sale of tender	2,000	10,526,077
Water Tank sales	5,047,608	854,190
Laboratory Income	1,294,200	306,320
Miscellaneous incomes	14,678,426	1,368,172
Total Other income	21,022,234	13,054,759

COAST WATER WORKS DEVELOPMENT AGENCY
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Notes to the Financial Statements (Continued)

10. Use of Goods and Services

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Telephone, Fax, Internet, Courier & Email	3,473,288	3,796,237
Travelling and accommodation- local	11,847,311	34,710,582
Advertising & Publicity	2,321,438	2,557,462
Trade show and Exhibition	0	6,758,268
World Water Day	1,570,000	1,281,400
AFD Operations expenses	10,518,844	7,409,799
General office supplies	3,857,415	5,051,137
Laboratory expenses	2,513,381	1,492,640
Hospitality	24,170	314,022
Income Tax Expense	1,427,568	0
Fuel & Lubricant	8,094,053	10,340,729
Legal fees & related expenses	2,964,620	889,000
Bank charges	318,573	330,529
Contracted professional services	3,097,339	1,394,566
Monitoring and Evaluation	0	19,881,623
Audit fees	1,172,760	1,172,760
Maintenance expenses – vehicles	7,248,708	7,044,131
Maintenance of office furniture & equipment	1,189,280	2,088,494
Maintenance of buildings & stations	2,643,998	7,503,656
WSDP Operations expenses	6,839,494	4,033,860
Stationery office	2,794,760	1,283,533
Training Allowance	1,682,078.00	4,272,817.00
PC cross cutting and CSR	4,670,390.00	4,190,120.00
TOTAL	80,269,467	127,977,366

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Notes to the Financial Statements (Continued)

11. Employee Costs

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Basic Salary	117,648,271.82	119,146,637.26
House Allowance	33,351,834.00	34,360,167.00
Commuter Allowance	11,672,600.00	12,767,400.00
Top up Allowance	605,568.00	605,568.00
Leave Allowance	3,151,983.13	3,215,417.61
Hard ship Allowance	3,089,755.00	3,588,460.00
Extraneous Allowance	310,094.25	287,875.95
Acting Allowance	795,617.75	933,012.50
Airtime Allowance	1,288,574.00	1,402,527.00
World Bank Training	0	11,291,949.75
Transfer Allowance	35,287.00	230,151.00
Special Duty Allowance	203,778.45	317,955.75
Employer Nssf Contribution	5,054,103.00	3,181,162.00
Employer Pension Contribution	16,649,037.38	17,187,169.39
Employer Housing Levy	2,524,725.81	1,504,383.19
Medical Cover	13,929,627.80	15,372,277.00
Gratuity	0	1,285,715.08
Membership Fees and Subscriptions	154,892.00	303,120.00
Staff Welfare	1,201,920.00	1,271,100.00
Overtime Allowance	616,949.53	1,124,303.00
TOTAL	212,284,619.92	229,376,351.48

12. Board Expenses

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Board Allowances	23,870,347	24,456,094
Honoraria	622,050	603,665
TOTAL	24,492,397	25,059,759

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Notes to the Financial Statements (Continued)

13. Depreciation and Amortization Expense

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Depreciation of Furniture and Fittings	972,738	248,910
Depreciation of Office Equipment	404,746	430,331
Depreciation of Computers	809,169	1,821,600
Depreciation Expense for Water Infrastructure	231,515,075	231,515,075
Depreciation of Water Equipment	11,389,165	10,298,334
Total	245,090,893	244,314,250

14. General Expenses

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Office Electricity	1,156,353	2,427,365
Motor Vehicles Insurance	2,802,811	2,488,779
Resettlement compensation	2,437,048	0
Security Expense	23,377,250	22,288,400
WIBA	922,074	841,164
Total General Expenses	30,695,536	28,045,708

15. Operating Expenses

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Electricity – Operations	718,938,836	740,930,706
Baricho Emergency Repairs	19,269,217	4,071,553
Cost of Specialized Materials	36,272,130	34,023,415
Bulky Water Operations	2,255,369	2,446,240
Maintenance/ Operations of Water Assets	78,820,010	89,077,378
Total Operating Expenses	855,555,562	859,038,427

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Notes to the Financial Statements (Continued)

16. Projects Expenses

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Lamu Tana River Projects	30,423,207	1,936,420
Small dams and Pans	0	595,266
Drought mitigation	175,421	0
Equalization	176,019,486	115,603,628
Taita – Mzima Pipeline Projects	0	596,153
Kwale Projects	562,076	3,090,823
Coast Cwwda County Projects	292,095,469	2,626,901
Universal Health Care	0	1,306,348
Food and Nutrition Projects	13,615,008	109,908,230
Affordable Housing	25,732,398	0
Total Project Costs	538,623,064	235,663,769

17. Finance Costs

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Loan interest	27,098,000	38,712,000
Total Finance Costs	27,098,000	38,712,000

18. Cash and Cash Equivalents

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Development	165,179,199	207,194,559
Loan repayment	236,286	236,286
Projects	315,183,084	130,829,794
Drought Mitigation	634,712	649,112
Administration Fees	915,041	4,437,578
World Bank – AF	75,268	75,268
Bulk	26,837,687	2,789,400
Equalization	8,276,838	21,001,344
World Bank WSDP	84,944,841	367,806,278
AFD	30,012,901	153,318,580
KCB KISSIP	5,011	5,011
Total Cash and Cash Equivalents	632,300,868	888,343,210



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Notes to the Financial Statements (Continued)

Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank			
Development Projects	110-764-0911	165,179,199	207,194,559
Loan repayment	110-764-0474	236,286	236,286
Projects	110-764-1179	315,183,084	130,829,794
Drought Mitigation	361-358-96700	634,712	649,112
Administrative	110-764-1179	915,041	4,437,578
WB Bank AF	114-321-8191	75,268	75,268
Bulk Account	113-137-7729	26,837,687	2,789,400
Equalization	812-020-00618	8,276,838	21,001,344
WB WSDP	124-021-8648	84,944,841	367,806,278
AFD	124-021-9660	30,012,901	153,318,580
KISSIP	117-093-7136	5,011	5,011
Sub- Total		632,300,868	888,343,210
b) On - Call Deposits			
Kenya Commercial Bank		0	0
Equity Bank – etc.		0	0
Sub- Total		0	0
c) Fixed Deposits Account			
Kenya Commercial Bank		0	0
Bank B		0	0
Sub- Total		0	0
d) Others (Specify)			
Cash In Transit		0	0
Cash In Hand		0	0
Mobile Money Accounts		0	0
Sub- Total		0	0
Grand Total		632,300,868	888,343,210

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Notes to the Financial Statements (Continued)

19. Prepayments

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Insurance -Motor	1,611,948	1,651,419
Rent		
Water		
Internet		
Medical Cover	8,805,596	5,124,033
Total	10,417,544	6,775,452

20. Receivables from Exchange Transactions

(a) Receivables from Exchange Transactions (Current)

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Receivables		
Water Services Providers	353,891,585	285,346,674
Other Exchange Debtors	1,949,275	2,664,430
Total Current Receivables	355,840,860	288,011,104

(b) Receivables from Exchange Transactions (Long-term)

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Receivables	-	-
Water Services Providers	4,093,780,717	3,826,433,248
Less: impairment allowance	0	0
Total Non-Current Receivables	4,093,780,717	3,826,433,248
Total receivables (a+b)	4,449,621,577	4,114,444,352

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Notes to the Financial Statements (Continued)

(c) Ageing analysis for Receivables from exchange transactions

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
	FY 2025	% of the total	FY 2024	% of the total
Less than 1 year	355,840,860	8%	288,011,104	7%
Between 1- 2 years	509,083,187	11%	370,299,991	9%
Between 2-3 years	601,682,617	14%	534,877,765	13%
Over 3 years	2,983,014,913	67%	2,921,255,492	71%
Total (a+b)	4,449,621,577	100%	4,114,444,352	100%

(d) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

Impairment allowance/ provision	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
At the beginning of the year	0	0
Additional provisions during the year	0	0
Recovered during the year	0	0
Written off during the year	0	0
At the end of the year	4,449,621,577	4,114,444,352

21. Inventories

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Machinery ,Pipes and Fittings	35,388,532	45,436,073
Chemicals	634,230	66,500
Stationary	1,278,306	1,288,267
Water Inventory	2,242,845	2,191,198
Total inventories	39,543,913	48,892,038

Detailed disclosure on inventories

	FY 2024-2025
Opening balance	48,892,038
Additional Inventory in the year	0
Inventory expensed in the year	9,348,125
Closing balance	39,543,913

COAST WATER WORKS DEVELOPMENT AGENCY

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Notes to the Financial Statements (Continued)

22. Property, Plant and Equipment

Cost	Land	Motor vehicles	Furniture and fittings	Computers	Office Equipments	Water Equipment	Water Infrastructure	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As At 1 July 2023	150,000	262,030,492	19,676,739	58,549,801	43,970,009	473,233,231	9,260,602,997	7,743,419,423	17,861,632,692
Additions	3,400,000	0	0	148,500	0	0	0	1,682,063,346	1,685,611,846
Disposals	0	0	0	0	0	0	0	0	0
Transfers/Adjustments	0	0	0	0	0	0	0	0	0
Revaluation Adjustments	0	0	0	0	0	0	0	0	0
As at 30 th June 2024	3,550,000	262,030,492	19,676,739	58,698,301	43,970,009	473,233,231	9,260,602,997	9,425,482,769	19,547,244,538
Additions	0	0	407,430	0		25,680,000		759,129,338	785,216,768
Disposals	0		0	0		0	0	0	0
Transfer/Adjustments	0		0	0		0	0	0	0
Revaluation adjustments	0		0	0		0	0	0	0
As at 30 th June 2025	3,550,000	262,030,492	20,084,169	58,698,301	43,970,009	498,913,231	9,260,602,997	10,184,612,107	20,332,461,307
Depreciation And Impairment									
At 1 July 2024	0	262,030,492	14,887,374	55,623,254	42,231,794	431,434,867	1,008,536,833	0	1,814,744,614
Depreciation	0	0	248,910	1,821,600	430,331	10,298,334	231,515,075	0	244,314,250
Impairment	-	-	-	-	-	-	-	-	-
Transfers/Adjustments	0	0	0	0	0	0	0	0	0
As at 30 th June 2024	0	262,030,492	15,136,284	57,444,854	42,662,125	441,733,201	1,240,051,908	0	2,059,058,864
Depreciation	0	0	972,738	809,169	404,746	11,389,165	231,515,075	0	245,090,893
Disposals	0	0	0	0	0	0	0	0	0

COAST WATER WORKS DEVELOPMENT AGENCY

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Impairment	0	0	0	0	0	0	0	0	0
Transfer/Adjustment	0	0	0	0	0	0	0	0	0
As at 30th June 2025	0	262,030,492	16,109,022	58,254,023	43,066,871	453,122,366	1,471,566,983	0	2,304,149,757
Net Book Values									
As at 30th June 2024	3,550,000	0	4,540,455	1,253,447	1,307,884	31,500,030	8,020,551,089	9,425,482,769	17,488,185,675
As at 30th June 2025	3,550,000	0	3,975,147	444,278	903,138	45,790,865	7,789,036,014	10,184,612,107	18,028,311,550

23. Trade and Other Payables

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
General Creditors	561,238,068		721,984,634	
Loan interest	1,239,351,955		1,212,253,955	
W/Tax	9,610,839		12,075,198	
VAT/Tax	9,650,437		4,613,335	
Other Deductions	14,026,651		7,846,354	
Total trade and other payables	1,833,877,951		1,958,773,476	
Ageing analysis: (Trade and other payables)	FY 2025	% of the Total	FY 2024	% of the Total
Under one year	219,454,066	12%	214,863,660	11%
1-2 years	186,682,646	10%	217,517,172	11%
2-3 years	269,257,028	14%	345,586,362	18%
Over 3 years	1,158,484,211	64%	1,180,806,282	60%
Total (tie to above total)	1,833,877,951		1,958,773,476	

Retirement benefit Asset/ Liability

The Entity operates a defined benefit scheme for all full-time employees from July 1, 2011. The scheme is administered by minet Kenya Financial Services Limited while Standard Chartered Bank are the custodians of the scheme.

The Entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Entity's obligation under the scheme is limited to specific contributions legislated from time to time. and is currently at KShs.500 per employee per month. Other than NSSF the Entity also has a defined contribution scheme operated by octagon Pension Fund. Employees contribute 3% while employers contribute 3% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

Notes to the Financial Statements (Continued)

24. Borrowings

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
a) External borrowings		
Balance at beginning of the year	18,347,585,351	16,356,066,135
External borrowings during the year	344,793,946	1,991,519,216
Repayments of during the year	0	0
Balance at end of the year	18,692,379,297	18,347,585,351
b) Domestic borrowings		
Balance at beginning of the year	0	0
Domestic borrowings during the year	0	0
Repayments during the year	0	0
Balance at end of the year	0	0
Balance at end of the period- domestic and External borrowings c = a+b	18,692,379,297	18,347,585,351

The analyses of both external and domestic borrowings are as follows:

	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
External Borrowings		
WSDP Loan	0	918,357,510
WSDP Loan-Direct	322,424,278	682,760,365
AFD Loan	0	344,138,200
AFD Loan Direct	22,369,668	46,263,141
Domestic Borrowings		
Kenya Shilling Loan From KCB	0	0
Kenya Shilling Loan from Barclays Bank	0	0
Kenya Shilling Loan from Consolidated Bank	0	0
Total Balance at End Of The Year	0	0

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)		
Long Term Borrowings	344,793,946	1,991,519,216
Total	344,793,946	1,991,519,216

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Notes to The Financial Statements (Continued)

25. Cash Generated from Operations

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Surplus for the year before tax	393,656,304	288,358,406
Adjusted for:		
Depreciation	245,090,893	244,314,250
Finance Costs	27,098,000	38,712,000
Working capital adjustments		
Increase in inventory	9,348,125	(6,747,659)
Increase in receivables	(358,356,356)	(350,395,449)
Increase in payables	(128,814,394)	(17,210,813)
Increase in payments received in advance	(3,642,092)	(317,687)
Net cash flow from operating activities	184,380,480	196,713,048

26. Financial Risk Management

The Entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Entity's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Entity does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history. The Entity's financial risk management objectives and policies are detailed below:

i) Credit risk

The Entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

Notes to The Financial Statements (Continued)

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from xxx. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

iii) Market risk

The *Entity* has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The Entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Entity's exposure to market risks or the way it manages and measures the risk.

Notes to The Financial Statements (Continued)

Financial Risk Management

a) Foreign currency risk

The *Entity* has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The *Entity* manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

The following table demonstrates the effect on the *Entity*'s statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

b) Interest rate risk

Interest rate risk is the risk that the *Entity*'s financial condition may be adversely affected as a result of changes in interest rate levels. The *Entity*'s interest rate risk arises from bank deposits. This exposes the *Entity* to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the *Entity*'s deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

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Notes to the Financial Statements (Continued)

27. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the *Entity* include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the *Entity*, holding 100% of the *Entity's* equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the *Entity*, both domestic and external.

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Transactions with related parties		
a) Sales to related parties		
Rent income from govt. Agencies	0	0
Water sales to govt. Agencies	1,400,607,260	1,203,730,688
Others (specify) e.g. interest and bank charges	0	0
Total	1,400,607,260	1,203,730,688
B) purchases from related parties		
Purchases of electricity from KPLC	718,938,836	740,930,706
Purchase of water from govt service providers	0	0
Rent expenses paid to govt agencies	0	0
Training and conference fees paid to govt. Agencies	0	0
Others (specify)	0	0
Total	718,938,836	740,930,706
b) Grants /transfers from the government		
Grants from national govt	975,194,672	852,739,447
Grants from county government	0	0
Donations in kind	0	0
Total	975,194,672	852,739,447
c) Expenses incurred on behalf of related party		
Payments of salaries and wages for employees	0	0
Payments for goods and services	0	0
Total		
d) Key management compensation		

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Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Directors' emoluments	0	0
Compensation to key management	0	0
Total	0	0

28. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	0	0
Assets Arising from Determination Of Court Cases	0	0
Reimbursable Indemnities and Guarantees	0	0
Receivables From Other Government Entities	0	0
Others (Specify)	0	0
Total	0	0

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Contingent Liabilities

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Contingent Liabilities	0	0
Court Case xx against the Entity	0	0
Bank Guarantees in Favour of Subsidiary	0	0
Contingent Liabilities arising from Contracts Including PPPs	0	0
Others (Specify)	0	0
Total	0	0

29. Capital Commitments

Capital Commitments	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Authorised for	0	0
Authorised and contracted for	0	0
Total	0	0

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30. Program for Results (P for R) Disclosure

Name of P forR: xxxxxx		Name of Financing Partners:				
Expenditure Details*	Opening Cumulative for Previous FYs		Current FY		Total Cumulative	
	Budget	Actual	Budget	Actual	Budget	Actual
Program code Sub-program Sub-program						
Sub-total						
Program code Sub-program Sub-program						
Sub-total						
Total						

31. Events after the Reporting Period

There were no material adjusting and non-adjusting events after the reporting period.

32. Ultimate and Holding Entity

The Entity is a Semi-Autonomous Government Agency under the Ministry of Water. Its ultimate parent is the Government of Kenya.

33. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

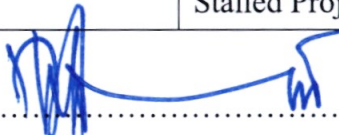
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20. Appendices

Appendix 1: Implementation Status of Auditor-General’s Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
1	Inaccuracies in Financial	i) Correct Format shall be applied in FY 2025 report ii)The statement for the provision for bad and doubtful debts on the Kshs.788,600 was erroneously placed. The amount was part of unsurrendered Staff imprest which formed part of the total trade and other receivable figure reported.	Resolved	FY 2025
2	Unsupported Capital Balances	Support for Land available (Title Deeds),further reference is made to PIC report June 2025	Resolved	FY 2025
3	Lack of Gender Balance	Issues being addressed in new Employment	Pending	FY 2026
4	Irregular Payment of Special Duty allowance	Issues resolved by filling the Positions	Resolved	FY 2025
5	Unsupported County Projects	Implementation ongoing	Pending	FY 2026
6	Project Verification	All projects completed	Resolved	FY 2025
7	Staff with Invalid certificates	Investigations ongoing	Pending	FY 2026
8	Stalled Projects	Budget issues	Pending	FY 2026

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 Chief Executive Officer Date... 1/12/2025

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Appendix II: Projects implemented by Coast Water Works Development Agency

Projects implemented by the SAGA Funded by development partners and/ or the Government.

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements. (Yes/No)
WSDP		WB	2025	37.8 EUROS	YES	YES
DRINKING WATER	CKE1103	AFD	2029	10EUROS	YES	YES

Status of Projects completion

World bank Contracts

S/No	Contract Description	Contract Amount (USD)	Scope of Work	Progress
1.	KE-CWSB-148543-CW-RFB- Construction of Baricho Emergency Protection Works	7,912,538	<ul style="list-style-type: none"> Protection of the upper and lower wellfield using gabion boxes and mattresses Raising of borehole chambers on secant piles Building of new raised transformer house Building of an all-weather wellfield access roads River bank protection 	<ul style="list-style-type: none"> Commencement – 17th Nov 2021 Original Completion date – 17th Nov 2022 Revised Completion date – 31st October 2025 Contract price Kshs. 1,012,059,967 Cumulative payments Kshs. 790,395,766 Completed – 100% (except the BH cleaning equipment and some additional works) Contractor is M/s China Railway No 10
2.	KE-CWSB-232660-CW-RFB - Construction of 30km Second Baricho Kakuyuni Pipeline	19,948,728	<ul style="list-style-type: none"> Construction of 30km DN800 steel pipeline Construction of pipeline fittings and appurtenances Construction of 5,000m³ storage reservoir Electro-mechanical works (supply and installation of 3No. high lift pumps of capacity 820m³/hr and 70m head 	<ul style="list-style-type: none"> Commencement – 27th April 2022 Completion date – 26th April 2023 Revised Completion date – 31st August 2025 Contract price Kshs. 2,199,180,790 Cumulative payments Kshs. 1,801,036,525.99 Completed – 100% (except additional works) Contractor is M/s China International Water & Electric Corp.
3.	KE-CWSB-150896-CW-RFB - Construction of Mombasa North Mainland Short Term Water Distribution System Lot 1A	7,814,237	<ul style="list-style-type: none"> Supply and installation of 133km of DN350 to DN15 HDPE distribution pipelines (portion to be supplied to MOWASSCO) Supply and installation of consumer meters Construction of pipeline appurtenances e.g. chambers 	<ul style="list-style-type: none"> Commencement – 3rd May 2021 Initial Completion date – 25th Oct 2022 Extension of time under evaluation – 27th March 2025 as the proposed completion date Contract price was Kshs. 919,199,622 Cumulative payments are Kshs. 706,847,235.11 Progress – 96% against 261% time elapsed Contractor is M/s Toddy Civil Engineering

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S/No	Contract Description	Contract Amount (USD)	Scope of Work	Progress
4	CWSB-WSDP-W-2 - Three replacement boreholes at Baricho	4,525,187	<ul style="list-style-type: none"> • Drilling of 3No new replacement boreholes 1, 3 and 4 at Baricho • Installation of well pumps and associated fittings/equipment • Connection of new DN350 pipeline to the existing DN500 collector pipe • Construction of earth embankment at the replacement boreholes • Supply and installation of gabion boxes and mattresses 	<ul style="list-style-type: none"> • Progress - Works completed in February 2021 • DLP ended on 30th June 2022 • Increased production capacity 36,000m3/day • Final Accounts and settlement • Contractor was M/s Vambeco • Contract price was Kshs. 452,518,675.27 • Cumulative payments Kshs. 452,264,494.55
5	CWSB-WSDP-W-3 - Baricho Immediate works - Lot 3 (Gap Financing to ongoing contract)	7,208,830	<ul style="list-style-type: none"> • Construction of 57km DN500 Kakuyuni – Kilifi ductile iron pipeline • Construction of 36km DN400 Kakuyuni – Gongoni ductile iron pipeline • Construction of associated pipeline appurtenances and fittings • Construction of 2,500m3 and 5,000m3 storage reservoirs at Gongoni and Kilifi respectively 	<ul style="list-style-type: none"> • The project was completed and DLP ended in February 2020 • Contractor was M/s China Henan International Construction Company • Contract price Kshs. 2,314,799,735.00 • Cumulative payments are Kshs. 855,983,084.99
6	KE-MOWI-30792-CS-QCBS - Construction of North Mainland (Nyali) Works- formerly KWS&CRP 2	5,898,612	<ul style="list-style-type: none"> • Laying of approximately 65 km of water distribution pipelines ranging in size between DN 63 and DN 500mm • Construction and installation of associated water pipeline appurtenances – air valves, washouts, fire hydrants, marker posts and chambers • Installation of 4,000 metered house connections. 	<ul style="list-style-type: none"> • Commencement – 3rd May 2021 • Initial Completion date – 25th Oct 2022 • Revised Completion Date – 31st October 2024 • Completed on 13th March 2025 • Contract price was Kshs. 589,861,167. 44 • Cumulative payments Kshs. 521,084,724.33 • Progress – 100% against 244% of time elapsed • Contractor is M/s Danaff Kenya Company ltd

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S/No	Contract Description	Contract Amount (USD)	Scope of Work	Progress
7	CWSB-WSDP-W-1 - Construction of the North and West Mainland Transmission Pipelines from Mwache Dam to Nguu Tatu and West Mainland respectively	74,000,000	<ul style="list-style-type: none"> • 2.3km of DN1000/900 trunk main pipeline • 1.8km of DN800 pipeline from Mazeras to WML tank • 11.6km of DN1200/1000/900/700 transmission pipeline to supply WML area • 8.9km of DN700 express pipeline from WML pipeline to Changamwe reservoir • 22km of DN800 transmission pipeline to Nguu Tatu • 3No tanks of 14,000m3 each at Nguu Tatu, WML and Changamwe 	<ul style="list-style-type: none"> • Detailed designs and tender documents completed • Funding for the pipelines is not available and needs to be secured • European Investment Bank (EIB) Board has approved financing for the gap • Next step is Negotiations, Financing Agreement Signing and Subsidiary Agreement Signing.

AFD Contracts

S/No	Contract Description	Contract Amount (Euros)	Scope of Work	Progress
1.	Emergency Works for increasing water availability in Likoni	2,684,954	<ul style="list-style-type: none"> • Combined hydraulic-chemical well rehabilitation of 13 boreholes • Drilling of 2No. new boreholes • Geophysical investigations • Rehabilitation and installation of E/M works and pipe works at 15 borehole sites • Construction of 1.7km DN150 HDPE collector mains from BH 4 and 7 and BH A • Extension of flow division chamber (Marere pipeline) • Construction of 6.4km of DN250 – DN200 HDPE pipeline parallel to existing Marere Pipeline • Chlorine dosing unit at Kaya Bombo and Magodzoni • Fencing and installation of sanitation facilities at BH sites • Installation of demonstrative Photovoltaic modules at 3 borehole sites 	<ul style="list-style-type: none"> • Contract Signature – 18th Aug 2021 • Commencement – 27th Aug 2021 • Original Completion date – 9th Feb 2023 • 1st Revised Completion date – 2nd Jan 2024 • 2nd Revised Completion date – 19th Aug 2024 • NEMA license obtained • Contract price was Kshs. 319,751,129 • Cumulative payments Kshs. 254,324,959.07 • Progress – 86% against 246% time elapsed. • Key challenge is cashflow and slow work progress by the contractor

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S/No	Contract Description	Contract Amount (Euros)	Scope of Work	Progress
				<ul style="list-style-type: none"> • Contractor is M/s Mashin Construction Company ltd
2	Construction of South Mainland and West Mainland Water Distribution Pipelines	16,734,779	<ul style="list-style-type: none"> • Primary and secondary mains (HDPE and Ferrous pipelines of sizes ranging from 110 to 800 mm) – 81 km • Tertiary and service mains (HDPE Pipelines of diameter range 32-90 mm) – 156.6 km • Water consumer connections- 6,350 Nr • Supply of pipes and fittings for new water consumer connections – 121.3 m • Construction of two (2) ablution blocks. 	<ul style="list-style-type: none"> • Design review completed • Tender and safeguard documents finalized • Tender advertised on 17th October 2022 and submitted on 10th Jan 2023 • Tender has been Cancelled • SML short term works will be readvertised after WTP and SML pipeline tenders are concluded
3	Construction of Mombasa South Mainland (SML) water transmission pipelines and storage reservoir	43,554,983	<ul style="list-style-type: none"> • 2.9km of twin DN1000 pipeline from WTP to SML offtake • 27.8km DN1000/900 pipeline • Fittings and appurtenances • 2No. 14,000m³ water reservoir including pipework and fittings 	<ul style="list-style-type: none"> • Detailed designs completed • Safeguards documents prepared • Tender documents prepared • Prequalification completed and NOL obtained • Bids submitted on 7th January 2025 • Bid Evaluation Report (BER) submitted to AFD

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S/No	Contract Description	Contract Amount (Euros)	Scope of Work	Progress
4	Construction of 186,000 m ³ /d Mwache Water Treatment Plant (Design Build Operate)	65,096,353	<ul style="list-style-type: none"> • New Water Treatment Plant (Phase 1 – 50%) • Raw Water pumping station • Raw Main Pipes • Clear Water Tank • Administration building • Training of the Employer’s staff • Operation and maintenance for 24 months (or 36 months) 	<ul style="list-style-type: none"> • Preliminary Detailed designs completed • Safeguards documents prepared • Tender documents prepared • Prequalification completed and NOL obtained • Bidding ongoing up to 7th February 2025 • Bid Evaluation Report (BER) submitted to AFD
5	Construction of Sanitation Facilities (Faecal Sludge Handling Facility) in Mombasa SML (Likoni)	6,000,000	Construction of Fecal Sludge Handling facility for Mombasa SML	<ul style="list-style-type: none"> • Detailed Designs completed • Site Selected • ESIA report prepared • RAP report prepared • Tender documents prepared • Contract moved to phase 2 financing with EIB
6	MOWASCO Non-Revenue Water Works	2,600,000	<ul style="list-style-type: none"> • Construction of NRW Works • Supply and Delivery/Installation NRW goods 	<ul style="list-style-type: none"> • Awaiting preparation by the TA consultant

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Appendix IV: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/ Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
					Capital Fund	Deferred Income	Receivables	Others - must be specific	
Ministry of Planning and Devolution	0	Recurrent	0	0	0	0	0	0	0
Ministry of Planning and Devolution	0	Development	0	0	0	0	0	0	0
USAID	0	Donor Fund	0	0	0	0	0	0	0
Ministry of Planning and Devolution	0	Direct Payment	0	0	0	0	0	0	0
Total	0		0	0	0	0	0	0	0

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Appendix V- Inter-Entity Confirmation Letter

Name of Transferring entity Ministry of Water

Name of Beneficiary entity Coast Water Works Development Agency

Confirmation of amounts received by Coast Water Works Development Agency as at 30 th June 2025			
Recurrent (A)			
Reference Number	Date Disbursed	Amount	Remarks
3351	7/1/2024	30,666,666	Confirmed
3353	8/30/2024	24,533,333	Confirmed
3362	9/25/2024	24,533,333	Confirmed
3371	10/28/2024	24,533,333	Confirmed
3368	11/18/2024	24,533,333	Confirmed
3373	12/19/2024	24,533,333	Confirmed
3376	1/9/2025	24,533,333	Confirmed
3381	2/11/2025	24,533,333	Confirmed
3385	3/12/2025	24,533,333	Confirmed
3387	4/4/2025	24,533,333	Confirmed
3389	5/16/2025	4,553,334	Confirmed
3391	6/11/2025	4,553,334	Confirmed
Total		260,533,331	
Development (B)			
3352	7/10/2024	206,750,000.00	Confirmed
3354	8/28/2024	9,443,096.00	Confirmed
3355	8/28/2024	9,042,200.00	Confirmed

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3356	9/24/2024	11,926,238.00	Confirmed
3357	9/24/2024	2,479,200.00	Confirmed
3358	9/24/2024	5,142,851.20	Confirmed
3359	9/24/2024	7,283,060.00	Confirmed
3360	9/24/2024	1,280,640.00	Confirmed
3361	9/24/2024	8,248,732.00	Confirmed
27	9/30/2024	48,750,000.00	Confirmed
3374	10/31/2024	48,750,000.00	Confirmed
3363	11/7/2024	4,843,962.80	Confirmed
3364	11/7/2024	4,988,522.00	Confirmed
3365	11/7/2024	12,877,781.75	Confirmed
3366	11/7/2024	11,838,877.60	Confirmed
3367	11/7/2024	6,913,600.00	Confirmed
3372	11/7/2024	998,528.00	Confirmed
3369	11/27/2024	48,750,000.00	Confirmed
3370	11/30/2024	48,750,000.00	Confirmed
3377	1/16/2025	48,749,983.00	Confirmed
3378	1/28/2025	2,709,579.80	Confirmed
3379	1/28/2025	2,524,682.35	Confirmed
3380	1/28/2025	6,630,560.00	Confirmed
3382	2/11/2025	15,951,160.00	Confirmed
383	2/11/2025	9,374,192.00	Confirmed
3386	3/13/2025	15,000,000.00	Confirmed
3388	5/14/2025	1,747,218.65	Confirmed
3390	5/20/2025	84,583,331.00	Confirmed
3392	6/17/2025	28,333,345.00	Confirmed
Total		714,661,341.15	
Total Combined		975,194,672.15	

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I confirm that the amounts shown above are correct as of the date indicated.

Head of Accounts Department - Disbursing Entity:

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name *Stephen Thomas* Sign *[Signature]* Date *11/2/2025*

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Appendix VI: Reporting of Climate Relevant Expenditures
Not Applicable

Project Name	Project Description	Project Objectives	Project Activities	Quarter				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

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Appendix VII: Reporting on Disaster Management Expenditure
Not Applicable

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments