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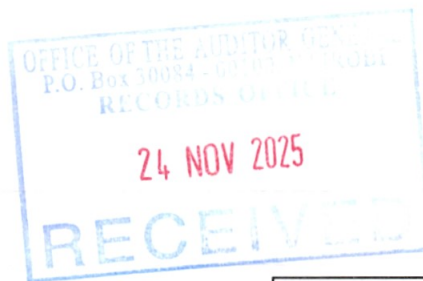
OF

THE AUDITOR-GENERAL

ON

WATER RESOURCES AUTHORITY

 FOR THE YEAR ENDED 30 JUNE, 2025	
DATE: 25 FEB 2026	
DAY: WEDNESDAY	
TABLED BY:	HON. NAOMI WAQO, MP DEPUTY MAJORITY WHIP
CLERK-AT-TABLE:	ESTHER WGENYO



WATER RESOURCES AUTHORITY

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)**

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1. Acronyms, And Definition of Key Terms

(a) Acronyms

CEO	Chief Executive Officer
WRA	Water Resources Authority.
KWSCRIP	Kenya Water Security and Climate Resilience Project
TWENDE	Towards ending Drought emergencies
LAWASCO	Lamu Water and Sanitation Company
GCA	Ground Water Conservation Area.
ICPAK	Institute of Certified Public Accountants of Kenya
SDG	Sustainable development Goals.
A-I-A	Appropriation in Aid
OAG	Office of the Auditor General
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SCMP	Sub Catchment Management Plans
SC	State Corporations
WB	World Bank
WRUAs	Water Resources Users Associations

(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

Water Resources Management Authority was established pursuant to the provision of Section 7 of the Water Act, 2002, Laws of Kenya and was operationalized in July 2005. The Authority's principal mandate under this legislation was the management of water resources in the whole Country.

A new statutory regime necessitated by the need to conform to the Constitution of Kenya 2010, international instruments that Kenya has ratified by virtue of Article 2(6) of the Constitution as well as Vision 2030 and the Sustainable Development Goals (SDG's); legislation of the Water Act, 2016 was accordingly initiated. The Water Act, 2016 was passed into law on 14th September, 2016 and came into operation on 21st April, 2017. This effected a change of the Authority's name from Water Resources Management Authority to Water Resources Authority.

The Water Resources Authority (WRA) is established under Section 11 of the Water Act, 2016 and is mandated, on behalf of the National Government to regulate the management and use of water resources across the Country.

Our approach as an Authority in safe guarding the resource is entrenched in the Vision 2030 strategic objective on water and sanitation and the SDG 6 all these agenda's and objectives aim not only to increase water resources availability for multipurpose use but also improve the quality and sustainability of water resources.

Water Resources Authority operates through the Regional Offices established in the six Basins, namely: Athi, Ewaso Ngiro, Lake Victoria South, Lake Victoria North, Rift Valley and Tana Catchment Areas. The Catchment Areas have been gazetted as Basin Areas for purposes of compliance with the provisions of the Water Act, 2016. In addition, the Authority has delineated the six Basins into 26 Sub-basins which operate as sub-regional offices. The Authority partners/collaborates with key stakeholders in integrated water resource management activities to deliver its mandate to the public.

(b) Principal Activities

The principal mandate of the Authority is to regulate the management and use of water resources on behalf of the National Government.

Vision

Safeguarding water resources for all.

Mission

To sustainably regulate the management and use of water resources for posterity

Core Values

1. Equity.
2. Reliable
3. Transparency and accountability
4. Sustainability
5. Professionalism
6. Innovation and Collaboration

(c) Key Management

The entity's day-to-day management is under the following key organs:

- Management Board
- Chief Executive Officer
- Management

(d) 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	-Mohammed M. Shurie, OGW
2.	Manager Corporate Services	-Mr James Mburu
3.	Manager Water Resources Assessment & Monitoring	-Mr. John M. Kinyanjui
4	Manager Legal Services	-Janet Olewe
5	Ag. Assistant Manager supply chain management	-Samuel Mutuku

(e) Fiduciary Oversight Arrangements

(i) Management Board

The powers and functions of the Authority are exercised and performed under the direction of the Management Board which consists of a Chairman appointed by the President, five independent Directors and four members appointed by the Cabinet Secretary responsible for matters relating to water and representatives from various oversight offices, namely:

- a). The Principal Secretary responsible for matters relating to finance or his representative;
- b). The Principal Secretary responsible for matters relating to water or his representative;
- c). The Principal Secretary responsible for matters relating to environment or his representative;
- d). The Principal Secretary responsible for matters relating to land or his representative

Section 15(1) of the State Corporations Act Cap. 446 gives Board of Directors the responsibility for management of the affairs of State Corporations. In this regard the Board is accountable for the moneys, financial business and the management of the Authority.

Under the Water Act, 2016, the Board's functions are to:

- a). Administer the assets of the Authority in such manner as best promotes the purpose for which the Authority is established;
- b). Ensure protection, where necessary, of the assets and developments of the Authority;
- c). Determine the provisions to be made for capital and recurrent expenditure and for the reserves of the Authority;
- d). Receive any grants, gifts, donations or endowments and make legitimate disbursements there from;
- e). Invest any funds of the Authority not immediately required for its purposes;
- f). Delegate any of its powers; and
- g). Undertake any activity necessary for the fulfillment of any of the functions of the Authority.

(ii) Board Committees

Finance and Support Services Committee

The Committee reviews quarterly financial, human resource and procurement reports and recommends to the Board ways of raising and utilizing the Authority's funds and human resources and the establishment of systems and procedures for efficient financial management.

The Committee advises the Board on Water Resources Authority's human resource policies and guidelines which include the scheme of establishment and career progression and terms and conditions of service for the staff of the Authority.

Resource Mobilisation Committee.

Resource Mobilisation Committee is charged with the responsibility of providing strategic directions as to funding of the Authority's activities and advice to the Board on the Authority's revenue and fund raising, activities and forecasting the same in line with the statutory mandate.

Technical Committee

This Committee reviews and makes recommendations to the Board on compliance and enforcement policies. The Committee also advises on legislative issues and other measures for the regulation of water resources management.

Audit Committee

Final management reports are submitted to the board audit and Risk committee having been verified by the Authority's head of Internal Audit.

The scope of this Committee includes risk management, as well as compliance with the regulatory requirements. The Audit Committee broadly oversees the Authority's standards of integrity and behaviour, reporting of financial information and internal control systems.

(iii) Ministry of Water and Sanitation

Every year the Authority submits an annual report on the state of national water resources strategies in Kenya. The water situation report and performance report is disseminated to the public for purposes of their information and feedback.

Quarterly and Annual management reports submitted to the Ministry of Water and Sanitation for review and approval of the budgetary requirements before presentation to the parliamentary investment committee of environment and natural resources.

(iv) Parliamentary investment committee and Parliamentary committee on environment, and natural resources.

Budget proposals and implementation reports are reviewed by the parliamentary committee for environment and natural resources. The final financial reports are submitted to the parliamentary investment committee to ensure value for money and adherence to Government financial regulations and procedures.

(f) WRA Headquarters

Water Resources Authority
NHIF Building, 4th, 9th & 10th Floors.
Ragati Road
P. O. Box 45250-00100
Nairobi, Kenya

g) WRA Contacts

Tel. 2732291, 2729048/49
E-mail: info@wra.go.ke
Website: www.wra.go.ke
Twitter: @WRA_Kenya

h) WRA Bankers

1. National Bank of Kenya
Hill Branch
P.O. Box 45219-00100
Nairobi, Kenya
2. Kenya Commercial Bank
Moi Avenue Branch
P.O. Box 48400 - 00100
Nairobi, Kenya
3. Equity Bank
Community Branch
P.O. Box 75104-00100
Nairobi, Kenya




i) Independent Auditors




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

j) Principal Legal Adviser

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

3. Management Board

 <p>Mr. Donald K. Murgor Master of Business Administration, BA Economics and Sociology</p>	<p>The Board Chairman is an astute Business Administrator with over 27 years of experience spearheading business growth by streamlining key operations at Central bank of Kenya and the National Treasury.</p> <p>Date of Birth: 15th February, 1968</p>
 <p>Mr. Hassan Baricha Mr. Hassan Ahamednur Baricha Human Resources Professional</p>	<p>Independent Board Member and the Chairperson of the Board Finance and Support Services Committee</p> <p>Mr. Baricha is a Human Resources professional, with experience in strategically driving organizational performance Implementing Human Resource strategies that create a working culture and emphasizes superior performance, Human Capital Development, Quality, Productivity and Goal Attainment.</p> <p>Date of Birth: 1st January, 1973</p>
 <p>Mr. Jared Mekenye Ongwae Medical laboratory professional</p>	<p>Independent Board Member and Chairperson of the Board Resource Mobilization Committee</p> <p>Mr. Ongwae is a medical laboratory professional, a medical researcher, an entrepreneur, a strategic leader, a political advisor, a philanthropist, community development enthusiast, youth advocate, mentor and coach and currently the Chief Laboratory Technologist at Kisii University school of health science</p> <p>Date of Birth: 14th September, 1976</p>

 <p>Ms. Lydia Boke Marwa Environmental Expert</p>	<p>Independent Board Member and Chairperson of the Board Audit and Risk Committee</p> <p>Ms. Marwa has over 10 years of experience in carrying out and supervising Environmental and Social Impact Assessments (ESIA), Strategic Environmental and Social Assessment (SESA) and Environmental and social Audits (ESA) for various projects. She also has over eight (8) years of experience in developing and effectively implementing Environment and Social Management Plans for several industries.</p> <p>Date of Birth: 30th -November-1987</p>
 <p>Eng. Unicore Simon Ng'ang'a</p>	<p>Independent Board Member and Chairperson of the Board Technical Services Committee</p> <p>Eng. Unicore is an astute businessman with over 11 years' experience.</p> <p>Date of Birth: 17th May,1983</p>
 <p>Mr. Joshua Musyoka B.A in Economics with IT and a master's student in M.A Economics</p>	<p>Cabinet Secretary Representative, The National Treasury</p> <p>Mr. Musyoka is an Economist with over 12 years' experience in the public Sector and public finance management. Currently he is a Senior Economist with the Intergovernmental Fiscal Relations Department of the National Treasury and is the Head of Policy and Legislation Unit of the Department.</p> <p>Date of Birth: 29th October, 1984</p>



Ms. Gladys Wekesa

Researcher and experienced public servant in the Water Sector

Principal Secretary representative,
 Ministry of Water, Sanitation and Irrigation

Date of Birth: 24th July, 1972



Ms. Vicky Betty Chepkorir

Environmental Governance and Management Expert

Principal Secretary representative,
 Ministry of Environment Climate Change and Forestry.

Ms. Chepkorir is an accomplished environmentalist and policy specialist. She has over 12 years of experience leading teams and managing impactful projects in both public and private sectors. She is Skilled in strategy formulation, policy development, and resource mobilization.

Date of Birth: 14th February, 1988






Mr. Samuel M. Mwati




Principal Secretary representative,
 Ministry of Lands, Public Works, Housing & Urban Development.

Mr. Mwati is a career Administrator with over 30 years' extensive experience in administration and management within the Public Sector.


Date of Birth: 1969

<p>Masters degree in Public Policy and Administration, Bachelor of Arts</p>	
 <p>Mr. James Sitiency Administrator specifically bringing in oversight roles of Inspector General of state corporations.</p>	<p>Representative Inspector General of State Corporations</p> <p>Date of Birth: 26th December 1966</p>
 <p>Mr. Mohamed Moulid Shurie OGW BSC Phy/Math, BSC Geology, MBA Executive</p>	<p>Chief Executive Officer and an <i>ex officio</i> member of the Board.</p> <p>Date of Birth: 8th December, 1962</p>
 <p>CS Janet Olewe Advocate and Certified Corporation Secretary</p>	<p>Corporation Secretary and Manager Legal Services</p> <p>An advocate of the High Court of Kenya with 16 years' experience in the practice of law; 11 of which have been in the water sector.</p> <p>Ms. Olewe is a certified Corporation Secretary, holds Bachelor of Laws Degree (LL.B) and a Post-Graduate Diploma from the Kenya School of Law.</p> <p>Date of Birth: 16th September 1983</p>

4. Key Management Team

 <p>Mr. Mohamed M. Shurie, OGW BSC Phy/Math, BSC Geology, MBA Executive</p>	<p>Chief Executive Officer</p>
 <p>James Mburu Msc-Finance, B.com, CPA-K and CIA</p>	<p>Manager Corporate Services.</p>
 <p>Mr. John N. Kinyanjui Bsc. Geology</p>	<p>Manager Water Resources Assessment & Monitoring.</p>

**Water Resources Authority
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For the year ended June 30, 2025**

	Corporation Secretary and Manager Legal Services
CS Janet Olewe LL.B, Post. Grad. Diploma in Law	



5 Chairman's Statement

Financial Year 2024/25 was marked by tremendous achievements in the Authority in a number of ways. Of importance was finalization and launching of the 5th Generation Strategic Plan 2023-2027. The Plan was developed in line with the Fourth Medium Term Plan (MTP IV) of the Kenya Vision 2030 and takes cognizance of relevant legal provisions and government policy blueprints, including the Bottom-up Economic Transformation Agenda (BETA).

At last, the long awaited Water Resources Regulations 2025 are now under implementation by the Authority. The regulations will play a pivotal role in strengthening water resources planning, allocation and most of all compliance amongst the various WRA stakeholders.

As we have done in the past financial year, the strategic direction we envision for WRA is one that prioritizes sustainability, climate resilience, and inclusive stakeholder engagement. We aim to build a more robust regulatory framework that addresses emerging challenges like climate change and the growing demand for water. My Board will prioritize supporting the Authority in integrating technological advancements such as real-time water monitoring, and continue fostering partnerships at both local and international levels to secure resources and knowledge.

As a board, we are fully committed to supporting the Authority implement its regulatory mandate. The success of our strategies directly impacts national development goals such as Vision 2030 and the Kenya Kwanza Manifesto. Water is a key enabler for sectors like agriculture, industry, and health, which are vital to Kenya's economic growth. Our commitment lies in ensuring that the Authority has an enabling environment to fulfill its corporate objectives

Mr. Donald K. Murgor
Chairman,

WRA, Management Board.

6. Report of the Chief Executive Officer



The last Financial Year has seen WRA recorded commendable strides in optimizing water resources information gathering for real time data transmission to inform sustainable water resources management. The Authority has also prioritized reinforcing the legal and regulatory framework in place to enhance compliance with the Water Resources Laws and Regulations. These efforts have propelled the Authority to the fore in enhancing climate mitigation and resilience interventions as well as innovative stakeholder participatory involvement approaches to restore nature's original glory and water retention capacity towards resilience building to climate change. Water Resources Authority has actively invested in institutional capacity building development and digitization of its core business activities in order to offer seamless service delivery.

The Authority has continued to invest greatly in water resources monitoring having upgraded 138 stations to telemetry station status across the country to clearly understand aquifer and update groundwater information. This has greatly enhanced real time data acquisition for decision making, flood early warning as well as groundwater sustainability.

With respect to water quality, the last Financial Year recorded commendable milestones in water quality assessment through support to the Laboratories. The Authority now has the Central Water Testing Laboratories being the national reference laboratory for the country. The next financial year will focus on modernizing and automating the laboratories in terms of equipment and technology in view of emerging environmental pollutants.

In our realization of our mandate, we acknowledge the importance of stakeholder collaboration in managing water resources. We have had 780 WRUAs registered so far and continue to enhance their capacity and provide resource linkages for them to sustainably manage the catchments. Our collaborations have been on the increase with a number of Projects currently in progress. These include: The Horn of Africa Ground Water for Resilience Program (HoAGW4RP), 'TWENDE Towards Ending Drought Emergencies'; Catchment to Tap, Coast Water Security and Climate Resilience Project and Green Climate Fund (GCF). There are a number of partnerships the Authority works with such as Ministry of Agriculture, Livestock, Fisheries and Cooperatives (State Department of Livestock), IUCN, NEMA among others.

The projects are being undertaken in most arid and semi arid counties with the aim of averting climate change adverse impacts such as droughts and floods through integrated water resource management activities, water shed conservation, managed aquifer recharge, water harvesting infrastructure investments, livelihood activities among the communities. So far, a number of counties such as Makueni, Narok, Kajiado, Tharaka, Marsabit, Turkana, Wajir, Mandera, Garissa, Kwale, Kilifi, Isiolo, among others have benefited from these projects whose long term aim is to enhance catchment conservation as well as water resources quality and quantity.

There has been great achievement for the Authority towards gazettement of vulnerable catchment and groundwater conservation areas, having identified 115 critical water catchment and groundwater conservation areas that require special measures for their protection and conservation. The gazettement of catchment and groundwater conservation areas provide a legal framework for the protection and conservation by limiting the activities that can be allowed. WRA has gazetted 19 water catchment and groundwater conservation areas for protection and conservation within the country as indicated below

As can be seen by the different functions of the Authority, there is dire need for collaboration with respect to soil and water conservation, water resources information management, strengthening WRUA governance and county engagements, as well as initiatives prioritizing climate change resilience and adaptation. We appreciate all our stakeholders for partnering with us in enhancing sustainable water resources management and look forward to onboarding more collaborations.

i. Revenue

The Authority put in place measures to ensure financial sustainability in its operations. The allocations received from the exchequer have been low over the years. This has put pressure on the Authority to improve on revenue collection.

During the period ended 30th June 2025 the Authority's main income source was able internally generated funds (AIA). A setback in realization of set targets was a court case which issued an injunction to the implementation of the Water Resources Regulations 2021 as from April 2023 but Water Resources Regulations 2025 are now under implementation by the Authority effective May 2025. The Management intends to intensify efforts and improve on the level of revenue collections in future in order to reduce the current financing gap.

ii. Expense

The Authority's expenses were cumulatively KES 2,237,099,402 billion of which staff costs salaries and other remunerations still remains the major cost component accounting for 43% of the total expenses.

In comparison to revenues of KES 1,741,169,318 Billion the authority operated on a KES (478,119,388) deficit.

iii. Education and awareness creation

One of the core functions of the Authority is to create awareness about its mandate to strategic publics. This is done by engaging several stakeholders in diverse sectors of the economy, undertaking awareness activities, and meeting the general public. The following activities were undertaken during the FY 2024/2025

- Finalized the gazette process of Lamu groundwater entailing review of land ownership entitlements with a view to conserve Lamu sand dunes catchments.
- Stakeholders engagement for Gazette of Manguo Wetland
- Subcatchment Management Plan Review and Implementation for Onkaru WRUA
- Undertaken engagements with Drilling contractors to regularize sustainable ground water abstraction

iv. Partnerships

Through the period under review the Authority had the following development partners who continued supporting its mandate:

- World Bank
- Green Climate Fund (GCF)

v. Employee relations

The Human Resource component in Water Resources Authority continues to play a critical role in the achievement of the organizational goals as stipulated in the Strategic Plan.

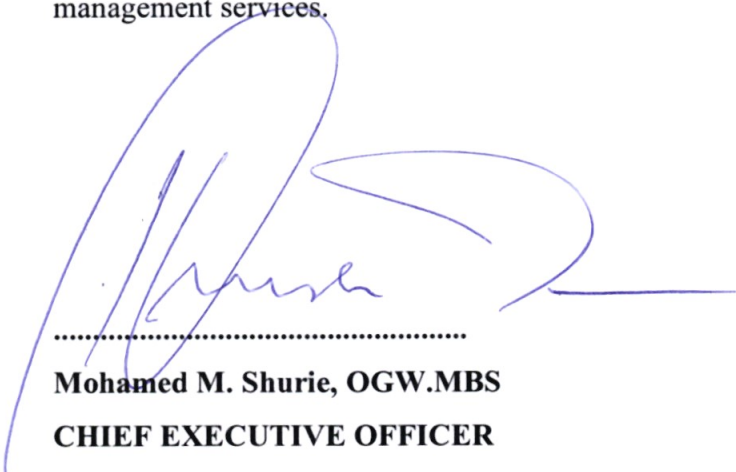
The Authority believes in the best skills for best performance. It has therefore continuously improved staff development. During the period under review a number of staff undertook different training mainly with the support of development partners

vi. Commitment to quality

The Authority is committed to the continual improvement of Quality Management System (QMS) processes and has transitioned from ISO 9001: 2008 to ISO 9001: 2015.

Conclusion

I wish to appreciate the Chairman and the Management Board for their support throughout this period. I am also grateful to our parent Ministry of Water, Sanitation and Irrigation, our development partners and all our stakeholders for their unwavering trust, support and partnership towards the execution of the Authority's mandate. And to the staff and management, I am indeed honored to be a part of the Water Resources Authority team. The Authority has continued to undertake this mandate and achieved remarkable results despite a number of challenges faced. I believe that with your continued support and commitment, we shall be able to deliver our services more efficiently and effectively to impact more people in respect to water resources and environmental management services.



.....
Mohamed M. Shurie, OGW.MBS
CHIEF EXECUTIVE OFFICER

7. Statement of Performance against Predetermined Objectives for FY2024-2025.

Water Resources Authority has 6 strategic issues and 8 objectives within the current Strategic Plan for the FY 2024/2025. These strategic pillars/ themes/ issues are as follows:

1. Water Resources information gathering and management
2. Compliance to Water resources Laws and Regulations
3. Climate change
4. WRUA, County and Stakeholder partnership
5. Institutional capacity and digitalization of WRA services
6. Sustainable Resource mobilization partnerships for water resources Authority.

Water Resources Authority develops its annual work plans based on the above 6 Issues. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The *Water Resources Authority* achieved its performance targets set for the *FY 2024/2025* period for its 6 strategic pillars, as indicated in the table below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Strategic issue 1: Water Resources information gathering and management	To operationalize and maintain Water Resources information gathering and management system.	No. of Surface Water (SW) Monitoring Stations	Rehabilitation/maintenance of SW monitoring stations	23 Stations were rehabilitated.
		No. of Ground Water (GW) Monitoring stations	Maintenance of GW monitoring stations	5 GW monitoring stations maintained
		No. of Water Quality (WQ) Monitoring stations	Establish and Automation of Water Quality (WQ) & Pollution Control (PC) monitoring stations	1 WQ monitoring station was established.
		No. of WQ Monitoring stations	Maintenance of WQ monitoring stations	32 WQ monitoring stations were maintained
		No. of staff trained	Train GW/SW/WQ staff on water resources monitoring equipment,	38 staff members were capacity-built on various subjects, including

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
			data collection and Data Management	Environmental Flow Assessment and water resource monitoring.
		No. of Monitoring Stations	Upgrade SW monitoring station to telemetric	7 Stations were upgraded to Telemetry
		No. of Boreholes Drilled	Drilling of Exploratory Boreholes	2 boreholes were drilled in Kuto (Narok) and Esoit (Kajiado)
		No. of aquifers assessed/Mapped	Aquifer assessment and mapping	3 aquifers were assessed
		No. of Staff trained	Capacity building of the technical staff on infrastructure development and dam safety regulations	32 staff were capacity built on Environmental Flow Assessment and 15 staff were capacity built on the Water Evaluation and Planning (WEAP) Model.
		No. of Staff and gauge readers trained	In-house training of Surface water and Water Resources Data officers and Gauge readers	4 Data officers and Gauge readers trained.
		No. of Memoranda Of Understandings (MOUs) / agreement/ data sets	Acquire water resources data from partners monitoring stations for updating WRA database	15 data sets acquired
		No. of updated Datasets	Update water storage database.	16 data sets updated.
		No. of existing dams assessed	Assessment of the existing dams	11 dams assessed.
Strategic Issue 2: Compliance to Water resources laws and regulations	To Strengthen Water planning allocation and	Water Use Permits Issued	Enforcement and Inspections of water works for issuance of water use permits and compliance to regulations.	The Annual permits issued was 1,486.

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Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
	compliance to regulation	Percentage of illegal abstraction points legalized		8% illegal abstraction points legalized
		Volume of water abstracted	Improve compliance to regulation of water use by increasing the volume of water abstracted under permit.	Total volume of 943,247.4 m ³ /day was attained
		No. of water Quality and Pollution Surveys Carried out		2 water quality and Pollution surveys carried out.
		No. of Routine enforcement carried out	Carry out water Quality Monitoring and Pollution and enforcement	5 Enforcement Orders done.
		No. of trainings	Train community on pollutants and their role	7 trainings conducted.
		No. of Lakes assessed	Undertake water assessment in Lakes in Kenya	1 Assessment undertaken.
		No. of Dam Safety Inspection Reports	Dam safety inspections	21 dam safety inspections done.
		No. of advisories issued	Develop flood and drought early warning systems	5 Flood and Drought early warning systems were developed.
		size of riparian land conserved (Square Kms in basin areas)	Riparian Land protected and conserved	33.71 sq km of land conserved.
	To Improve the protection and conservation of water	No. of Groundwater Conservation Areas (GCAs) conserved and secured	Protect GCAs through Gazettement	1 GCA protected.

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
	catchment areas.	No. wetlands gazetted for protection	Gazette vulnerable wetlands and water sources	1 Wetland gazetted for protection.
		No. of springs protected	Undertake Protection of Springs	3 springs were protected
		Ha of riparian areas reclaimed and conserved	Reclaim and conserve riparian areas	547.7Ha of riparian areas reclaimed and conserved.
		No. of trees grown in farmlands & riparian areas	Undertake tree growing initiatives	160,787 tree seedlings were grown.
		No. of Sub-Catchment Management Plans (SCMP) documents	Undertake Development/ review of SCMPs	21 SCMPs were developed and adopted
		No. of SCMPs implemented	Implement SCMP activities	34 SCMP activities implemented.
		No. of roof water harvesting tanks installed	Installation of Rain Water harvesting tanks	16 Ten thousand Litres harvesting Tanks were installed
		No. of storm water storage facilities developed	Develop storm water storage facilities (waterpans, sand dams, djabias, berkards etc)	13 storm water storage facility developed
		No. of pollution/ abstraction surveys	Undertaking Abstraction & Pollution Surveys	1 Abstraction and pollution survey done
		No. of trainings carried done for Water Resources Users Association (WRUAs) members	Build capacity of WRUAs on water/riparian protection	43 Trainings conducted

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
		No. of stakeholder engagement various waste and land use practices forums	Engage WRUAs and stakeholders on solid waste, liquid waste and land use practices in 6 basins	121 Engagement forums conducted
Strategic Issue 3: Climate Change	To mainstream climate change mitigation and adaptation into WRA interventions.	No. of Inspection reports	Inspection of Water storage infrastructures	37 inspections were carried out.
		No. of evacuation routes in flood prone areas	Establish structural & non-structural measures for flood & drought by WRUAs	1 evacuation route established.
		No of demonstration sites of terraces/gabions constructed		1208M of Gabions constructed under the Coastal Water Security and Climate Resilience project
		No. of community initiatives operationalized	Community climate change resilience and adaptation initiatives implemented. Establish Automate and operationalize FEWS	54.18 Km of trenches achieved.
		No. of climate change resilience and adaptation projects implemented	Partnerships and collaborations	3 projects are being implemented, namely: Horn of Africa Ground Water for Resilience (HoAGW4R) project, Coast Water Security and climate resilience project, and Towards Ending Drought Emergencies (TWEENDE) project.

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Strategic Issue 4: WRUA, County and Stakeholder partnership	To enhance WRUA, County and Stakeholder partnership in Water Regulation and management.	No. of meetings held	Hold forums and meetings with Council of Governors (CoG) and counties to create awareness/ explore/ lobby for partnership opportunities between WRUAs and Counties	5 meetings were conducted.
		No of Tripartite agreements signed	Sign and implement tripartite agreements for specific activities to be implemented by WRUAs	1 tripartite agreement was signed
		No. of reports	Hold consultative meetings with county Govt	4 reports on consultative meetings were submitted.
		No. of meetings held	Hold round table meetings with prospective donors, Email and Cold Pitch	1 roundtable fundraising meeting convened with WWANC, CESPAD, and GIZ
		No. of trainings carried out	Train WRUAs on governance, stakeholders' engagement and resource mobilisation	21 trainings conducted.
		No. of new WRUAs formed	Identify and form new WRUAs	6 new WRUAs identified and formed.
		No. of Trainings held	Train WRUAs on conflict management	25 WRUA trained on conflict management.
		No. of WRUAs compliant	Enforce compliance of WRUAs to regulations	215 WRUAs reported as compliant.
		% of WRUAs published on WRA website	Publish list of compliant WRUAs on WRA website	0.85% of WRUAs published.
		No. of WRUA's Trained on climate mitigation, No.	Undertake training of WRUAs on climate change	24 WRUAs were trained.

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
		and type climate mitigation of activities carried out	interventions and adaptation measures	
		No. of Livelihood activities implemented Ksh. Income generated from livelihoods activities.	Undertake WRUA training on sustainable livelihood improvement and value chains/ addition processes	48 sustainable livelihood trainings were conducted.
Strategic Issue 5: WRUA, County and Stakeholder partnership	To Strengthen WRA Institutional capacity	Nature of Data collected quarterly, No. of times data is submitted	Develop Productivity Metrics	12 Workplace Productivity Metrics were developed and 8 metrics were implemented.
		No. published productivity strategy	Develop/ re-view workplace productivity improvement strategy	Workplace Improvement Strategy developed in alignment with the template and approved
		Published Science, Technology and Innovation (STI) strategy	Develop and implement Science, Technology and Innovation strategy	The STI Strategy was developed, finalised and submitted to NACOSTI.
		No. of customer satisfaction surveys carried out	Adopt targeted repetitive strategies	3 customer satisfaction surveys were conducted.
		No. of staff capacity building plans		A skills gap analysis was conducted, and the report compiled.
		No. of staff capacity building trainings carried out		4 trainings were carried out.
		No. of Quality Assurance	Quality assurance assessments	3 quality assurance activities were conducted.

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
		activities carried out. No. Quality assurance published reports.		
		No. of staff capacity building trainings carried out	Develop institutional internal systems and administrative structures	1 capacity building training was carried out
		Published HR Skills gap report	Identify and address skills gaps	A skills gap analysis was conducted, and the report compiled.
	To enhance digitalization of WRA	No. of Business processes identified for automation	Business process re-engineering and identification for Automation	2 processes were identified for re-engineering: groundwater monitoring and meter reading
Strategic Issue 6: Sustainable Resource mobilization partnerships for water resources Authority	To enhance Resource Mobilization for Water Resource Regulation and management	Revenue Realized	Implementing a permit system that regulates the abstraction of water from various sources such as rivers, lakes, or groundwater. Permits specify the quantity of water that can be abstracted, conditions for abstraction, and duration of validity. This strategy helps in controlling water usage and preventing over-extraction, ensuring sustainable use of water resources. Revenue will be generated through permit fees, which cover the administrative costs of issuing permits and monitoring compliance	A total of Kshs. 376,320,071 was collected as water permit processing fees.

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
		Revenue Realized	Charging water users based on the volume of water abstracted, as specified in their permits.	KShs.662,816,856 was collected as water use fee.
		Updated database	donor mapping, Update the database for potential development partners Bi-annually	1 new partner—the Royal Danish Embassy—was added under the Kenya-Denmark Strategic Sector Cooperation Programme, a 10-year capacity-building and knowledge exchange initiative implemented in Turkana, Laikipia, and Nairobi.
		No. of funding Proposals developed	Develop funding proposals, Enhance resource mobilization base	13 funding proposals were developed.
		No. of concepts developed	Collaboration for enhanced partnerships	4 concept notes were developed:
		No. Of Collaboration Forums held	Private public partnerships, Research, STI, Hold and facilitate Collaboration forums with public, private and civil society on potential funding opportunities.	1 collaborative forum was attended: Citizen Science for Water Resource Management Workshop held from April 29–30, 2025.
		Minutes of collaboration meetings.		Meeting minutes for 1 collaboration forum meeting is available.
		Updated Database	Donor mapping, Update the database for potential development partners Bi-annually	5 proposals were developed.

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Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
		No. of Private Public partnerships Initiated	Donor round table meetings, dialogue forums on thematic areas	1 public-private partnership was initiated.

8. Corporate Governance Statement

Appointment of Board Members to the Board of the Authority and the size of the Board is guided by Section 14(1) of the Water Act (Cap. 372 Laws of Kenya), hereinafter, referred to as “the Act”. The WRA Board as currently constituted is in compliance with this provision of the law.

The Board’s roles and functions in provision of the overall strategic direction, overseeing management, ensures compliance with all applicable laws and policies, and safeguards the organization’s assets are provided for under Section 16 of the Act as follows:

- a) administer the assets of the Authority in such manner as best promotes the purpose for which the Authority is established.
- b) ensure protection, where necessary, of the assets and developments of the Authority.
- c) determine the provisions to be made for capital and recurrent expenditure and for the reserves of the Authority.
- d) receive any grants, gifts, donations or endowments and make legitimate disbursements therefrom.
- e) invest any funds of the Authority not immediately required for its purposes;
- f) delegate any of its powers; and
- g) undertake any activity necessary for the fulfilment of any of the functions of the Authority.

The Board is entrusted with setting the organization’s strategic direction, supervising management, ensuring full compliance with relevant laws and policies, and safeguarding corporate assets. These responsibilities are spelt out under Section 16 of the Act.

Board Committees Charters are in place, delineating the roles, functions, and responsibilities of the Board and its committees, serving as a guide for effective governance.

All Board members undergo a structured induction, with continuous training and development opportunities to enhance their effectiveness and keep them abreast of sector developments. These are anticipated in each financial year and provided for in the Board’s Almanac.

Annual Performance Evaluations of the Board’s collective performance and that of the Chairperson, individual members, CEO, Corporation Secretary and the head of the Internal Audit Department are undertaken, with feedback mechanisms from an independent oversight entity, *State Corporations Advisory Committee* to foster continuous improvement.

The number of Board meetings held are in accordance with the prescribed quarterly meetings and where there is need for special sittings, approval and concurrence from the Cabinet Secretary is sought in compliance with the Head of Public Service Circular (OP/CAB.9/1A) dated 11th March, 2020. Attendance and conflict of interest registers are signed in respect to all Board and board Committee Meetings.

A succession plan is in place to ensure continuity of leadership and the prudent management of skills within the Authority and succession planning at senior management positions. A review of the plan is also undertaken to ensure it meets changing requirements of the Authority’s operating environment.

The Board members sign a conflict of interest register in which a record of any potential conflicts of interests are declared. The Authority has also commenced implementation of the provisions of the Conflict of Interests Act, 2025 with a view to proactively identify and manage conflicts of interest, promote impartial decision-making and uphold the integrity of Board proceedings.

Remuneration policies for Board members are transparent and aligned to Government circulars and policies on remuneration of Board members and Chairpersons of Boards of State corporations thereby ensuring fairness and motivating effective stewardship.

The Board is committed to upholding the highest standards of ethics and professional conduct; all members adhere to a Code of Ethics and Conduct as prescribed by the organization and relevant statutes.

i) Management Board.

The Management Board of the Water Resources Authority established under the Water Act 2016 is made up of four members appointed by name and a Chairperson. The Board membership also comprises a representative of the Cabinet Secretary, The National Treasury as well as representatives of the respective Principal Secretaries from the Ministry of Water- Sanitation and Irrigation, Lands and Housing, Environment and Natural Resources and the Inspectorate of State Corporations. The Chief Executive Officer is an *ex officio* member of the Board.

The Directors are provided with full, appropriate and timely information that enables them to maintain full and effective control over the strategic, financial, operational and compliance issues.

The day-to-day running of the operations of the Authority is delegated to the Chief Executive Officer but the Management Board is responsible for establishing and maintaining the Authority's system of internal controls for the realization of the Authority's mandate. There is in place a Board Charter which sets out amongst areas the role and responsibilities of the Board.

All members of the Board are taken through a comprehensive induction programme and adequately trained on their roles through various corporate governance trainings. The Directors are professional, committed and guided by the mission, vision and core values of the Authority in the execution of their duties. At the end of each financial year, the Board, its Committees, individual directors and the Chief Executive Officer are evaluated by the State Corporations Advisory Committee against evaluation parameters determined by the independent government entity. The process of appointment and removal of directors is guided by the Water Act 2016

ii). Board Committees

The Board undertakes its work through Board Committees attending to specific matters. The Committees report to and remain accountable to the Board for all their activities. The Board Committees' main function is to reinforce the wholeness of the Board's responsibility.

The Board has four standing committees which meet at least once per quarter and work under the terms of reference set by the Governing Board. The membership of all the Committees is reviewed on a regular basis by the Board.

a) Finance and Support Services Committee

The primary responsibility of Finance and Support Services Committee is to provide advice to the Board on Water Resources Authority's financial and human resource management, performance and their financial implications.

The Committee reviews quarterly financial, human resource and procurement reports and recommends to the Board ways of raising and utilizing the Authority's funds and human resources and the establishment of systems and procedures for efficient financial management.

The Committee advises the Board on Water Resources Authority's human resource policies and guidelines which include the scheme of establishment and career progression and terms and conditions of service for the staff of the Authority.

b) Audit & Risk Committee

The scope of this Committee includes risk management, as well as compliance with the regulatory requirements. The Audit Committee broadly oversees Water Resources Authority's standards of integrity and behavior, reporting of financial information and internal control systems.

c) Resource Mobilization Committee

The Resource Mobilization Committee is charged with the responsibility of providing strategic directions as to funding of the Authority's activities and advice to the Board on the Authority's revenue and fundraising activities and forecasting the same in line with Water Resources Authority's statutory mandate.

d) Technical Committee

This Committee reviews and makes recommendations to the Board on compliance and enforcement policies. The Committee also advises on legislative issues and other measures for the management of the water resources management and their implementation

iii). Board Composition;

During the year the board composition was as summarized as shown in the table 1 below

Table 1 - Board Composition

Name of Director	Board Position	Audit & Risk	Finance and Support Services	Resource Mobilization	Technical
Mr. Donald K. Murgor	Chairman				
Mr. Hassan Baricha.	Board Member		Chairperson		Member
Mr. Jared Ongwae	Board Member		Chairperson		Member
Eng. Unicore Simon Nganga	Board Member		Member		Chairperson
Ms. Lydia Boke Marwa	Board Member	Chairperson			Member
Mr. Joshua Musyoka	CS Rep. The National Treasury	Member	Member	Member	
Mr. James Sitiency	Rep.. Insp. State Corporation	Member	Member	Member	
Ms. Rose Nyakwana/Ms. Gladys Wekesa	Ps.Rep.MoW SI	Member	Member		Member
Mr. Augustine K. Kenduiwo/ Mr. Lerenten Lelekoiten/Dr. Vicky Betty Chepkorir	Ps.Rep.MoE CL		Member		Member
Mr. Samuel M. Mwati	Ps.Rep.MoL	Member			Member
Mr. Mohamed M. Shurie	Ex-Officio/Chief Executive Officer				

iv). The Role of the Management Board

As guided by the Water Act, 2016, the State Corporations Act, Cap 446 and other relevant laws of Kenya, the Board's role is to provide effective leadership and control, in terms of approving the Authority's strategy and ensuring best practice of corporate governance.

The Board retains full and effective control over the Authority by monitoring the implementation of Board plans and strategies, review of management accounts and major capital expenditure. It reviews processes for the identification and management of risks as well as those concerning compliance with key regulatory and legal areas.

The Board also reviews the Authority's succession plans for the management team and endorses top executive appointments, organizational changes and remuneration matters. It is concerned with key elements of the governance processes, which sustain the operations of the Authority, performance reporting processes as well as other disclosure requirements.

On a quarterly basis, the Board considers reports from each Board Committee. The Board meets at least once a quarter and the calendar of meetings is prepared and adopted annually in advance.

v). Evaluation

The performance of the Board is a fundamental component of the Water Resources Authority's success. A corporate governance evaluation of performance for the period 2022/2023 was undertaken after the close of the financial year in order to have a formal and rigorous review of the entire Board as a collective unit and that of individual directors. The results of the evaluation were useful in putting in place a plan of action to improve effectiveness of each director and that of the Board as a collective unit.

vi). Conflict of Interest

No conflict of interest was recorded by the Board for the period 2024/2025.

vii). Director's remuneration

In accordance with guidelines provided in the State Corporations Act, the Directors are paid a taxable sitting allowance for every meeting attended, as well as travel and accommodation allowance while on the Authority's duty.

viii). Ethics and Code of Conduct

The Management Board has demonstrated a consistent commitment to implement all the requirements under the Leadership and Integrity Act, 2012 and the Corruption Eradication Guidelines as directed by the Ethics and Anti-Corruption Commission.

ix). Statement of Compliance

The Management Board confirms that the Authority has throughout the period ending 30th June 2025 complied with the Statutory and Regulatory requirements and that it has been managed in accordance with the principles of Corporate Governance.

x). Meeting attendance

During the financial year the management board meeting attendance is summarized by table 2 below;

Board Members		Full Board	Board Committee Meetings			
			Audit & Risk	Finance and Support Services	Resource Mobilization	Technical
Name of Director	Total Number of meetings to be attended	7	4	4	4	4
MR .Donald K.Murgor	7	7				
Hassan Baricha	15	7			4	4
Lydia Boke Marwa	15	7	4			4
Unicore Simon Nganga	15	7		4		4
Jared Ongwae Makenye	15	7		4	4	
Joshua Musyoka	19	7	4	4	4	
Mr. James Sitiency	19	7	4	4	4	
Rose Nyakwara	23	7	4	4	4	4
Mr. Augustine K. Kenduiwo	15	7		4		4
Mr. Samuel M. Mwati	15	7	4			4

xi). Internal control and risk management

(a) Internal control Framework

The Directors are responsible for ensuring the effectiveness of the Authority's system of internal control which is designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against unauthorized use or disposition and the maintenance of proper accounting records and the reliability of financial information used within the business or for publication. These controls are designed to manage rather than eliminate the risk of failure to achieve business objectives due to circumstances which may reasonably be foreseen and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Authority continues to review its internal control framework to ensure it maintains a strong and effective internal control environment. Business processes and controls are reviewed on an on-going basis. A risk-based audit plan, which provides assurance over key business processes and operational and financial risks facing the Authority, is approved by the Audit Committee.

The Audit Committee considers significant control matters raised by management and both the internal and external auditors and reports its findings to the Board. Where weaknesses are identified, the Audit Committee ensures that management takes appropriate action.

(b) Organization Structure

A clear organizational structure exists, detailing lines of authority and control responsibilities. The professionalism and competence of staff is maintained both through rigorous recruitment policies and a performance appraisal system which establishes targets, reinforces accountability and awareness of controls, and identifies appropriate training requirements. Training plans are prepared and implemented to ensure that staff develop and maintain the required skills to fulfil their responsibilities, and that the Authority can meet its future management requirements.

(c) Strategic Plan

The business of the Authority is determined by the Strategic Plan. The Strategic Plan sets out the objectives of the Authority, and the annual targets to be met to attain those objectives. The Strategic Plan is evaluated annually to assess the achievement of those objectives. The Board on an annual basis approves the work plan supported by the financial plan for the year. Progress against the plan is monitored on a quarterly and annual basis. The Authority's 5-year Strategic Plan running from 2018-2022 was reviewed and presented to key stakeholders

(d) Risk Management

The Authority has a structure and process to help identify, assess and manage risks. The process was in place for the period up to the time this report was approved. The Management team reviews all the risks in the Authority and updates the risk register and ensures that all new and emerging risks are appropriately evaluated and any further actions identified. The identified risks are reported to the Audit Committee to assist the Board in the management of risk.

(e) Management Team

The management team headed by the Chief Executive Officer implements the Board decisions and policies through action plans. The team meets regularly to review these action plans to ensure that the Board's objectives are achieved effectively and efficiently. The action plans for the year include the Annual Work Plan, Annual Budget Estimates, Annual Procurement Plan, Annual Performance Contract, among others.

9. Management Discussion and Analysis

a) Operational and Financial Performance

During the financial year 2024/2025 the Authority put in place measures to ensure financial sustainability in its operations. The allocations received from the exchequer have been low over the years. This has put pressure on the Authority to improve on revenue collection to sustain its operations which is still not enough.

During the financial year ending 30th June 2025 the Authority was able to collect cumulatively KES 1,046 Billion as internally generated funds (AIA). The Management intends to intensify efforts and improve on the level of revenue collections in future in order to reduce the current financing gap.

During the year under review the Authority's expenses were cumulatively KES 2,237,099,402 of which staff costs salaries and other remunerations still remains the major cost component accounting for 43% of the total expenses.

The operations and financial performance is summarized by the table 3 below;

Table 3: WRAs Financial and operations performance

S/N0	Item Description	Financial Year		
		2024/2025	2023/2024	2022/2023
No. of permits issued		1,487	1,321	775
Volume of water abstracted under permit		943,237.45 Per day	250,095.21M3 per day	110,416.42M3 Per day.
Total billings		456,207,049	0	517,178,928
Actual collections		1,046,544,756	595,673,155	870,776,139
Gok Grants		951,607,666	718,000,000	712,800,000
Operating Expenses		2,237,099,402	1,617,628,562	1,603,768,810
Operating Surplus/deficit		(478,119,388)	(425,000,813)	(231,324,344)

b) Key Projects and Investments decisions.

During the period under review Water Resources Authority undertook the following projects which are funded by the government under development grant.

I. Lamu Ground Water Conservation

Construction of 1NO. Djabia in Lamu County.

Strengthening of AMU Wrua by Training on Governance

Two tanks installed at Muthama Secondary School and at Mikinduni Primary School

Tree Planting during International Day of Forest- 12,200 Mangrove Seedlings

Lamu County NLC office engaged and discussions held about the valuation and compensation of legit land owners of lands under gazetted area of the sand dune catchment.

II. Kikuyu springs groundwater conservation.

Dev The project entails securing of Kikuyu groundwater recharge through protection of key recharge wetlands in ground water conservation areas.

Achievement

- i. 4100 trees No.Planted against a target of 3000
- ii. Training of Mwatate WRUA on water governance undertaken, review of the Sub Catchment Management Plan (SCMP) to facilitate implementation of SCMP activities carried out.

III. Abstraction Survey and pollution control Surveys

- Flood risks assessment were carried out in Enkare Narok, Nyando and Lower Tana areas.
- 2 No. Abstraction and Pollution Surveys were undertaken for Mwache and Khalaba river systems done.

IV. Implementation of Sub Catchment Management plans (SCMPs).

The objective of this project is to conserve water towers, water catchment areas, springs and riparian areas.

Achievement

Installation of 1No. Water Tank 10,000 Litres at Tiguvi Boys, Nanyuki Laikipia County

V. Drilling of Exploratory wells

Project entails drilling and equipping of dedicated boreholes aquifers, monitoring assessments and mapping of groundwater resources

Achievement

Chepterwai -Kakoimur Water Cluster, Chesingele Primary, Elburgon Secondary, Garissa township water project, Giteru chiefs camp, Mianzini Secondary, Mona Primary School, Mutirithia estate RUAI Kwa Partri, Ndimu Primary School, PCEA Kambala Boarding secondary school, Singore-Chemisis Water cluster project, St. Bredance sec(completion of borehole Projects.

The Project is on going

VI. Construction and Rehabilitation of Water Monitoring

This project encompasses, design construction, installation, rehabilitation, modernization and operationalization of telemetric water resources monitoring networks.

Achievement

- 27No. Regular Gauging Stations rehabilitated; 1AA01-Malaba, 1BE06 Koitobos, 1DA02 Nzoia at Webuye, 1FG01 Yala, 1FG02 Yala at Kadenge, 1KB12 Kenyaware, 1GC06 Masaita, 1JF07 Kipsonoi, 1KB05 Gucha Migori, 1GB05 Ainamutua, 1HE01 Tende, 2F19 Njoro, 2FA02 Mereroni, 2GA01 Gilgil, 2GD06 Lake Naivasha, 3AA06 Mbagathi, 3BB12 Kamiti, 3JC15 Lumi, 3KD06 Mukurumudzi, Machakos Water Yard yainfall station, 4BE01 Maragua, 4CA02 Chania, 4CB04 Thika, 5DA07 Isiolo, 5DA04 Rugusu, 5DA05 Likiundu, 5BE21 Nanyuki, 5BE22 Sirimon.

VII. Horn of Africa-Groundwater for Resilience Project (HoAGW4R)

Horn of Africa – Groundwater for Resilience Project (HoAGW4RP) The overarching Project Development Objective (PDO) is to increase the sustainable access and management of groundwater in the Horn of Africa’s borderlands. In Kenya, the primary project beneficiaries will be an estimated 1,500,000 people living in the rural communities of the five counties of Turkana, Wajir, Garissa, Marsabit and Mandera through the rehabilitation, construction, and sustainable management of boreholes as well as from aquifer restoration, recharge, and conservation activities

Achievement during the year

- Funded 14 WRUAs for SCMP implementation
- Procurement of groundwater equipment

• SCMP Development And WRUA Capacity Assessment

VIII. Coastal Regional Water Security and Climate Resilience Project.

Coast Regional Water Security and Climate Resilience Project. The objective of the Coastal Region Water Security and Climate Resilience Project for Kenya is to sustainably increase bulk water supply to Mombasa County and Kwale County, and increase access to water and sanitation in Kwale County. WRA Component mainly supports Livelihoods in Mwache Catchment area

2No. SCMPs developed and adopted i.e. Rukanga & Marungu in CASBA

2 No. SCMPs were developed and adopted i.e Kifumbu & Maungu. The names were changed due to an advisory from the registrar at the office of the Attorney General

Design reports prepared and submitted to Project Management Unit for consideration.

Design reports were prepared and submitted to Project Management Unit in quarter 3 however, the necessary support for construction of the sand dams was not secured.

6No. 10,000 ltrs rain water harvesting Tanks installed in Gona and Mnyenzi primary schools in Mazola Mienzeni, Mwanda and Vitsakaviri primary schools in Mwangombe Ngoni, Mwangoloto and Chengoni Primary schools in Gude Dambale.

3No. Tanks constructed at Kideri primary in Mulunguni WRUA, and 2No. in Marenje Mlunguni WRUA(Kijiweni primary and Banga Secondary school.

606 meters of gabions were constructed as follows: Mazola Mienzeni (60 m), Mwang'ombe Ngoni (50 m), Gude Dambale (108m), Chigulu Ngeyeni (188m), Nyongoni (140m) ,Marenje (60m)

664 meters of gabions were constructed as follows: Mwang'ombe Ngoni (50 m), Gude Dambale (4m), Chigulu Ngeyeni (12m), Nyongoni (40m) , Marenje (20M)Mwachiga (308M) Mulunguni (140M) upper Mwache (90M)

IX. Twende Project

The objective of this project is to reduce the cost of climate change induced drought on Kenya's national economy by increasing resilience of the livestock and other land use sectors in restored and effectively governed rangeland ecosystems. The project will contribute to improved adaptation to climate change of Kenya's national policy of "Ending Drought Emergencies", as outlined in "Kenya Vision 2030". The project will strengthen climate change adaptation in Kenya's arid and semi-arid lands (ASALs). ASALs

Achievements

- Installation of rain water harvesting tanks- 62No in different Schools and health Centers
- Construction of Water pans – 9No in identified community land
- Spring Protection- 4No in Identified public land
- Development of Sub Catchment Mgt Plans- 7No WruaS
- Procurement of Vehicles- 2 Double Cabin Projects vehicles
- Procurement of Water Quality Equipments
- Procurement and installation of Automatic Weather Station in Chyulu land scape
- Installation of data loggers and telemetric. To the drilled exploratory wells

c). **Compliance to statutory requirements and Material arrears to financial obligations**

It is a requirement for all state corporations to adhere to the set deadlines in remission of all statutory requirements including compliance to financial obligations.

i. **Tax and Statutory Compliance**

The Authority has always strived to comply with tax remissions and other statutory deductions. However, due to limited cash flows resulting from court injunctions on AIA collections and delays or insufficiencies in the remittance of GOK recurrent support, the Authority has faced challenges in meeting its tax obligations.

ii. **Material arrears in statutory Requirements**

The tax dues payable to KRA amounting to Kshs.1.368b comprises of Kshs. 882M as principal amount and Kshs.481M representing interest and penalties. The dues relate to unremitted PAYE deductions made from staff salaries, VAT deductions and Withholding tax from merchants and contractors/consultants. The debt has accumulated over the last five years, i.e. between the period September 2011 and June 2016, an amount of Kshs.826m was deducted from staff and merchants as taxes relating to PAYE, withholding tax and VAT but the same was not remitted to KRA as required due to cash flow limitations.

The Authority has a financial obligations of Kshs 362million this relate to on lent loan granted to the Authority for implementations of livelihood activities the loan fall due on March 2017

In May 2016 Kenya Revenue Authority undertook a Tax audit on Water Resources Management Authority and established that the total unremitted funds amounted to Kshs.882, 171,134. Further a penalty of Kshs.214, 375,967 and interest of Kshs.270, 207,113 were imposed on the said principle making the total amount due to KRA to be Kshs.1, 366,754,214.

The Authority has sought for support from the Ministry of Water and Sanitation to settle this debt on behalf of the Authority.

d). Major risks

Liquidity Risk

Low funding: Lack of adequate financial support and several supplementary Budget cuts from the government slows down the implementation of Authority's Mandate

Revenue Defaulters: A number of Water Service Providers and Government institutions are defaulting on payment of water bills thus exposing the Authority to risk related to cash flow.

i. Operational risks

Retirement of most of the technical staff exposes the organization to a major operations risk due to loss of institutional experts who have progressive skills in technical matters, among others.

Security Threats to Authority's Equipment -Vandalism of Authority's devices and equipment for measuring river flows, weather stations and master meters leading to loss of water resource data and revenue.

Political interference in implementing our mandate: e.g. by the county government due to conflicting mandate on management of water resources.

Floods washing away water monitoring stations

Financial risks

Failure to pay the NRM loan has already attracted interest on loan thus increasing the Authority liability

10. Environmental and Sustainability Reporting

Water Resources Authority exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

a) Sustainability strategy and profile

The organization has a strategic plan with strategic objectives towards attaining and delivering our mandate as bestowed through Water Act 2016

The chief executive Office has committed to deliver on corporate quality objective through committing to a Quality Management System (QMS) the Institutional Corporate Quality Policy that relates to the overall Vision, Mission, and Values that are:

a. Strategic Plan 2024-2029

Water Resources Authority is mandated to regulate the management and use of water resources in Kenya. Water is life as the maxim goes. WRA's Strategic objectives, Vision, Motto, and core values are all focused to ensure better livelihood through provision of adequate and sustainable water resources.

b. Environmental performance/Climate Change/Mitigation of natural disasters

Environmental sustainability is the foundation on which the survival of the future generation is built. It refers to the responsible management of natural resources to fulfill current needs without compromising the ability of future generations to meet their own needs and aims balance ecological, economic and social goals. Environmental sustainability is at the core of WRA's operations as the regulations are centred on sustainable management and use of water resources. Environmental sustainability may be looked at from two aspects – internal processes that may contribute to environmental degradation and deliberately designed programs that are implemented to directly address sustainability issues.

With regards to internal processes, WRA in its draft Environmental Policy outlines strategies to address responsible and sustainable consumption of resources such as energy and water as well as control of pollution focusing on management of internally generated waste.

On the other hand, to directly contribute to environmental sustainability, WRA has been continuously implementing catchment conservation and protection programs geared towards healthy ecosystems, enhanced biodiversity and water availability for the Kenyan population. Some of the environmental sustainability intervention programs that are being implemented are highlighted below.

i) Riparian Marking and protection

Various anthropogenic activities which are carried out in riparian have continued to undermine sustainability of the water resources. To reverse the trend, WRA embarked on riparian marking and pegging to delineate riparian zones within which certain activities that are detrimental to water resources are regulated. During the financial year 2024/2025, cumulatively, 228 km of riparian has been marked and pegged across the country with Nairobi Sub-basin area leading the pack at 120 km. The performance within the Nairobi Sub-basin was driven by enhanced evacuation program along the Nairobi rivers (R. Ngong, Nairobi, Mathare and their tributaries) following presidential directive in April as an intervention to address the flood risks. In the directive, people living within 30 m of the riparian zones along the three rivers were to be evacuated and structures within these areas demolished.

ii) Gazettement of catchment guidelines

WRA has a mandate to identify vulnerable but critical catchments for focused conservation and protection interventions. During the Financial Year 2024/2025, seven sub catchments (i.e. Kibirong' Wetland, Enayapuiyipui Swamp, Mereroni-Mbaruk Swamp, Chereni Wetland, Siany Wetland, Kamatargui Wetland and Fafi Wetland) were identified for gazettelement. The Management Guidelines for these wetlands have since been developed and presented to relevant stakeholders for adoption. Consequently, the documents have been submitted to the office of the Attorney General for gazettelement consideration. Gazettelement of the wetlands will enhance conservation intervention measures and create focused attention thus attracting resources for sustainable management programs.

iii) National tree planting programs

Kenya, like many other countries, is already reeling under the weight of climate change with experiences of unpredictable weather patterns which affect many aspects of life of its population. To mitigate the climate change and enhance community resilience, WRA heeded the call by the president to grow trees, rehabilitate and restore degraded landscapes and conserve catchments. As a step towards achieving the 15 billion trees national target in ten years, WRA has embarked on an ambitious tree growing program in collaboration with Water Resources Users Associations (WRUAs). During the Financial Year 2024/2025, through stakeholders collaborations, WRA facilitated planting of 454,267 No. trees across the six basin areas. The highest number (157,584) was planted in Lake Victoria North Basin Area, followed by Rift Valley Basin Area (105,629), Athi Basin Area (99,723), Lake Victoria North Basin Area (70,042), Tana Basin Area (12,191) and Ewaso Ng'iro

North Basin Area (9,098). Growing the trees will go along way in enhancing ecological resilience and sustainable catchments.

iv) Maintaining Environmental flows and the reserve

Water resources are subjected to competing demands geared towards socio-economic development. This often overshadows the environmental needs for water to sustain the ecosystem. The WRAs water allocation system is designed such that maintenance of environmental flows and reserve takes precedent over any other need. Consequently, abstraction permits are issued with conditions that water cannot be withdrawn from water resources above a set environmental flow threshold to ensure water availability for basic human needs and sustenance of essential processes required to support healthy river ecosystems. Moreover, to safeguard groundwater aquifers, when issuing groundwater abstraction permits, WRA determines the safe yield and may allocate up to 40% for base flow (ecological reserve).

v) Pollution control

Whereas over-abstraction may lead to depletion of water resources, thus denying the future generation opportunity to meet their own water need, water pollution creates virtual scarcity where water could be available but not suitable for intended purposes. Thus, both scenarios portend risk to environmental sustainability. To address these issues, WRA has put in place a robust program for pollution control and water allocation. First, WRA carries a water abstraction and pollution survey which provide data for the development of Water Allocation Plants (WAPs) and informs pollution control interventions. WAPs are not only important for water resources sustainability but also ensures equity in water allocation. During the FY 2024/2025, two water abstract and pollution surveys were carried out. Second, in an effort to deal with pollution, WRA has continued to apply Effluent Discharge Plans and Permits to control wanton pollution

c. Employees welfare

WRA is implementing its Human Resource Policy and Procedures Manual that sets the guidelines on recruitment, Gender ratio, and selection of members of staff. The Authority observes gender mainstreaming, balance on appointments, promotions and ensures that the rule on a minimum of a third (1/3) are of either gender is adhered to. In carrying out its mandate, we involve public consultation and stakeholder engagements i.e. licensing, enforcement and community engagement.

The Authority has career guidelines developed and approved by the SCAC. We also have training plans, Skills inventory, training needs assessments and skills gap analysis

d. Operational Practices

The organization should outline its efforts to:

i. Responsible Competition Practises

WRA ensures it gives equal opportunities to all issues regarding procurement, through advertising all procurement opportunities in public portals and website and relativity issues requests for quotation to the listed suppliers. Tenders are opened publicly in present of bidders who choose to attend opening session. This gives all a fair competition since evaluation is done within the set criteria in the bids.

ii. Responsible Supply chain and supplier relations

WRA has a responsible supply chain with qualified professionals who maintains good relationship with suppliers. They offer business opportunities to all supplies treats the suppliers as partners where they develop and support them in different ways like writing a recommendation letter for financing, prompt payment among others.

iii. Responsible marketing and advertisement

WRA being a public entity markets its self through the activities it does to the public it advertises all the business opportunities to his website and other public portals. Where high standards of ethics are observed.

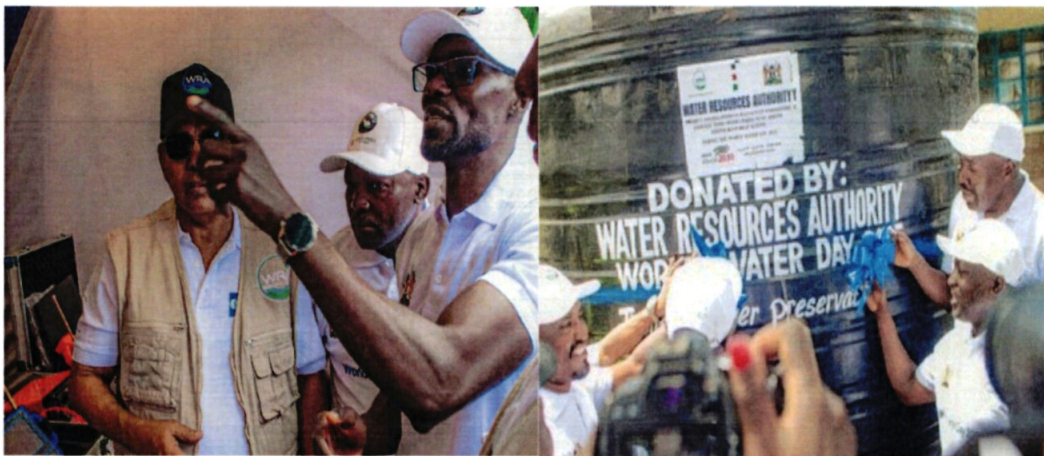
iv. Product stewardship.

WRA as a public institution enhances *product stewardship* to minimizing the health, safety, environmental, and social impacts of a product and its packaging throughout all lifecycle. This is done through ensuring that the products procured meets the quality stands of accreditation. This is included in the evaluation criteria during tendering. Through that we safeguard our customer's rights and interest.

V. Corporate Social Responsibility /Community Engagement

The Authority has actively participated and supported a number of Corporate Social Responsibilities. The World Water Day is an annual commemoration which is held across the Country. In the last financial year the Authority sponsored catchment conservation in a number of schools in Laikipia and Uasin Gishu counties namely:

1. Tigithi Boys High School
2. Thome Boys High School
3. Malek girls High School
4. Unguthiru Mixed High School
5. Matanya Dispensary
6. Matanya Catholic
7. Tigithi Humuka Intake
8. Our Lady of Fatima Academy
9. Lelit Day & Boarding School
10. St Joseph Academy





11. Report of the Management Board

The Directors submit their report together with the audited financial statements for the year ended June 30, 2025 which show the state of Water Resources Authority.

Principal activities

The principal activities of the Authority are to regulate water resources management in collaboration with Stakeholders for sustainable development.

Results

The results of the Authority for the year ending June 30th, 2025 are set out on page 1 and the Authority had a deficit of KES (478,119,388) Million compared to last year's financial performance of a deficit of KES (425,008,813) Million.

Directors

The members of the Management Board who served during the year are shown on page x- xiii and were appointed with effect from 28th July 2023

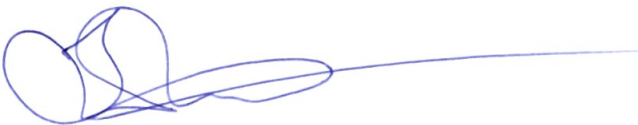
Dividends/Surplus remission

In accordance with Regulations 219 (2) of the Public Finance Management Act 2015, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. The entity did not make any surplus in the year FY 2024/25, hence no remittance to the Consolidated Fund.

Auditors

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

By Order of the Board



Janet Olewe Ochieng.
Manager legal services /Corporation Secretary.

12. Statement of Management 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 WRA, which gives a true and fair view of the state of affairs of the Authority at the end of the financial year and the operating results of the Authority for that year. The Directors are also required to ensure that the Authority keeps proper accounting records which disclose with reasonable accuracy the financial position of the Authority. The Directors are also responsible for safeguarding the assets of the WRA.

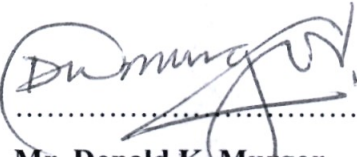
The Directors are responsible for the preparation and presentation of the Authority's financial statements, which give a true and fair view of the state of affairs of the Authority for and as at the end of the financial year that ended on June 30, 2025. This responsibility includes: (i) maintaining adequate 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 Authority; (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 Authority; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

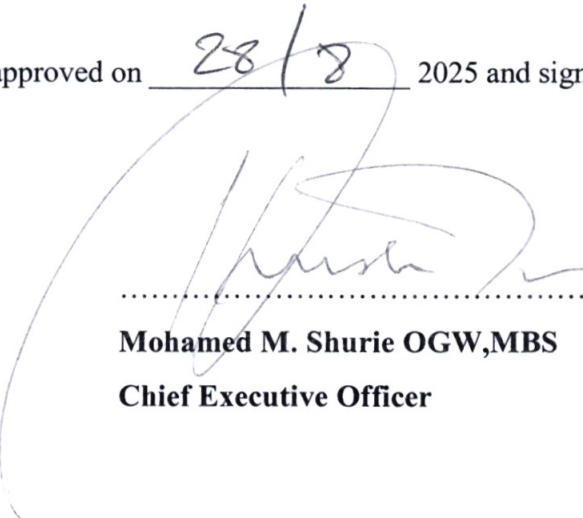
The Directors accept responsibility for the Authority's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and State Corporations Act. The Directors are of the opinion that the Authority's financial statements give a true and fair view of the state of Authority's transactions during the financial year ended June 30, 2025, and of the Authority's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained by the Authority, which have been relied upon in the preparation of the Authority's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Authority 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 Authority's financial statements were approved on 28/8 2025 and signed on its behalf by:


.....
Mr. Donald K. Murgor
Chairman WRA, Management Board


.....
Mohamed M. Shurie OGW, MBS
Chief Executive Officer

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 WATER RESOURCES AUTHORITY 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 Water Resources Authority set out on pages 1 to 73, 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 Water Resources Authority 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 Water Act, 2016 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unreconciled Revenue Variances

The statement of financial performance reflects revenue on licences and permits amounting to Kshs.376,320,071 as disclosed in Note 7 to the financial statements. Review of E-Citizen Pesa flow invoices revealed discrepancies between the financial statements and the supporting records, with application and authorization fees reported as Kshs.114,311,150 in the financial statements while the schedule of invoices reflect Kshs.105,158,500 resulting to unexplained variance of Kshs.9,152,650. Similarly, the financial statements reflect groundwater and surface water permit fees of Kshs.262,008,921 while the schedule of invoices reflect Kshs.252,504,399 resulting to unexplained variance of Kshs.9,504,522. In addition, the Pesa flow invoices did not provide a breakdown between the groundwater and surface water permits, which limit the ability to accurately reconcile the reported amount with the supporting records.

In the circumstances, the accuracy and completeness of licenses and permits amount of Kshs.376,320,071 could not be confirmed.

2. Long Outstanding Receivables from Exchange Transaction

The statement of financial position and as disclosed in Note 18 to the financial statements reflect receivables from exchange transactions balance of Kshs.2,075,161,437. Included in the balance are general debtors' balance of Kshs.1,984,522,444 or approximately 86% of the receivables which have been outstanding for more than two (2) years whose recoverability is doubtful. Further, the provision for bad and doubtful debts of Kshs.230,573,493 may not be adequate for the long outstanding debtors.

In the circumstances, the accuracy and recoverability of the receivables from exchange transactions balance of Kshs.2,075,161,437 could not be confirmed.

3. Inaccurate Value for Property, Plant and Equipment

The statement of financial position and as disclosed in Note 20 to the financial statements reflect property, plant and equipment balance of Kshs.297,901,366 which includes a balance of Kshs.27,633,173 in respect to land and buildings. However, the balance does not include the value of the land on which the Authority's regional buildings are built on

since valuation has not been done due to lack of ownership documents. In addition, the land register includes thirty-two (32) parcels of land donated to the Authority, out of which twenty-eight (28) parcels have not been surveyed and three (3) parcels are subject to disputes. Further, the size of land for five (5) parcels located in Nairobi Sub-Basin, Meru Sub-Basin, Kisii Sub-Basin, Kisumu Sub-Basin, and Wajir was not indicated. In addition, the Authority did not provide ownership documents for the un-surveyed land or transfer documentation for any of the parcels of land.

In the circumstances, the accuracy, completeness and ownership of property, plant and equipment balance of Kshs.297,901,366 could not be confirmed.

4. Unsupported Long Outstanding Trade and Other Payables

The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.1,724,119,436 as disclosed in Note 21 to the financial statements. Included in the balance are payables totalling Kshs.61,133,856 in respect to prepayment from E-Citizen. However, the amount does not relate to trade payable. Further, it is unclear what resulted in the prepayment of revenue, given that the E-Citizen platform ordinarily remits funds already collected on behalf of the Authority. Further, Aging analysis of the trade creditors reflect payables balance of Kshs.1,364,677,477 or approximately 90% of the trade creditors which have been outstanding for more than one (1) year.

In the circumstances, the accuracy, validity and completeness of trade and other payables balance of Kshs.1,724,119,436 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Water Resources Authority 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 receipts budget and actual on comparable basis of Kshs.2,956,389,608 and Kshs.2,110,900,445 respectively resulting to under funding of Kshs.845,489,163 or approximately 29% of the budget. Similarly, the Authority expended Kshs.1,838,764,874 against actual receipts of Kshs.2,110,900,445 resulting to under absorption of Kshs.272,135,571 or approximately 13% of actual receipts.

The under-funding and under-absorption affected the planned activities and may have impacted negatively on service delivery to the Public.

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, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the report of the previous year, several issues were raised under 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. However, Management had not resolved the issues or given any explanations for the failure to implement the recommendations. Further, Management had not submitted a report on how it has addressed the recommendations and findings of the previous year's audit. Issues which were raised in the report of 2023/2024 are as listed below;

- i) Long Outstanding Receivables from Exchange Transaction.
- ii) Debarment of Implementation of New Water Tariffs.
- iii) Long Outstanding Trade and Other Payables.
- iv) Understaffing in the Authority.

Other Information

The Management is responsible for the Other Information set out on pages iii to li which comprise of Key Entity Information and Management, Management Board, Key Management Team, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance against Pre-determined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Management Board and Statement of Management Responsibilities, The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Authority'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 THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion, 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. Non-Remittance of Statutory Deductions

The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.1,724,119,435 as disclosed in Note 21 to the financial statements. Review of payroll records and payable ledgers revealed that pension deductions amounting to Kshs.579,992,325, relating to previous financial years, were not remitted to the respective retirement benefits schemes by the Authority. Although a remedial action plan was agreed upon with the Retirement Benefits Authority (RBA) to clear the arrears through monthly payments of Kshs.8,523,100 over a six-year period beginning July, 2024, this has not been complied with. Further, review of the payroll and payment records for the financial year 2024/2025 revealed that while the Authority was required to remit Kshs.101,435,743 to the Water Pension Scheme comprising both employee and employer contributions only Kshs.11,327,317 was paid for the months of July, 2024 and April, 2025. This resulted in an unremitted balance of Kshs.90,108,426, despite the pension deductions having been made from employees' salaries throughout the year, indicating non-compliance with pension remittance obligations. In addition, outstanding tax obligations totaling Kshs.773,158,863 due to the Commissioner of Domestic Taxes remained unpaid.

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

2. Default in Loan Repayment

The statement of financial position and as disclosed in Note 25 to the financial statements reflects current portion of borrowing and long-term loan balances of Kshs.188,528,178 and Kshs.259,872,148 respectively totaling Kshs.448,400,326. The loan relates to an on-lent loan from the Government of Kenya arising from a credit granted by the World Bank (IDA) earmarked for Natural Resources Management (NRM) Project with various effective dates of repayments starting 30 March, 2017. The loan has been outstanding for considerably long period of time and the Authority has not started the repayment. The current portion of principal payable is Kshs.102,740,152 while the loan has accrued interest and penalties of Kshs.84,760,625 and Kshs.1,027,402 respectively totaling to Kshs.188,528,179.

In the circumstances, value for money on the loan totalling Kshs.448,400,326 plus the accrued interest and penalties 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 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, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Understaffing in the Authority

Review of the Authority's approved staff establishment indicates that it allows for employment of a total number of one thousand, one hundred and seventy-three (1,173) members of staff for the Authority to effectively carry out its duties and obligations. However, review of payroll data revealed that out of the approved number, the Authority has six hundred and twelve (612) or approximately 52% of the approved establishment, thus resulting to a variance (understaffing) of five hundred and sixty-one (561) or approximately 48% of the approved establishment.

In the circumstances, the effectiveness of Management to achieve its mandate could not be confirmed.

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 the Management and the Board of Management

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 governance.

In preparing the financial statements, Management is responsible for assessing the Authority'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 Management is responsible for overseeing the Authority'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

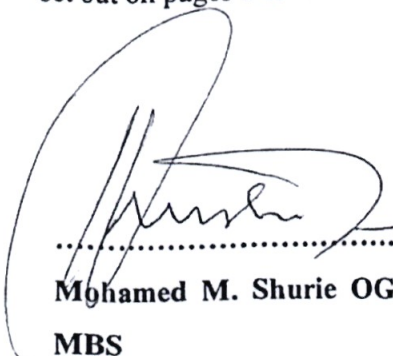
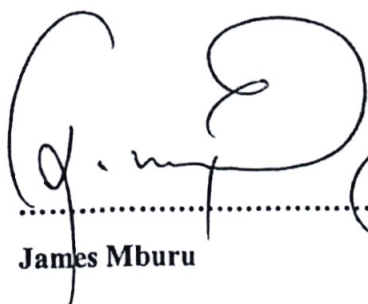
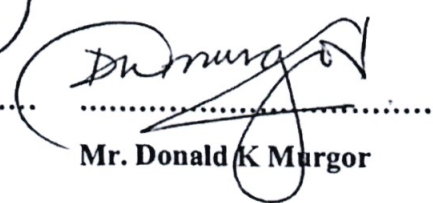
Nairobi

17 December, 2025

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

	Note	2024-2025	2023-2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Licenses and Permits	7	376,320,071	248,252,119
Transfer from other Governments and agencies	8	875,163,861	902,908,622
Revenue from exchange transactions			
Rendering services	9	27,815,332	23,181,590
Sale of water and electricity	10	456,207,049	0
Other incomes	11	5,663,005	18,285,417
Total revenue		1,741,169,318	1,192,627,748
Expenses			
Employee costs	12	972,083,141	951,283,065
Board Expense	13	21,006,596	20,157,839
General expenses	14	359,507,427	179,954,433
Water Resources Management Expense	15	739,934,011	363,280,827
Finance cost	16	10,092,709	10,092,709
Depreciations and Amortization Expense	20	134,475,518	92,859,688
Total Recurrent cost and Expenses		2,237,099,402	1,617,628,561
Other gains or losses			
Decrease in Provision for bad debts	18	17,810,696	
Surplus /(deficit) for the period		(478,119,388)	(425,000,813)

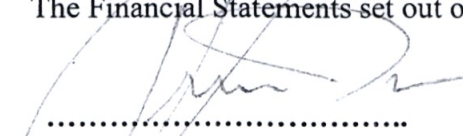
The notes set out on pages 7 to 68 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 6 were signed on behalf of the Management Board by:

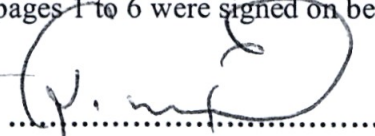
		
Mohamed M. Shurie OGW, MBS	James Mburu	Mr. Donald K Murgor
Chief Executive Office	Manager Corporate Services	Chairman of the Board
Date... 28/8/25	ICPAK M/No: 6563 Date... 28/08/25	Date... 28/8/25

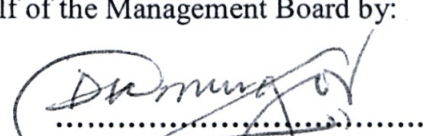
15. Statement of Financial Position as at 30 June 2025

		2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	17	272,135,571	191,062,908
Receivables from exchange transactions	18	2,075,161,437	2,235,457,701
Receivables from non-exchange transactions	19	100,745,207	223,919,390
Total Current Assets		2,448,042,215	2,650,439,999
Non-Current Assets			
Property, plant and equipment	20	297,901,366	242,026,921
Intangible assets-software	20	8,575,004	49,625,748
Total Non-Current Assets		306,476,370	291,652,669
Total Assets		2,754,518,585	2,942,092,668
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	21	1,724,119,435	1,539,283,611
Deferred income	23	290,198,404	213,754,600
Current portion of borrowing	25	188,528,178	166,348,393
Total Current Liabilities		2,202,846,017	1,919,386,604
Non-current liabilities			
Provision for gratuity	22	107,708,460	88,535,491
Long Term Loan	25	259,872,148	271,959,225
Total Non-current liabilities		367,580,608	360,494,716
Total Liabilities		2,570,426,625	2,279,881,320
Net Assets		184,091,960	662,211,348
Capital Funds	24	436,912,537	436,912,537
Revenue Reserves		(252,820,577)	225,298,811
Net Assets		184,091,960	662,211,348

The Financial Statements set out on pages 1 to 6 were signed on behalf of the Management Board by:


.....
Mohamed M. Shurie OGW, MBS
Chief Executive Office


.....
James Mburu
Manager Corporate Services


.....
Mr. Donald K Murgor
Chairman of the Board

ICPAK M/No: 6563

Date..... 28/8/25

Date..... 28/08/25

Date..... 28/8/2025

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

	Capital Funds	Revenue Reserves	TOTAL
	Kshs	Kshs	Kshs
Balance 01.07.2023	358,276,112	650,799,624	1,009,075,736
Donated Assets	78,636,420	0	78,636,420
Adjustments in Reserves	0	(500,000)	(500,000)
Surplus for the year	0	(425,000,813)	(425,000,813)
Balances 30.06.2024	436,912,537	225,298,811	662,211,348
Balance as at 30 June 2024	436,912,537	225,298,811	662,211,348
Surplus for the period	-	(478,119,388)	(478,119,388)
Balance as at 30 June 2025	436,912,537	(252,820,577)	184,091,959

17. Statement of Cash Flows for the year Ended 30 June 2025

		2024-2025	Restated 2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Licenses and permits		376,320,071	248,252,119
Transfer from other governments		855,972,550	902,908,622
Sale of water and Electricity		654,066,579	0
Rendering of services		27,815,332	23,181,590
Other Income		5,663,005	18,285,417
Total Receipts		1,919,837,537	1,192,627,748
Payments			
Employee Costs		667,008,936	951,283,065
General Expenses		318,535,108	179,954,433
Water Resources Management Expenses		682,915,014	363,280,827
Board Expenses		21,006,596	20,157,839
Finance Cost		0	10,092,709
Total payments		1,689,465,654	1,524,768,873
Net Cash flows from/(used in) Operating activities	26	230,371,883	125,318,806
Cash flows from investing activities			
Purchase of PPE and intangible assets		(149,299,220)	(101,099,491)
Net cash flows used in investing activities		(149,299,220)	(101,099,491)
Cash flows from financing activities			
Net cash flows used in financing activities			
Adjustments in reserves- prior year surplus remittance		0	(500,000)
HOAGW4RP Assets donation		0	78,636,425
Net cash generated from/ (used in) Financing activities		0	78,136,425
Net Increase/(Decrease) in cash and cash equivalents		81,072,663	102,355,740
Cash and cash equivalents at 1 st July 2024		191,062,908	88,707,170
Cash and cash equivalents at 30 June 2025	19	272,135,571	191,062,910

**18. Statement of Comparison of Budget and Actual amounts for the year ended 30th June 2025.
Recurrent and Development combined.**

Receipt/Expense Item	Original budget	Adjustments	Final budget	Actual on comparable basis	Budget Utilization difference	% of utilization
	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025	%
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget carryovers from the previous year*	0	191,062,908	191,062,908	191,062,908	0	100%
Licenses and permits	400,000,000	0	400,000,000	376,320,071	23,679,929	94%
Transfer from other government	685,444,500	494,882,200	1,180,326,700	855,972,550	324,354,150	73%
Rendering of services-Misc.	30,000,000	0	30,000,000	27,815,332	2,184,668	93%
Sale of goods-Water	1,130,000,000	0	1,130,000,000	654,066,579	475,933,421	58%
Other Income	25,000,000	0	25,000,000	5,663,005	19,336,995	23%
Total income	2,270,444,500	685,945,108	2,956,389,608	2,110,900,445	845,489,163	71%
Payments						
Compensation of employees	1,020,835,192	0	1,020,835,192	667,008,936	353,826,256	65%
General expenses	605,704,808	131,795,192	737,500,000	318,535,108	418,964,892	43%
Board expenses	22,460,000	204,808	22,664,808	21,006,596	1,658,212	93%
Water Resource Management Expense	472,145,280	362,882,200	835,027,480	682,915,014	152,112,466	82%
Total expenditure	2,121,145,280	494,882,200	2,616,027,480	1,689,465,654	926,561,826	65%
Capital Expenditure Payments	149,299,220		149,299,220	149,299,220	149,299,220	100%
Total Payments	2,414,743,720	522,258,200	2,937,001,920	1,838,764,874	1,075,861,046	63%
Surplus/(Deficit) for the period				272,135,571		

Budget notes.

- i. The difference between the original and final budget was due to underfunding of HOAGW4RP Project and delays in disbursement of funds for Upper Athi river catchment Area

Budget reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	272,135,571
	Closing Cash and Cash Equivalent as per the statement of Cash flows	272,135,571

19. Notes to the Financial Statements

1. General Information

Water Resources Authority is established by and derives its authority and accountability from section 11 of the Water Act 2016. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya.

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 WRA 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 1

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency.

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.

Critical accounting judgements

IPSAS requires accounting judgements to be made in determining accounting policies that impact the presentation of these financial statements. The most critical of these judgements, and their impact, are:

Recognition of revenue

A revenue is an increase in the net financial position, other than increases arising from ownership contributions. Revenue is required to be measured when the event occurs and when recognition criteria (probable inflow of resources and ability to reliably measure their value) are met. Judgment is required to determine if these criteria are met, particularly where limited evidence is available at the time the revenue is earned.

Recognition of non-exchange expenses and liabilities

A liability is a present obligation of *WRA* for an outflow of resources that results from a past event. Expenses (and other liabilities) are recognized when there is a present obligation (legal or constructive) as a result of a past event. An outflow of resources embodying economic benefits will probably be required to settle the obligation and a reliable estimate of the obligation can be

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made. Judgement is required in assessing each of these conditions, and therefore reporting if an expense and a present obligation should be reported.

The Authority pursues a number of policy targets and outcomes. However the commitment to these targets and outcomes, generally, do not of themselves constitute a present obligation unless WRA is clear on the cost it intends to incur, when payment will be made, and to whom and as a consequence has raised a valid expectation. As a consequence, liabilities are not reported for costs associated with the Authority's policy objectives and targets. Where a policy choice gives rise to an obligation that exists independently of the Authority's future actions, expenses (and other related liabilities) are recognized for that policy.

Purpose and nature of financial instruments

Judgment is required in determining whether financial assets (including investment in securities and advances) and financial liabilities are held for trading or to provide a return through interest and principal transactions. Depending on that judgment, financial instruments will be reported at fair value or on an amortized cost basis.

Climate change obligations

Kenya's current National Determined Contribution (NDC) to deliver on the goals of the Paris Agreement sets a headline target of a 32 per cent emission reduction by 2030 relative to the business-as-usual scenario of 143 MtCO₂eq. WRA commitment to climate change action does not constitute a present obligation on the balance sheet but are disclosed separately.

Physical assets

An asset is a resource presently controlled by the Authority as a result of a past event. The primary reason for holding property, plant and equipment and other assets is for their service potential rather than their ability to generate cash flows. Because of the types of services provided, a significant proportion of assets used by public sector entities including roads, national parks, heritage buildings etc are specialized in nature. There may be a limited market for such assets and so judgement is required on measurement. Judgment is also required whether assets are held for commercial purposes or public benefit purposes.

3. ADOPTION OF NEW AND REVISED STANDARDS

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

There were no new and amended standards issued in the financial year.

- i) *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	<p><i>Applicable 1st January 2025</i></p> <p>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 MDA.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>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:</p> <p>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.</p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>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</p>

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Standard	Effective date and impact:
	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	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <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 MDA 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>

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Standard	Effective date and impact:
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)

3. ADOPTION OF NEW AND REVISED STANDARDS (Continued)

ii

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2022:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2022</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general purpose financial reports assess:</p> <ol style="list-style-type: none"> (a) The nature of such social benefits provided by the entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the entity's financial performance, financial position and cash flows.

ii. Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2025

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The entity recognizes revenues from water permit fees 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. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

Notes to the Financial Statements (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- a) Revenue recognition (Continued)
 - 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.

Sale of water

Revenue from the sale of water is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on abstraction 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.

b) Budget information

The original budget for FY 2024-2025 was approved by the Parent Ministry on 7th July, 2025. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities.

The Authority'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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

e) 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 estimated year period. 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.

d) 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 straight line basis to write down the cost of each asset to its residual value over its estimated useful life using the following per annum rates:

Buildings	10.0%
Water Supply Infrastructure	2.5%
Office Equipment	12.5%
Computers & IT Equipment	33.3%
Motor Vehicles	25.0%
Furniture and Fittings	12.5%

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Right of use asset

The right-of-use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the WRA incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IPSAS 21 or IPSAS 26. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the MDA expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the statement of financial position.

f) 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.

g) 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:

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Research and development costs (Continued)

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.

h) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

Loan and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

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 MDA 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or a entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Research and development costs (Continued)

i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- The debtors or entity of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

i) 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:

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) 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.

WRA has made provisions for staff gratuity which is based on yearly contributions for staff on contract at the rate of 31% of the basic pay. Subsequent gratuity payment at the end of the contract shall be paid against this provision. At the end of the financial year leave allowance payable for the period shall also be based on the actual leave allowance payable hence a provision of the same amount is provided for.

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.

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)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of revenue reserves and capital funds.

l) 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.

m) Employee benefits

Retirement benefit plans

The Entity provides retirement benefits for its employees. 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.

n) 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)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o) 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.

p) Service concession arrangements

The Entity analyses all aspects of service concession arrangements that it enters into 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.

q) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

r) Comparative figures

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

s) 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, 2025.

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: e.g

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 values

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

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Licenses and Permits

Description	2024-2025	2023-2024
	KShs	
Application & Authorization Fee	114,311,150	109,979,685
G/Water Permit Fee	258,013,566	27,727,903
S/Water Permit Fee	3,995,355	110,544,531
Total	376,320,071	248,252,119

8a) TRANSFERS FROM OTHER GOVERNMENTS

These are recurrent and development funds received from State department of water and Sanitation, state department of water and Irrigation and state department of livestock.

Description	2024-2025	2023-2024
	KShs	KShs
Unconditional grants		
Recurrent Grants- MoWS	201,333,333	557,999,999
Development Grants- MoWS	109,380,706	287,971,879
CWSCRPF Funds	116,878,723	180
TWENDE	83,389,060	0
HOAGR4RP	364,182,039	56,936,564
Conditional grants	0	0
Total government grants and subsidies	875,163,861	902,908,622

8b) TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES.

Name of the Entity sending the grant	Amount recognized to Statement of Comprehensive Income KShs	Amount deferred under deferred income KShs	Amount recognised in capital fund.	Total grant income during the year	2023-2024
			KShs	KShs	KShs
Recurrent Grants- MOWS	201,333,333	0		201,333,333	557,999,999
Development Grants- MOWS	109,380,706	183,223,235		292,603,941	287,971,879
CWSCRPF Grants	116,878,723	23,939,644		140,818,367	180
TWENDE	83,389,060	81,357,088		164,746,148	0
HOAGW4RP	364,182,039	1,678,437		365,860,476	56,936,564
Totals	875,163,861	290,198,404		1,165,362,265	902,908,622

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. RENDERING OF SERVICES

Description	2024-2025	2023-2024
	KShs	KShs
Laboratory Service charges	27,815,332	23,167,190
Waste Disposal Charges		14,400
Total revenue from the rendering of services	27,815,332	23,181,590

This represents revenue realized from offering laboratory service to clients undertaking water quality testing. Waste disposal charges are given to users of have effluent discharge permits.

10. SALE OF GOODS

Description	2024-2025	2023-2024
	KShs	KShs
Conservation Charges	0	0
S/Water use charges	452,687,364	0
G/Water use charges	3,519,685	0
Total revenue from the sale of goods	456,207,049	0

This represents revenue realized from water use charges but court order stopped billing of water use charges hence no invoices raised in the period under review.

11. OTHER INCOME

Description	2024-2025	2023-2024
	KShs	KShs
Interest Income	851,297	1,482,274
Penalties	2,280,199	4,341,999
Data Sales	0	5,845,550
Other Incomes	2,531,509	1,483,594
Disposal income		5,132,000
Total other income	5,663,005	18,285,417

This are non-regular funds earned from Penalties and interest on bank balances negotiated with our banks on revenue collection accounts, sale of data, assets disposal and other miscellaneous receipts.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE COSTS

	2023-2024	2023-2024
	KShs	KShs
Basic Salaries	587,467,013	583,446,298
House Allowance	137,058,100	142,452,200
Other Allowances	42,276,805	44,776,914
Gratuity & Pension Contribution	136,634,648	111,070,660
Leave Allowance	11,928,951	15,936,793
Commuter Allowance	51,483,000	53,600,200
Honoraria	52,000	0
Transfer Allowances	5,182,624	0
Total Employee costs	972,083,141	951,283,065

13. REMUNERATION OF DIRECTORS

Description	2024-2025	2023-2024
	KShs	KShs
Chairman's Honoraria	960,000	960,000
Board Workshops and Seminars	626,400	1,910,742
Board Travel and Accommodation	12,527,211	11,644,097
Board sitting	6,892,985	5,643,000
Total director emoluments	21,006,596	20,157,839

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. GENERAL EXPENSES

Description	2024-2025	2023-2024
	KShs	KShs
Staff Training Expenses	4,833,800	2,354,081
Medical Expenses	3,283,079	818,371
Motor Vehicle Expenses	24,580,544	17,634,811
Travelling and Accommodation	79,221,219	69,444,589
Conferences and Meetings	704,500	0
Telephone & Internet costs	12,178,349	9,660,906
Postal & Courier Services	457,253	487,831
Official Entertainment	0	161,729
Staff Welfare Expenses	410,930	271,684
Hospitality Costs-Purchase of Coffin	607,130	800,000
Catering Expenses	2,291,621	2,420,669
Advertising Expenses	1,649,142	3,413,803
Uniform & Clothing	364,750	2,826,790
Insurance Costs	97,085,052	3,079,865
Membership Fees and Subscription to Professional Bodies	22,928,260	8,773,419
Legal Cost	31,576,106	534,000
Contracted guards	22,793,717	23,521,922
Show Expenses	0	35,500
Office Rent and Rates	22,897,119	22,465,840
Electricity Expenses	1,920,680	2,417,564
Water and Conservancy Expenses	678,624	331,593
General Office Expenses	4,026,551	3,219,472
Computer Stationery & Accessories	873,423	813,186
Office General Stationery	7,912,390	14,133,473
Publishing and Printing	3,534,358	508,750
Library Expenses	157,520	267,641
Maintenance of Furniture and Office Equipment	1,202,947	614,468
Maintenance of computers, softwares ,networking plant and machinery	6,161,346	11,314,013
Maintenance building and stations	925,674	956,295
Minor alteration and maintenance works	118,160	22,193
Bank Charges & Commissions	976,023	783,794
Laboratory & Reagents Supplies	1,657,160	3,586,440
Audit fees	1,500,000	1,500,000
Provision for bad debts	0	-29,220,259
Total general expenses	359,507,427	179,954,433

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. Water Resources Management Expenditure

Description	2024-2025	2023-2024
	KShs	KShs
Gender Sensitive & Human Resource Development	1,145,692	0
Workshop and Seminars	8,522,450	9,610,620
Publicity& Information Dissemination	2,278,504	3,413,803
Regulatory functions	101,645,907	74,259,558
Water abstraction system expenses	11,291,940	6,298,650
WRUA's Establishment and Support	6,454,500	16,441,041
Catchment Management Strategy	1,628,925	1,771,175
Catchment monitoring plan-other activities	12,275,965	8,023,691
Catchment monitoring, Protection,& other water resources mgt measures	179,657,534	176,398,043
Preventive Water Resources Mgt. Measures	498,000	0
Feasibility study and project design	695,000	315,000
Water Quality Laboratory capacity enhancement	880,600	177,600
Roof Catchment Structures	1,981,748	1,204,272
Project Planning and Supervision	7,409,500	981,100
Rehabilitation of Water Monitoring Stations	31,261,300	7,449,530
Livelihood Based Investments	114,500,892	
CWSCRIP activities	0	180
HOA	257,805,554	56,936,564
Total	739,934,011	363,280,827

16. FINANCE COSTS

Description	2024-2025	2023-2024
	KShs	KShs
Borrowings (amortized cost)*	10,092,709	10,092,709
Finance leases (amortized cost)		
Unwinding of discount		
Interest on Bank overdrafts		
Interest on loans from commercial banks		
Total finance costs	10,092,709	10,092,709

Borrowing costs that relate to interest expense on acquisition of non- current assets and do not qualify for Capitalization as per IPSAS 5: on borrowing costs. This cost relates to interest payable on NRM loan.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. CASH AND CASH EQUIVALENTS

Description	2024-2025	2023-2024
	KShs	Kshs
Bank Current accounts	272,135,571	164,085,448
E-citizen Account	0	26,977,460
Total cash and cash equivalents	272,135,571	191,062,908

17 (a). DETAILED ANALYSIS OF THE CASH AND CASH EQUIVALENTS

Financial institution	Account number	2024-2025	2023-2025
		KShs	KShs
a) Current account			
KCB- Athi Catchment Area-Mombasa	1106580001	201,458	11,105
National Bank of Kenya-HQ Nairobi	0100332099000	13,898,656	296,692
KCB-Athi Catchment Area-Machakos-General	1106448626	374,568	436,415
KCB- Athi Catchment Area-Nairobi Sub Region-KWSP	1102550973	12,102	54,769
KCB- Athi Catchment Area-Kibwezi Sub Region-KWSP	1102832561	51,342	11,583
KCB- Athi Catchment Area-Kiambu Sub Region –KWSP	1101981598	2,154	111,917
KCB- Athi Catchment Area-Loitoktok Sub Region-KWSP	1117354792	222,754	58,661
KCB- Athi CatchmentS Area-Machakos-Revenue	1106233980	0	1,509,513
KCB-Tana Catchment Area-Embu-General	1102960209	4,382	2,256
KCB-Tana Catchment Area-Meru Sub Region-KWSP	1103304062	86,794	24,060
KCB-Tana Catchment Area-Kerugoya Sub Region-KWSP	1104078783	320	4,544
KCB-Tana Catchment Area- Kitui Sub Region-KWSP	1121495869	3,402	3,548
KCB-Tana Catchment Area-Murang'a Sub Region-KWSP	1107235472	21,688	4,127
KCB-Tana Catchment Area-Garissa Sub Region-KWSP	1107841909	61,360	59,351
KCB-Ewaso Nyiro Catchment Area-Nanyuki-General	1103184628	37,181	43,141
KCB-Ewaso Nyiro Catchment Area-Nanyuki Sub Region-KWSP	1103189786	88,156	5,437
KCB-Ewaso Nyiro Catchment Area-Mandera Sub Region-KWSP	1103979108	622	747
KCB-Ewaso Nyiro Catchment Area-Marsabit Sub Region-KWSP	1102669059	6,028	2,259

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KCB-Ewaso Nyiro Catchment Area-Nyahururu Sub Region-KWSP	1102173134	1,138	12,579
KCB-Ewaso Nyiro Catchment Area-Isiolo Sub Region-KWSP	1107754755	240,466	32,080
NBK-Rift Valley Catchment Area-Nakuru-General	01003020443300	82,990	17,471
KCB-Rift Valley Catchment Area-Baringo Sub Region-KWSP	1103750909	14,264	252,367
KCB-Rift Valley Catchment Area-Kapenguria Sub Region-KWSP	1106272730	26,782	51,394
KCB-Rift Valley Catchment Area-Narok Sub Region-KWSP	1102025720	105,782	78,728
KCB-Rift Valley Catchment Area-Lodwar Sub Region-KWSP	1107588286	4,695	8,387
KCB-Rift Valley Catchment Area-Naivasha Sub Region-KWSP	1105274195	18,328	65,093
KCB-Lake Victoria North Catchment Area-Kakamega-General	1101946644	2,690	21,350
KCB-Lake Victoria North Catchment Area-Siaya SubRegionKWSP	1106904591	2,847	1,427
KCB-Lake Victoria North Catchment Area-Eldoret Sub-Region KWSP	1107762480	21,250	1,476
KCB-Lake Victoria North Catchment Area-Kitale Sub Region KWSP	1109121865	984	1,646
KCB-Lake Victoria South Catchment Area-Kisii Sub Region-KWSP	1102024740	181,417	28,737
KCB-Lake Victoria South Catchment Area-Kisumu Sub Region-KWSP	1103994050	12,467	6,336
KCB-Lake Victoria South Catchment Area-Kericho Sub Region-KWSP	1103619098	5,857	599
KCB-General Operations A/C – HQ Nairobi	11366676678	138,698,635	82,282,490
KCB-Revenue A/C –HQ Nairobi	1109066295	10,647,224	4,306,991
NBK-Lake Victoria South Catchment Area- Kisumu – General	0100324733700	55,618	942
KCB-Lake Victoria South Catchment Area-Kisumu-Revenue	1104037513	0	34,015
KCB-Lake Victoria North Catchment Area-Kakamega-Revenue	1101923040	0	295,344

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KCB-Rift Valley Catchment Area-Nakuru-Revenue	1101852062	0	314,663
KCB-Ewaso Nyiro Catchment Area-Nanyuki	1103187198	0	2,845
KCB- Tana Catchment Area-Embu	1102962643	0	156,254
Equity Bank –KWSCRPIU Account	0269867060	0	159,267
Sidian Bank-HOAFW4RP	010037100001257	1,678,437	73,312,842
E-Citizen Account		0	26,977,460
Consolidated Bank	10011203000005	23,939,644	
KCB-TWENDE	1328289788	81,357,088	
b) Others			
Grand total		272,135,571	191,062,908

18. RECEIVABLES FROM EXCHANGE TRANSACTIONS.

Description	2024-2025	2023-2024
	KShs	KShs
Current receivables		
General Debtors	2,305,734,930	2,483,841,890
Less Provision for bad debts	230,573,493	248,384,189
Total receivables	2,075,161,437	2,235,457,701

These are amounts owed to the Authority by various water users.

Provision for Bad debts

During the period there was dropped in the provision figure for bad debts due to non-billing of clients due to court injunction. This lead to gain in provision recognized in the statement of financial performance

Decrease in Provision for bad debts	17,810,696	
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

19. RECEIVABLES FROM NON-EXCHANGE CONTRACTS

Description	2024-2025	2023-2024
	KShs	KShs
Current receivables		
Staff Advances	3,835,270	2,811,237
Deposits	1,274,821	1,274,821
GOK Funds Receivable	95,635,116	219,833,332
	100,745,207	223,919,390

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

20 PROPERTY, PLANT AND EQUIPMENT

Cost	Buildings	Furniture and fittings	Motor vehicles	Computers, Printers and IT Equipment	Water Supply Infrastructure	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate	10%	12.50%	25%	33%	2.50%	
As At 1 July 2023	393,706,080	323,298,471	216,918,735	169,968,061	33,262,521	1,137,153,868
Additions	-	29,076,200	61,242,425	9,153,000	-	99,471,625
Disposal	-	-	(65,622,587)	-	-	
As at 30th June 2024	393,706,080	352,374,671	212,538,573	179,121,061	33,262,521	1,171,002,906
As At 1 July 2024	393,706,080	352,374,671	212,538,573	179,121,061	33,262,521	1,171,002,906
Additions	-	113,865,716	13,878,000	14,781,304	-	142,525,020
As at 30th June 2025	393,706,080	466,240,387	226,416,573	193,902,365	33,262,521	1,313,527,926
Depreciation And Impairment						
At 1 July 2023	318,305,206	277,195,136	201,086,653	148,019,371	5,700,551	950,306,917
Depreciation	16,603,041	7,529,989	12,926,798	6,512,099	719,728	44,291,655
Disposal	-	-	(65,622,587)	-	-	(65,622,587)
As At 30th June 2024	334,908,247	284,725,125	148,390,864	154,531,470	6,420,279	928,975,985
At 1 July 2024	334,908,247	284,725,125	148,390,864	154,531,470	6,420,279	928,975,985
Depreciation	31,164,660	22,626,057	21,268,441	10,859,853,	831,863	86,750,573
As at 30th June 2025	366,072,907	307,351,182	169,659,305	165,391,323	7,251,842	1,015,726,558
Net Book Values						
As at 30th June 2025	27,633,173	158,889,205	56,857,268	28,511,042	26,010,679	297,901,366
As at 30th June 2024	58,797,833	67,649,546	64,147,709	24,589,591	26,842,242	242,026,921

NOTES TO THE FINANCIAL STATEMENTS (Continued)

20 B. INTANGIBLE ASSETS-SOFTWARE

Description	2024-2025	2023-2024
	KShs	KShs
Cost		
At beginning of the year 1 st July 2024	246,954,759	245,326,893
Additions	6,674,200	1,627,866
At end of the year June -2025	253,628,959	246,954,759
Amortization		
At beginning of the year	197,329,011	148,760,978
Amortization Charge for the Year	47,724,945	48,568,033
As at 30 June 2025	245,053,956	197,329,011
NBV end of the year June 2025	8,575,004	49,625,748

20. DEPRECIATION AND AMORTIZATION EXPENSE.

Description	2024-2025	2023-2024
	KShs	KShs
Property, plant and equipment	86,750,573	44,291,655
Intangible assets	47,724,945	48,568,033
Total depreciation and amortization	134,475,518	92,859,688

21. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS.

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Trade payables	1,684,046,994		1,497,214,711	
Employee payables	40,072,442		42,068,901	
Total trade and other payables	1,724,119,436		1,539,283,612	
Ageing analysis: (Trade and other payables)	2024-2025	% of the Total	2023-2024	% of the Total
Under one year	176,839,308	10	174,606,134	11
1-2 years	283,911,116	16	142,961,802	9
2-3 years				
Over 3 years	1,263,369,013	73	1,221,715,675	79
Total	1,724,119,436		1,539,283,611	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

22. CURRENT PROVISIONS.

Description	2024-2025	2023-2024
	KShs	KShs
Provisions	107,708,460	88,535,491
Total Provisions	107,708,460	88,535,491

This are payables originating from gratuity payable for the period. Gratuity is payable after the contract period but provided for at the end of financial year.

Description	Leave provision	Gratuity provision	Accrued Expense	Total
	KShs	KShs		KShs
Balance b/d (1.07.2023)	(1,390,655)	89,846,146	80,000	88,535,491
Additional Provisions		34,079,269		34,079,269
Provision utilized		(14,826,300)	(80,000)	(14,906,300)
Change due to discount and time value for money	-	0		-
Transfers from non -current provisions		0		
Total provisions as at 30.6.2024	(1,390,655)	109,099,115	0	107,708,460

23. DEFERRED INCOME

Description	2024-2025	2023-2024
	KShs	KShs
National government	183,223,235	140,282,490
Transfers from other Governments- CWSCR	23,939,644	159,267
HOAGW4RP	1,678,437	73,312,842
SDL-TWENDE	81,357,088	0
Total deferred income	290,198,404	213,754,600

The deferred income movement is as follows:

	National government	GOK-KWSCR	SDL	HOAGW4RP	Total
Balance brought forward	74,579,942	159,267	65,702,548	73,312,842	231,754,599
Additions	218,023,999	140,659,100	99,043,600	292,547,624	750,274,333
Transfers to Capital fund		0			
Transfers to income statement	109,380,706	116,878,723	83,389,060	364,182,039	567,454,043
Balance c/f	183,223,235	23,939,644	81,357,088	1,678,437	290,198,404

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

24. CAPITAL FUNDS

This represents capital funds and assets given to the Authority by GOK, development partners. During the period we received support in purchasing fixed assets from HOAGW4rp

Description	2024-2025	2023-2024
	Kshs	Kshs
Capital Assets Transfer-GOK	32,262,705	32,262,705
GIZ	4,053,315	4,053,315
Kenya Water and Sanitation Programme	35,349,589	35,349,589
AWF	770,000	770,000
MTAP Fund	50,000,000	50,000,000
KWSCRIP	78,705,254	78,705,254
LAY Volunteers	5,760,000	5,760,000
ADB-AWDA and DAI	17,518,381	17,518,381
AMI -PROJECT	133,856,868	133,856,868
HOAGW4RP	78,636,425	78,636,425
Total	436,912,537	436,912,537

25. BORROWINGS

(a)

Description	2024-2025	2023-2024
	KShs	KShs
Balance at beginning of the period	362,612,300	362,612,300
Balance at end of the period	362,612,300	362,612,300

The principal amount has been split into two parts; current principal payable as a current liability and long-term borrowing due,

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

Current Liability

Description	2024-2025	2023-2024
	KShs	KShs
Principal Payable- Current	102,740,152	90,653,075
Interest and penalties	85,788,027	75,695,318
Total	188,528,179	166,348,393

Long term Portion

Description	2024-2025	2023-2024
	KShs	KShs
IDA/World Bank(Long term)	259,872,148	271,959,225
Total	259,872,148	271,959,225

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. CASH GENERATED FROM OPERATIONS

	2024-2025	2023-2024
	KShs	KShs
Surplus for the year before tax	(478,119,388)	(425,000,813)
Adjusted for:		
Depreciation	134,475,518	92,859,688
Contribution to provisions	19,172,969	27,825,580
Increase in receivables	160,296,264	262,982,335
Increase in deferred income	76,443,804	34,192,711
Increase in payables	184,835,825	174,464,260
Increase in payments received in advance	123,174,183	(52,097,665)
Increase in loan interest Payable	10,092,709	22,179,786
Net cash flow from operating activities	230,371,883	137,405,881

27. 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)

27. FINANCIAL RISK MANAGEMENT (Continued)

(i) Credit risk (Continued)

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2025				
Receivables from exchange transactions	2,075,161,437	0	0	0
Receivables from non- exchange transactions	100,745,207	0	0	0
Bank balances	272,135,571	0	0	0
Total	2,448,042,215	0	0	0
At 30 June 2024				
Receivables from exchange transactions	2,235,457,701	0	0	0
Receivables from non exchange transactions	223,919,390	0	0	0
Bank balances	191,062,910	0	0	0
Total	2,650,440,001	0	0	0

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 recognized 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 water sector institutions.

The Management Board 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.

The table below represents cash flows payable by the entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

27. FINANCIAL RISK MANAGEMENT (Continued)

(ii) Liquidity risk management (Continued)

	Less than 1 month	Between 1- 3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2025				
Trade payables			1,724,119,435	1,724,119,435
Current portion of borrowings			188,528,178	188,528,178
Provisions			107,708,460	107,708,460
Deferred income	290,198,404		0	290,198,404
Total	290,198,404		2,020,356,073	2,310,554,477
At 30 June 2024				
Trade payables			1,539,283,612	1,539,283,612
Current portion of borrowings			166,348,393	166,348,393
Provisions			0	0
Deferred income	213,754,600		0	213,754,600
Employee benefit obligation	213,754,600		1,705,632,005	1,919,386,605

(iii) Market risk

The board 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 manner in which it manages and measures the risk.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
27. FINANCIAL RISK MANAGEMENT (Continued)

iv) Capital Risk Management

The objective of the entity's capital risk management is to safeguard the Board's ability to continue as a going concern. The entity capital structure comprises of the following funds:

	2024-2025	2023-2024
	Kshs	Kshs
Revaluation reserve		
Retained earnings	-252,820,577	225,298,811
Capital reserve	436,912,537	436,912,537
Total funds	184,091,960	662,211,348
Total borrowings	362,612,300	362,612,300
Less: cash and bank balances	(272,135,571)	(191,062,910)
Net debt/(excess cash and cash equivalents)	90,476,729	171,549,390
Gearing Ratio	49.1	25.9

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

28. RELATED PARTY BALANCES

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. Other related parties include:

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Management Board;

	2024-2025	2024-2023
	Kshs	Kshs
Transactions with related parties		
a) Sales to related parties		
Sales of goods		
Sales of services		
Total		
b) Grants from the Government		
Grants from National Govt	951,607,660	902,908,622
Grants from County Government		
Donations in kind		78,636,425
Total	951,607,660	981,545,047
c) Expenses incurred on behalf of related party		
Payments of salaries and wages for xxx employees		
Payments for goods and services for xxx		
Total		
d) Key management compensation		
Directors' emoluments	21,006,596	20,157,839
Compensation to the CEO	4,880,664	4,880,664
Compensation to key management	10,893,600	10,893,600
Total	36,780,860	35,932,103

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

29. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

1.	WRA/4/116	Joseph Gitau Mwangi & Ano. Vs. WRMA. ENV. Law Div. 460/2010	Case arose out of an order by WRMA demanding that the Plaintiff demolish the wall he had constructed on the riparian way on the lower Mbagathi River.	Prof. Albert Mumma & Co. Advocates	Pending hearing and determination
2.	WRA/4/106	HCCC NO. 754 OF 2012 Juanco Contech Ltd. v. WRMA	Suit alleging breach of contract by WRMA in failing to fully pay for construction works of office premises.	Prof. Albert Mumma & Co. Advocates	<p>Pending</p> <ul style="list-style-type: none"> • Matter proceeded for hearing and judgment was delivered on 5th December 2024. • The court entered judgment against WRA in favour of the Plaintiff for a sum of Kshs. 22,529,688.85 comprising a principal sum of Kshs. 15,910,797.30 plus interest of Kshs.6,616,891.55 and interest at court rates. • The Authority has lodged an appeal against the judgment.
3.	WRA/4/32	HCCC No. 319 of 2013 WRMA VS. Nairobi City Water & Sewerage Company	Claim for Water Use Charges	Prof. Albert Mumma & Co. Advocates	<p>Pending. Partial consent recorded.</p> <p>A circular was issued against court cases by government institutions fighting each other. It was directed that state agencies to seek out of court settlement.</p>
4.	WRMA/HQ/LA/1/1 2/12	NET/128 of 2014: Wilson Munguti & Others vs. WRMA & Others	Suit against issuance of Licence issued by NEMA and Authorization issued by WRMA to NIB in respect of rehabilitation and expansion of Kiboko Irrigation Development Project.	Rachier & Amollo Co. Advocates	<p>Pending. Awaiting notice from the Tribunal.</p>
5.	WRA/4/19	Const. Petition No. 35 OF 2015: WRMA vs. EPZA & NEMA (I.P)	WRMA filed the suit to enforce Constitutional Rights and stop further pollution by the Export Processing Zones Authority.	Prof. Albert Mumma & Co. Advocates	<p>Pending settlement.</p> <p>Correspondence to the AG's Office was done to facilitate compliance.</p>

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6.	WRMA/HQ/LA/1/1 2/2/33	Malindi HCCC No. 28 of 2013 WRMA v Kensalt Limited	Claim for Kshs.270,295,759 outstanding water use charges for the period between 1/10/2007 and 31/9/13 accruing from abstracting sea water in Malindi for extracting salt.	Prof. Albert Mumma & Co. Advocates	Pending. WRA claims Kshs. 1,546,489,612 on account of water use fees and interests. Hearing of the case was scheduled to be heard on 8th May 2025 and was adjourned to allow parties an opportunity to discuss an out of court settlement. Kensalt limited has initiated negotiations with the aim of resolving the case out of court.
7.	WRMA/HQ/LA/1/1 2/2/33	Malindi HCCC No 26 of 2013 WRMA V Krystalline Salt Limited	Claim for outstanding water use charges for the period between 1/10/2007 and 31/9/13 accruing from abstracting seawater in Malindi for extracting salt. Judgement entered in favour of WRMA in 2013.	Prof. Albert Mumma & Co. Advocates	High court- Judgment was entered in favour of WRA for Kshs. 2,079,590,000.00 together with interest at court rates (14%) from November, 2013. Court of Appeal- Krystalline Salt Limited appealed the decision at the Court of Appeal. The Court of Appeal granted stay on condition that Krystalline issues a bank guarantee for Kshs. 100 million pending hearing and determination of the Appeal. Krystalline complied with this condition and therefore the stay orders are in force. The Appeal proceeded for hearing on 3rd July, 2023 and judgement on 23 rd February 2024, Judgment was delivered dismissing the appeal by Krystalline Salt Limited. The Court of Appeal affirmed WRA's right to collect water use charges. However, the Court of Appeal held that WRA could only charge water use arrears for a period of 12 months in light of Rule 107(1) of the Water Resources Management Rules, 2007 (<i>now repealed</i>). The Court of Appeal reduced the initial award

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					of Kshs.2 billion plus interest to Kshs.185,500,000 plus simple monthly interest of 2% making the total award plus interest payable to WRA by Krystalline Salt Limited to be the sum of Kshs.649,385,000 as of 26 th February 2024.
					Supreme Court- Krystalline Salt Ltd further appealed to the Supreme Court which proceedings were dismissed by the Supreme Court. As such, the decision of the Court of Appeal is binding upon the Parties. Legal fees on the matter remain outstanding. A Deed of Settlement has been executed between the parties, with the guidance of the Hon. Attorney General towards realization of the decretal amount.
8.	WRMA/HQ/LA/1/1/2/2/33	Malindi HCCC No 27 of 2013 WRMA v Malindi Salt Works	Claim for Kshs. 7,564,075/- outstanding water use charges abstracted from the Indian Ocean for extracting salt for the period between 1/10/2007 and 31/9/13	Prof. Albert Mumma & Co. Advocates	Awaiting hearing and determination.
9.	WRMA/30/MSA/3 HD2/10936/S/1/12/2/33	Malindi HCCC No 29 of 2013 WRMA V Kemu Salt Packers Production Limited	Claim for Kshs.11,897,524.80 outstanding water use charges for the period between 1/10/2007 and 31/9/13 accruing from abstracting seawater in Malindi for extracting salt.	Prof. Albert Mumma & Co. Advocates	Awaiting hearing and determination.
10.	WRA/4/134	ELC No. 77 of 2018: Easthaven Development Ltd Vs WRA and 2 Others	Construction of (Brooklyn Springs Apartment L.R NO. 4857/121) on Riparian Land	Attorney General's office (Ms. Ruth Kerubo -State Counsel is on record)	Instructions to State Counsel sent; matter is pending before court.
11.	WRA/4/23	Civil Appeal NO. 9 of 2015: WRMA Vs Kensalt Ltd	Claim for Kshs.270,295,759.00 outstanding water use charges and permit fees.	Prof. Albert Mumma & Company Advocates	High Court- Ruling delivered and held inter alia that the Authority had no regulatory mandate over sea water. Court of Appeal- WRMA challenged the Court's finding and lodged an Appeal on the 27/10/2014. The Appeal was heard and the court found in favour of WRMA.

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					Supreme Court- Kensalt moved to the Supreme court. WRMA's objection to dismiss the Supreme Court Appeal was allowed and the Petition was struck out. The case is awaiting hearing and determination.
12.	WRA/4/17	Mombasa HCCC. NO. 151 of 2012: WRMA Vs Coast Water Services Board	Claim for outstanding water use charges and permits fees in respect of the Mzima, Marere Springs, Baricho, Tiwi boreholes against CWSB.	Prof. Albert Mumma & Company Advocates	Consent recorded. Payments to be pursued/decreed enforced.
13.	WRA/4/28	Constitutional petition No. 90 of 2016: LSK Vs WRMA & 6 Others	Seeking conservatory order in respect to construction of works on the suit property	Prof. Albert Mumma & Company Advocates	Pending hearing and determination of the petition.
14.	WRA/4/87	CHR No. 11 of 2018: Superior Homes PLC Vs Water Resources Authority	Claim for lifting of WRA Order for demolition of 8 houses falling within riparian reserve of Stony Athi River	Chenge Busiku & Company Advocates	WRA filed a reference challenging the taxed costs. Awaiting Ruling.
15.	WRA/4/90	NAIROBI ELC 317 OF 2018 (CONSOLIDATED WITH ELC 320 OF 2018) DIPENKUMAR MAVAN & 5 OTHERS – DIKDIK GARDENS RESIDENTS ASSOCIATIONS VS SULTAN PALACE DEVELOPMENT LTD & OTHERS	Encroachment of a wetland	Chenge Busiku & Company Advocates	Court stayed E017 of 2021 until 317 of 2018 is heard. 317 of 2018 is consolidated with E258 of 2022 and 317 of 2018 made the lead file Mention for further directions on 23rd September 2025.
16.	WRA/4/85	Nakuru Const. Petition No.8 of 2018: Peter Mbae Vs. Nema & 5 Others	Constitutional orders for restoration of the environment and environmental audit following collapse of Solai dam.	Prof. Albert Mumma & Company Advocates	• Pending hearing and determination of petition
17.	WRA/4/86	Nairobi J.R Appl. 45 of 2018: R.Vs PS, Ministry of Transport, Infrastructure Housing & Urban Devt & 3 Others Ex. P Nishapa Investment Limited	JR orders seeking to quash notice by a multi-sectoral consultative committee from various government agencies issued for demolition of development lying on riparian land (Nairobi river riparian)	Garane & Somane Advocates	Pending hearing and determination
18.	WRA/4/177	Nairobi ELC 514/2018: Mosiara Trading Company vs AG &4 Others	Claim for recovery of damages of Kshs. 45.2 billion as a result of demolition of property on riparian land (T-Mall) along Mbagathi Way Nairobi	Janet Olewe/Tacey Makori	Matter was scheduled for hearing on 13th July, 2023 however the Plaintiff's advocate informed court that parties are still pursuing out of court discussions.

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					<p>Matter is now fixed for mention on 15th November 2023. Further mention on 16th April, 2024.</p> <p>The case is scheduled for mention on 30th October 2024.</p> <p>Counsel for the Plaintiff and AG's representative informed the court that negotiations were still ongoing. They sought a further 90 days to conclude negotiations. Mention on 29th September 2025.</p>
19.	WRA/4/114	HCC No. 375 of 2009: CFC Standard Bank Limited vs Nivina Investment Limited & Anor	Appeal against WRMA's decision to give authorization to Nivina to drill borehole near appellant's borehole.		Judgment has been pending since 2011 at the Water Appeals Tribunal.
20.	WRA/4/89	Machakos MISC. Civil Application No. 192 of 2018: Superior Homes (Kenya) Limited vs. Water Resources Authority & 9 Others	Claim for lifting of WRA Order for demolition of 8 houses falling within riparian reserve of Stony Athi River	Chenge Busiku & Company Advocates	<p>Judgment delivered. Appeal pending hearing.</p> <p>Ruling on taxation delivered without notice.</p> <p>Petitioner and WRA filed applications seeking leave to file a reference out of time. Both applications were allowed.</p> <p>Court directed that both the Petitioner's and WRA's references be heard together on 3rd March 2022. Petitioner granted 14 days to file their application for reference.</p> <p>Matter slated for Mention on 21st March, 2023 for further directions.</p> <p>Matter was mentioned on 14th May 2024 for purposes of confirming whether judgment in Civil Appeal No. E330 of 2020 was delivered. In view of the fact that judgment is yet to be delivered in the Court of Appeal matter, the judge directed that the matter be mentioned on</p>

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					23rd September 2024 for further directions. The Court of Appeal judgment was delivered. Mention scheduled for 7th November 2024. The case is awaiting further directions.
21.	WRA/4/122	Nairobi Pet NO 61 of 2018: Milimani Splendor Management LTD vs NEMA, WRA and Others	Seeking orders of injunction against threatened demolitions of property erected on riparian land (Kirichwa Kubwa River)	Attorney General	Judgment delivered. Petition dismissed.
22.	WRA/4/138	Kerugoya ELC No. 36 of 2018: Saweria Gichobi Vs WRA, NEMA & Others	Construction of Irrigation works contrary to the permit	Ngaywa & Kibet Partners LLP	Pending hearing and determination.
23.	WRA/4/139	Nairobi ELC Const. PT No. 2 of 2019: Kental Enterprises Ltd Vs The Attorney General & 4 Others	Illegal demolition of construction works on riparian land	Prof. Albert Mumma & Co. Advocates	Pending hearing and determination of petition. Hearing scheduled for 9th October 2024. Hearing proceeded. Awaiting a further hearing date.
24.	WRA/4/123	Nairobi H.C No. 380 of 2018: Hon Governor John Mbugua & 6 Petitioner vs. Hon Attorney Gen & 15 Others	Claim for compensation to the disabled as a result of Sarova Stanley Nairobi and other developments closing up foot paths thereby inconveniencing persons with disability	Attorney General's office	Pending hearing and determination
25.	WRA/4/149	Makueni (ELC) Pt. No. 13B (Formerly Nairobi Pt. No. 45 Of 2019): Kiboko WRUA vs. KPC, NEMA, WRA, & EPRA	Suit seeking various orders of injunction and environmental restoration following the oil spillage from KPC oil infrastructure in Kiboko.	Tacey Makori/Janet Olewe	1 st Respondent filed a Preliminary Objection. Ruling on the Preliminary Objection shall be on notice Pending hearing and determination of the petition.
26.	WRA/4/154	Makueni (ELC) Pt. No. 15 of 2019: Rufus Mulatya Muathe & 52 others vs. KPC, NEMA, WRA	Suit seeking various orders of injunction and environmental restoration following the oil spillage from KPC oil infrastructure in River Thange	Tacey Makori/Janet Olewe	Mention on 22nd September, 2025 for directions.
27.	WRA/4/155	Nairobi ELC Case No. 128 of 2019: Skeeter Kwamboka vs WRA	Construction on the water channel on Sabaki River	Tacey Makori/Janet Olewe	Hearing proceeded on diverse dates. On 16th May 2025, the site visit was carried out. Mention on 2nd October 2025 for further directions.

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28.	WRA/4/157	Machakos ELC, Judicial Review Misc. 2 of 2020: Erdemann Property Ltd vs Export Processing Zone & 2 Others and London Distillers (K) Ltd & 3 Others	A Judicial Review matter filed by Erdemann Limited against several institutions with main contention being the discharge of effluent into the environment by London Distillers (K) Limited	Tacey Makori/Janet Olewe	Mention notice to be served upon WRA.
29.	WRA/4/162	Nyahururu (ELC) Pt. no. 120 of 2019: David Wang'ombe Karanja & 2 others vs County Government of Laikipia & 3 others	Suit seeking injunctive orders against the 1 st Defendant. Furthermore, there is an order sought directing WRA to protect the wetlands within the jurisdiction of the County Government of Laikipia, and particularly, the suit properties L.R LAIKIPIA/UASO NAROK B/51, L.R LAIKIPIA/UASO NAROK B/69 and L.R LAIKIPIA/UASO/NAROK/1381	Tacey Makori/Janet Olewe	Awaiting mention notice from the Plaintiffs.
30.	WRA/4/163	Migori (ELC) Petition No. E4 of 2020: Mathew Awuor Dimo & Others v The Hon. AG & 7 Others	Constitutional petition by several residents of Kabondo/Kadumo West Region in Homabay contending that Kendu Bay Water Project was done without public participation and is affecting the flow of River Awach Kabuony.	Tacey Makori/Janet Olewe	Awaiting a mention notice from the Petitioners.
31.	WRA/4/164	Machakos (HC) Pt. no. 149 of 2012: Oasis Park Self Help Group vs Joinven Investments Ltd & 2 others	The Applicant seeks to enjoin WRA as a party to the suit for the purpose of enforcement of a court order	Tacey Makori/Janet Olewe	Matter is slated for mention on 5th December, 2023 for adoption of consent order dated 9th September, 2022. On 5th December 2023, the matter was not in court. Parties received a mention notice for 2nd May 2024. On 2nd May 2024, the matter was not in court. Parties received a mention notice for 7th June 2024. Awaiting a mention notice.

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32.	WRA/4/166	Nairobi [ELC] Constitutional Pt. no. E017 2021: Sultan Palace Development Limited Vs. WRMA- Albright Holdings Limited[interested party]	Gazettement of Dik Dik Gardens as a wetland.	Tacey Makori/Janet Olewe	Matter is stayed until ELC 317/ 2018 is heard and determined. ELC 317/ 2018 is consolidated with E258/2022.
33.	WRA/4/167	In The National Environment Tribunal Appeal No. 9 of 2021. Westlands Garden Limited Vs. NEMA – WRA and Westlands Cottage Apartments Limited(Magnate Ventures Limited)	Sinking of boreholes too close together	Tacey Makori/Janet Olewe	Parties directed to fix appeal for pre-trial conference. Awaiting a mention notice from the Appellant.
34.	WRA/4/169	In The Environment and Land Court at Nairobi. Petition No. E031 of 2021: Lone Tree Limited Vs. The Water Resources Authority	Demolition of development by the petitioner on parcel of land <i>L.R No. 21/1/22</i>	Tacey Makori/Janet Olewe	Hearing on 5th November 2025.
35.	WRA/4/173	In The Environment and Land Court at Nyeri. ELC Case no. 15 of 2021: Richard Maina Mwangi & Another vs Phares Kabugu Njogu & 6 Others	The Plaintiffs are seeking orders restraining the Defendants from interfering with the Plaintiffs' water intake situated at Gichichi River and converting it into a common intake for other water projects.	Tacey Makori/Janet Olewe	Awaiting hearing notice
36.	WRA/4/174	In the Environment and Land court of Kenya at Kisumu. ELC Petition No. E022/2021: Calvin Oluoch Olang' & 18 others vs. Lake Victoria south water works & 7 others	The Petitioner alleges that Lake Victoria South Water Works Developments Agency Limited is implementing the construction of a Kshs. 7.5 billion wastewater treatment plant in Korando, Kisumu County without following due process.	Tacey Makori/Janet Olewe	The Respondents sought a judgement date in the absence of any further submissions or request for settlement. Judgement to be delivered on 31st July, 2025. Judgment has been deferred to 29th September 2025.
37.	WRA /4/175	In The Environment and Land Court at Mombasa. ELC Petition No. 50 of 2021: Ainea Ragen & Anwaral Brothers and others vs Chief land registrar & others.	The Petitioner alleges that the 1 st Respondent has encroached a wetland and constructed permanent structures on it. The petitioner also alleges that the authorizations issued by various state agencies were done so irregularly.	Tacey Makori/Janet Olewe	Hearing proceeded on 14/02/2025, and was concluded. Court granted Petitioners 30 days to file and serve written submissions and granted Respondents 21 days after service to file and serve written submissions. Judgment reserved for 11th July 2025. Judgment deferred to 17th October 2025.
38.	WRA/4/176	In the High Court at Garissa. Petition No. 09/2021:	The petitioner is seeking conservatory orders restraining Wajir Water,	Tacey Makori/Janet Olewe	Highlighting of submissions is scheduled for 18th September 2024.

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		Co-Operative Society Ltd vs WRA & others	Sewerage & Sanitation Co. Ltd from drilling, proceeding to drill and/or operate the boreholes in Lan Bib South, Umbi, Rifed and Shalete or Wajir South within Wajir County.		Awaiting mention notice.
39.	WRA/4/179	COURT OF APPEAL AT NAIROBI.CIVIL APPLICATION NO. E094 OF 2022 Sultan Palace Development Limited Vs Water Resources Authority and Another	An Appeal matter against WRA on Ruling issued in ELC Petition No. E017 of 2021 dated 2 nd March, 2021 seeking an Injunction against the Ruling pending and determination of the Application by Court of Appeal	Tacey Makori/Janet Olewe	Pending hearing notice from the Court of Appeal.
40.	WRA/4/168	Thika ELC Miscellaneous Application No. EO15 of 2021 Cellini Holdings Limited Vs Blue Nile Rolling Mills Limited and 4 Others	The Applicants are seeking orders against the Respondent (WRA being the 3 rd Interested Party) that they be restrained from diverting the stream that is adjacent to his property to the neighboring properties pending hearing and determination of the Application.	Tacey Makori/Janet Olewe	On 6th December 2023, parties informed the court that they were still pursuing out of court settlements. The case scheduled for mention on notice.
41.	WRA/4/184	Milimani Commercial CMC ELC NO. E180 OF 2022 Jeremiah Waweru and Another Vs WRA and 2 others	The Applicants are seeking orders of temporary injunction against the Respondents(WRA being the 1st respondent) restraining the Respondents from interfering with the quiet possession of the Applicants parcel of land known as NAIROBI/BLOCK 206/320 until the suit filed is heard and determined	Tacey Makori/Janet Olewe	Plaintiff filed a Notice of Withdrawal of the suit dated 5th May 2023. Matter came up in court on 8th August, 2023 for hearing. Court ordered that the matter be marked as withdrawn with no orders as to costs.
42.	WRA/4/185	Milimani Commercial CMC ELC NO.E243 OF 2022 H Young & Co.(EA)Ltd Vs WRA	Plaintiff is seeking Temporary Injunction against the Respondent restraining it from entering, invading, trespassing into the Plaintiff's use of borehole facility situated in Industrial Area Nairobi and Katani Site or disconnecting water pending the hearing and determination of the suit.	Janet Olewe/Tacey Makori	Mention on 27th August 2025 for directions.
43.	WRA/4/187	Karatina Civil Case No.84 of 2022 Maina Mwangi and Another Vs Phares Kabugi Njogu & WRA and 4 Others	The Plaintiffs are seeking orders of permanent injunction restraining the Defendants from interfering with the Plaintiffs' water intake situated at Gichichi River and converting it into a common intake for other four (4) water projects	Tacey Makori/Janet Olewe	Matter awaiting mention notice.

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44.	WRA/4/188	Nairobi ELC Petition No. E056 of 2022 Samora Sikalieh Vs Fredrick Chege and 2 Others	The petitioner is seeking orders restraining the 2nd and 3rd Respondents from issuing the 1st Respondent with a water permit or licence to sell water abstracted from his borehole on commercial basis and in the event any licence since was issued since 18th October, 2022 the same be withdrawn forthwith for lack technical assessment with public participation.	Tacey Makori/Janet Olewe	<p>Matter came up for mitigation and sentencing of the 1st Respondent.</p> <p>Mitigation proceeded in the absence of the 1st Respondent who was indisposed; his advocate mitigated on his behalf.</p> <p>Sentencing has been reserved for sentencing of the 1st Respondent with respect to the finding of the court that he had been in contempt.</p> <p>The court sentenced the 1st Respondent to pay a fine of Kshs. 200,000 within 30 days, and in default, the 1st Respondent shall be committed to civil jail for 30 days. The court further directed that the costs of the application shall abide the costs in the main Petition.</p> <p>The 1st Respondent's advocate informed court that the 1st Respondent is deceased and as such, he was seeking time to get instructions from the 1st Respondent's family on how to proceed with the matter.</p> <p>Mention on 14th July 2025.</p> <p>Mention on 1st October 2025 for further directions.</p>
45.	WRA/4/189	Nakuru ELC Petition No. E009 of 2022 Mark Kariuki and 4 Others Vs National Land Commission and 8 Others	The petitioners are seeking conservatory order against the 1st, 2nd, 3rd, 4th, 5th, 6th, 7th and 8th Respondents from accessing, trespassing, developing, fencing, clearing bushes, harvesting of trees, cultivating, farming among other activities or in any way dealing with all that portion of land within Moi North and South Lake Road Naivasha District which falls below the 1892.8 meters above sea level or 6,210 feet above sea level	Tacey Makori/Janet Olewe	<p>Parties confirmed filing the relevant responses and submissions. Ruling has been reserved for 9th May 2024.</p> <p>Awaiting mention notice.</p>

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			contour or within the high and lower water mark of lake Naivasha		
46.	WRA/4/190	Siaya ELC MISC case No. E019 of 2022 Justus Oumo Owino and 3 Others Vs National Land Commission and 2 Others	The Applicants are seeking conservatory order suspending the 1st Respondent's determination recommending the allocation of all those parcels of land described by the 1st Respondent as LR No. USONGA/USONGA/BLOC K $\frac{1}{4}$, USONGA/USONGA/BLOC K $\frac{1}{7}$ AND USONGA/USONGA/BLOC K $\frac{1}{8}$ measuring 6,900 hectares or extending any lease in respect of the said parcels of land to the 6th Interested party, its agents, representatives or any other person claiming title under it.	Tacey Makori/Janet Olewe	Awaiting mention notice.
47.	WRA/4/191	Nyeri Civil Appeal No. E024 of 2023 Huts of Gold Vs. Hon. Mary Wamaua & 7 Others	Appellant is seeking orders to set aside part of the Ruling and Decision of the trial Court dated 8th December, 2022 granting conservatory orders restraining the 4th and 8th Respondents from preventing the 1st and 3rd Respondents and the Ganami Dam community from farming, abstracting and use of dam water and interfering with the spilt way area adjacent to the dam.	Tacey Makori/Janet Olewe	Awaiting fixing of dates.
48.	WRA/4/192	Kiambu Petition No.E013 of 2023 Kiambu Community Water Projects Association Vs. Ministry of Water Sanitation & Irrigation and 2 Others	The Petitioner is seeking orders that a declaration be made that the Water Resources Regulations, 2021 are unconstitutional, null and void <i>ab initio</i> and that an order of certiorari to bring the honourable court to quash the Water Resources Regulations, 2021	Tacey Makori/Janet Olewe	Petitioners filed an application for contempt. Directions given on filing of responses and submissions. Ruling reserved for 28th February 2025. On 28th February 2025, Ruling was not delivered. Ruling reserved for 25th April 2025. On 25th April 2025, the ruling was not ready. It was deferred to 26th June 2025. On 26th June 2025, the ruling was deferred to 27th June 2025. On 27th June 2025, the ruling was deferred to 11th September 2025.

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49.	WRA/4/194	<p>Naivasha CMC ELC No. E023 of 2023</p> <p>Mirera Suswa Water Project Vs Mountain View Water Project & Water Resources Authority</p>	<p>The plaintiff is seeking orders compelling WRA to suspend the permit issued to the 1st Defendant with regards to the borehole drilled on land parcel number Naivasha/Mwichiringiri Block 4/3263. The Plaintiff alleges that the borehole in question was drilled on land belonging to the Plaintiff</p>	Tacey Makori/Janet Olewe	<p>Matter proceeded for hearing of the suit on 6th August 2025. Further hearing on 28th January 2026.</p>
50.	WRA/4/196	<p>Nairobi Petition No.E108 of 2023</p> <p>Kenya Water & Sanitation Civil Society Network & 8 Others VS Cabinet Secretary, Ministry of Water, Sanitation & Irrigation & 6 Others</p>	<p>The Petitioners are seeking orders against the Respondents that a declaration be issued to declare that the Water Resources Regulations, 2021 were promulgated in violation of Article 10 and 96 of the constitution and Section 11 of the statutory Instrument Act, 2013. Further, a declaration be issued to declare that the water use charges provided for in Regulation 84 of the Water Resources Regulations, 2021 are exorbitant and unaffordable to the extent of being in violation of the right to clean and safe water in adequate quantities enshrine in Article 43(1)(d) of the Constitution.</p>	Tacey Makori/Janet Olewe	<p>Conservatory orders issued suspending implementation of the water use charges set out in Part B of the second schedule pending hearing and determination of the Petition.</p> <p>Hearing was scheduled for 25th September 2023. The case was mentioned before the Deputy Registrar because the Judge handling the matter is on leave. The Deputy Registrar informed parties that the case has been re-assigned to Justice Mugambi.</p> <p>Matter was mentioned before Justice Mugambi on 14th November 2023 for further directions.</p> <p>Further mention to record consent- 16th Nov. 2023.</p> <p>On 16th Nov. 2023, not all parties had executed the consent. Further mention on 23rd January, 2024. On 23 January, 2024, 3 parties out of the pending 4 parties had signed the consent. The court took the position that in light of the opposing position taken by the CoG, National Assembly and Senate, the court could not record the consent. The judge guided that the hearing of the petition should be expedited. Parties were granted leave to file responses and submissions.</p>

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					<p>Highlighting of submissions scheduled for 26th March, 2024. A new date was issued on the court's own motion for highlighting on 16th April, 2024.</p> <p>On 16th April, 2024, the Petitioners' Advocates were not ready to proceed. Highlighting of Submission adjourned to 29th October, 2024.</p> <p>On 29th October 2024, highlighting of submissions did not proceed. Highlighting of submissions scheduled for 18th March 2025.</p> <p>18th March 2025- New regulations having been published, the 3rd Respondent sought an adjournment on the basis that the Petition could possibly be spent. Mention on 2nd July, 2025 to take further directions.</p> <p>Mention on 22nd September 2025 for further directions.</p>
51.	WRA/4/197	<p>Malindi ELC Petition No. 13 of 2023</p> <p>Eduardo Zinna VS WRA & 4 Others</p>	<p>The Petitioner is seeking orders that a declaration be issued against WRA and 4 other Respondents that they had no legal justification to enter into the Petitioner's premises situated at Malindi and proceed to destroy the Petitioner's plumbing equipment. Further an order of permanent injunction be issued to restraining the Respondents from entering /invading the petitioner premises and in any other manner harassing the Petitioner on grounds that the Petitioner has not complied with the provisions of Water Act,</p>	<p>Tacey Makori/Janet Olewe</p>	<p>The Application dated 17th April 2023 be disposed of by way of written submissions.</p> <p>Applicant granted 14 days to file Supplementary Affidavit and Submissions. Respondents granted 14 days after service to file Submissions.</p> <p>Mention on 28th June 2023 to confirm compliance.</p> <p>Awaiting mention notice.</p>

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			2016 and compensation for violation of constitutional rights in the form of general damages.		
52.	WRA/4/88	Nairobi ELC Case No. 306 of 2018 Loresho South Residence and 13 Others Vs Athi Water Services Board and WRA	The Plaintiffs are seeking an order of permanent injunction restraining WRA and Athi Water Service Board from trespassing or interfering with the Plaintiff's occupation of land. Additionally, a declaration that the laying of the water pipes for the Kabete- Uthiru-Karen Pipeline Lot 2 was thereof illegal and lawful. Further, that a declaration that there is no riparian reserve on the Plaintiffs parcels and that in alternative to declaration of laying of pipes being unlawful, WRA and Athi Water Service Board be directed to jointly and severally compensate the plaintiffs to the tune of Kshs. 176,465,000	Hassan N. Lakicha & Company Advocates	Matter proceeded for hearing on on various dates. Further hearing on 17 th and 18 th December 2025.
53.	WRA/4/199	Nairobi ELC Case E227 of 2023 Bazara Alex Tabulo Vs Water Resources Authority	The Plaintiff is seeking orders of permanent injunction to restrain WRA by themselves, servants and/ or agents from entering , inhibiting, alienating, trespassing or in any way interfering with the Plaintiff quiet use of L.R. No. 7785/83, an order of reclamation of the Plaintiff's portion of land in the event that it is established that the river was artificially diverted at the cost of the offending parties. Finally an order that an independent survey be done in the presence of	Tacey Makori/Janet Olewe	Hearing scheduled for 9th October 2025.

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			the Plaintiff, WRA and the owner of the neighbouring parcels to establish whether the boundaries shifted due to human or natural activities.		
54.	WRA/4/200	HCCOMM. MISC. NO. 312 OF 2019 Rio Holdings Limited vs. Perez Wellington Joseph Odera & Others	Miscellaneous Application seeking amongst others, orders to enjoin WRA as an Interested Party to the proceedings. This is on the basis that the Respondents have gone ahead to drill borehole in contravention of subsisting court orders.	Janet Olewe/Tacey Makori	Awaiting mention notice.
55.	WRA/4/202	Makueni ELC Petition No. E001 of 2023 Thomas Ndunda Ndambuki Vs County Government of Makueni & 4 Others	The Petitioner is seeking an order against WRA that the court declare that the County government of Makueni, NEMA and WRA jointly and severally failed to develop proper monitoring process to ensure sustainable management of environment including assessing the efficiency of the Mbithi borehole and its effects to the surrounding ecosystem infringed the rights of the Petitioner under Article 10,28,42,60 and 69 of the Constitution.	Janet Olewe/Tacey Makori	Mention for further directions scheduled for 30th September 2024. Awaiting mention notice.
56.	WRA/4/204	Nairobi MCCC/E032/2023 Dotrise Building Bridges & another vs Edeville Development Company & others	The Plaintiffs allege that they are in possession of the suit property which belongs to the Defendant. The Plaintiffs further allege that the Defendant has threatened to evict the Plaintiffs from the suit property	Janet Olewe/Tacey Makori	Mention for directions scheduled for 22 nd October 2024. Awaiting mention notice.

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57.	WRA/4/208	<p>Murang'a High Court Const. Pet. No. 9 of 2023</p> <p>Martin Njoroge Wairimu vs Murang'a South Water Supply & Sanitation Company</p>	<p>The Petitioner is challenging the upward review of tariffs for water services made by WASREB.</p>	<p>Janet Olewe/Tacey Makori</p>	<p>Awaiting ruling notice.</p>
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58.	WRA/4/209	Nakuru ELCA 45 of 2023 - WRA VS Patel Coffee Estate	<p>WRA filed an appeal against the decision of the Water Tribunal delivered on 8th December, 2023, issuing a temporary injunction restraining WRA from decommissioning the Tindress Dam located in Nakuru County.</p> <p>WRA also filed an application seeking to stay the decision of the Water Tribunal delivered on 8th December, 2023.</p>	Janet Olewe/Tacey Makori	<p>The Court directed that the appeal be marked as withdrawn with half costs.</p> <p>Costs taxed and court file closed. Payment pending.</p>
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81.	WRA/4/210	Milimani ELC Pet. E035 of 2024 - Chelsea Marina Court Residents Association vs WRA & Others	Demolitions on riparian reserves	Janet Olewe/Tacey Makori	Court directed parties to explore out of court settlement. Mention on 8th October 2025 for further directions.
83.	WRA/4/211	Milimani HC Pet. E245 of 2024 - Kenya Human Rights Commission vs CS Interior & Others	The Petitioner alleges that the Respondents failed in their mandates towards preparing and responding to the floods crisis which resulted in violation of rights under the Constitution of Kenya	Janet Olewe/Tacey Makori	20th March 2025 matter scheduled for judgment on 13 th August, 2025. Judgment to be delivered on notice.
84.	WRA/4/212	Water Tribunal Appeal No. E002 of 2024 - Radheshyam Transport Limited vs WRA	Demolitions on riparian reserves	Janet Olewe/Tacey Makori	Mention on 19 th August 2025.
85.	WRA/4/213	Milimani ELCLPET NO. E039 of 2024 - Jannah Properties Ltd vs NEMA & Others	Demolitions on riparian reserves	Janet Olewe/Tacey Makori	Case scheduled for mention on 24 th September 2025.
86.	WRA/4/214	Milimani Commercial Case No. MCELC/E206 of 2024 - Delpak Properties Ltd vs WRA	Demolitions on riparian reserves	Janet Olewe/Tacey Makori	The ruling was delivered on 28th August 2024 dismissing the Plaintiff's application. Pending hearing/directions on the hearing of the suit.
87.	WRA/4/215	Milimani ELCLC No. E204 of 2024 - Mourice Otieno & Others vs WRA & Others	Demolitions on riparian reserves	Janet Olewe/Tacey Makori	The Court directed that the case be mentioned on 16th October 2025.
88.	WRA/4/216	Water Tribunal Appeal No. E003 of 2024 - Ephantus Kibe & Another vs WRA	Demolitions on riparian reserves	Janet Olewe/Tacey Makori	Appeal withdrawn by the Appellant. Mention on 11th September 2025 for directions on payment of costs by the Appellant to the Respondent.

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89.	WRA/4/217	Milimani ELC Pet. No. E047 of 2024 - Kamal Mechanical Engineering Ltd vs NEMA & Others	Demolitions on riparian reserves	Janet Olewe/Tacey Makori	<p>On 9th December 2024, the court directed that the case be heard on 2nd April 2025.</p> <p>On 2nd April 2025, the court directed that the case be mentioned on 27th May 2025.</p> <p>On 27th May 2025, the court directed that the case be mentioned on 24th September 2025.</p>
91.	WRA/4/219	Milimani ELC No. EPCC E008 of 2024 - Cape Suppliers Ltd vs CS Interior & Others	Demolitions on riparian reserves	Janet Olewe/Tacey Makori	<p>Case was scheduled for hearing of the application dated 14th June 2024 on 1st July 2024.</p> <p>On 1st July 2024, the case was scheduled for mention on 24th July 2024.</p> <p>On 24th July 2024, the case was scheduled for mention on 23rd September 2024.</p> <p>On 23rd September 2024, the case was scheduled for mention on 18th November 2024.</p> <p>On 18th November 2024, court directed that the case be mentioned on 5th February 2025.</p>

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					<p>On 5th February 2025, court directed that the case be mentioned on 12th March 2025.</p> <p>12th March 2025-the 2nd Defendant granted 7 days and AG granted 45 days to file and serve their response. Hearing set for 22nd October, 2025.</p>
92	WRA/4/220	Milimani ELC Pet. No. E056 of 2024 - English Press Limited vs CS. Ministry of Interior & others	Demolitions on riparian reserves	Janet Olewe/Tacey Makori	<p>The case was scheduled for mention on 18th July 2024. On 18th July 2024, the Respondents sought time to file a response to the application. Respondents were granted 21 days to file responses. Petitioners granted corresponding leave to file any supplementary documents. Hearing of the application on 25th September 2024.</p> <p>On 25th September 2024, Respondents sought for additional time to file responses. Respondents granted 14 days to file responses. Mention to confirm compliance and take further directions on the hearing scheduled for 6th November 2024.</p> <p>On 6th November 2024, court directed that the case be mentioned on 21st January 2025.</p>

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					<p>On 21st January 2025, court directed that the case be mentioned on 4th March 2025.</p> <p>On 4th March 2025, the court scheduled highlighting of submissions on 4th June 2025.</p> <p>On 4th June 2025, the court directed that highlighting of submissions be deferred to 24th July 2025.</p> <p>Mention on 30th September 2025.</p>
93	WRA/4/221	Milimani CMCC ELC Case No. E285 of 2024 - Geoffrey Mwangi & others vs WRA & others	Demolitions on riparian reserves	Janet Olewe/Tacey Makori	Case scheduled for hearing on 16th July 2024. Awaiting hearing notice.
94	WRA/4/222	Kajiado HCCRREV No. E053 of 2024 - Saheel Shah vs DPP	Application seeking to review proceedings in the Chief Magistrates Criminal Court and terminate proceedings in the Chief Magistrates Court	Janet Olewe/Tacey Makori	<p>Case mentioned on 8th July 2024. The DPP requested for 7 days to enable her call for the file in Oloitoktok. Court grants parties 7 days to file responses, if need be. Mention on 16th July 2024.</p> <p>On 16th July 2024, the Judge directed that the matter be mentioned on 23rd September 2024.</p> <p>On 23rd September 2024, the Judge directed that the matter be mentioned on 24th October 2024.</p> <p>On 24th October 2024, the court</p>

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					<p>directed that the case be mentioned on 19th February 2025.</p> <p>On 19th February 2025, the court directed that the case be mentioned on 3rd April 2025.</p>
					<p>On 3rd April 2025, the court directed that the case be mentioned on 19th May 2025.</p> <p>On 19th May 2025, the court directed that the case be mentioned on 18th June 2025 for highlighting of submissions.</p> <p>On 18th June 2025, the court directed that ruling shall be delivered on 23rd October 2025.</p>
	WRA/4/223	Milimani ELC EP Pet. No. E023 of 2024 - Jagit Singh & others vs CS. Ministry of Interior & others	Demolitions on riparian reserves	Janet Olewe/Tacey Makori	On 11th June 2025, the court directed that the case be mentioned on 16th September 2025.
96.	WRA/4/225	Milimani CMCC No. E4329 of 2024 - Samdamte Water Services Limited & Another vs WRA	Enforcement resulting to disconnection of illegal boreholes	Prof. Albert Mumma & Company Advocates	<p>The Plaintiff's Application dated 20th August 2024 was coming up for hearing on 24th September 2024.</p> <p>The Plaintiff filed another application dated 26th August 2024. The application was scheduled for hearing on 24th September 2024.</p> <p>The Defendant filed a Preliminary Objection dated 23rd September 2024.</p>

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					The Court upheld the Defendant's Preliminary Objection and dismissed the applications and suit on 8th October 2024.
96.	WRA/4/226	Milimani ELC No. ELCLOM/E003 of 2024 - Livingstone Sigei & others vs County Government of Nairobi & others	Plaintiffs allege that the County Government of Nairobi is likely to undertake illegal demolitions on their properties	Janet Olewe/Tacey Makori	The application dated 24th June 2024 was scheduled for hearing on 23rd September 2024. On 30th April 2025, ruling was delivered dismissing the Plaintiffs' application. Mention on 28th October 2025.
97.	WRA/4/227	Kajiado ELC Pet. E006 of 2023- Kenneth Senteu Ole Kelly & Others vs. County Government of Kajiado County & Others	Petitioners allege forceful evictions and threats of demolitions of their houses on the basis that they have encroached riparian land. Petitioners allege constitutional violations based on the actions above-mentioned.	Janet Olewe/Tacey Makori	On 11th June 2025, the court directed that ruling shall be delivered on 31st July 2025. Mention on 23rd October 2025.
98.	WRA/4/228	Milimani ELC Pet. No. E035 of 2024 - Abraham Karuti & another vs WRA & others	Petitioners allege that the Respondents unlawfully disconnected their access to water	Janet Olewe/Tacey Makori	On 30th January 2025, the judgment was delivered. The Petition was dismissed with no order as to costs.
101.	WRA/4/231	Kajiado ELC Pet. No. E015 of 2024 - Jonathan Olegela & others vs Rashid Hussein & others	Petitioners allege that some of the Respondents have intruded Esilenkei Group Ranch and are undertaking illegal activities on the parcel of land such as drilling of boreholes, deforestation and burning of charcoal which are adversely impacting the environment.	Janet Olewe/Tacey Makori	Mention to confirm compliance and take further directions shall be on 24th September 2025.

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3.	WRA/4/233	Malindi HCCHR Pet. No. E024 of 2024 - Magarini Amani Community Self Help Group & others vs WRA & others	Imposition of water use charges on salt harvesting companies	Janet Olewe/Tacey Makori	On 5th March 2025, the court directed that it shall deliver its ruling on the AG's Preliminary Objection on 11th July 2025 as well as give directions on WRA's Preliminary Objection.
104.	WRA/4/234	Milimani ELC Appeal No. E004 of 2025 - WRA vs Radheshyam Transport Limited & others	An appeal arising out of a decision of the Water Tribunal in WT Appeal No. TRWAC/E002 of 2024	Janet Olewe/Tacey Makori	<p>Court granted Respondents 14 days to file responses. Appellant granted 21 days after service to file submissions. Respondents granted 21 days after service to file submissions. Mention on 19th March 2025 to take a ruling date.</p> <p>On 19th March 2025, the court issued further directions on filing of submissions. Mention on 29th July 2025.</p> <p>Mention on 19th November 2025.</p>
5.	WRA/4/235	Milimani ELC Pet. No. E036 of 2024 - Diana International Limited & another vs Archdiocese of Nairobi Kenya Registered Trustees & others	Petitioners allege that the 1st Respondent is in the process of constructing classrooms, related facilities and a sewerage system on the suit property which may have adverse impacts on the environment and cause pollution	Janet Olewe/Tacey Makori	Hearing to proceed on 15th September 2025 and 10th November 2025.
106.	WRA/4/236	Murang'a ELC LC Pet. No. E006 of 2024 - Chania Enterprises Limited vs National Land Commission & others	Petitioners are seeking orders against implementation of the Decision and Advisory of National Land Commission dated 29th October 2024	Janet Olewe/Tacey Makori	<p>On 3rd June 2025, the court directed that the case be mentioned on 8th July 2025.</p> <p>Mention on 3rd November 2025.</p>

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107.	WRA/4/237	Kerugoya HCJR No. E001 of 2025 - Eliud Nduguto Mugo vs WRA & AG	Enforcement of a court order	Janet Olewe/Tacey Makori	On 30th June 2025, the 1st Respondent sought additional time to file submissions. The court granted Respondents 14 days to file submissions. Mention on 16th October 2025 to confirm compliance.
108.	WRA/4/238	Milimani ELCLC No. E082 of 2025 - Zete Enterprises Limited vs WRA & Another	Encroachment of riparian reserve	Janet Olewe/Tacey Makori	On 2nd June 2025, the court directed that mention for pre trial directions shall be on 12th August 2025.
109.	WRA/4/240	Milimani MCELC No. E185 of 2025 - Mwafa Court Limited vs WRA	Disconnection of illegal boreholes	Janet Olewe/Tacey Makori	On 12th May 2025, the court directed that the case shall be mentioned on 8th July 2025. On 8th July 2025, the ruling was reserved for 30th July 2025. On 30th July 2025, court directed that the ruling would be delivered on notice.
110.	WRA/4/241	Milimani ELCEP PET. No. E012 of 2025 - Kamalkumar Rajinkant & others vs Nairobi City County Government & others	Non-compliance with the provisions of the Physical and Land Use Planning Act, 2019	Janet Olewe/Tacey Makori	Petitioners application dated 3rd March 2025 is scheduled for hearing on 23rd April 2025. On 23rd April 2025, the court directed that the case be mentioned on 20th May 2025. On 20th May 2025, the court directed that the application be heard on 30th June 2025. Mention on 19th September 2025.
111.	WRA/4/247	Milimani ELCLC Case No. E533 of 2024 - Mountain View Estate	Encroachment of a wetland	Janet Olewe/Tacey Makori	Case is coming up for mention on 8th July 2025.

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		Residents Trust vs Board of Trustees NSSF & others			Mention on 29th October 2025.
2.	WRA/4/248	Milimani ELC Case No. E033 of 2025 - Sai Sports Wear & Uniforms Limited vs NEMA & others	Obstruction of natural water flow and encroachment of riparian reserve	Janet Olewe/Tacey Makori	Case is scheduled for mention on 23rd June 2025. On 23rd June 2025, the court granted parties time to file responses. Mention on 28th July 2025. Mention on 18th September 2025.
3.	WRA/4/249	Milimani ELCEP Pet. No. E018 of 2025 - George Mbugua & others vs Nairobi City County & others	Declaration of the Nairobi River Corridor as a Special Planning Area	Janet Olewe/Tacey Makori	On 25th June 2025, the court directed that the ruling shall be delivered on 31st October 2025.
4.	WRA/4/250	Makueni HC Civil Case No. E002 of 2025 - Kutch Kibwezi Farm Limited vs WRA & another	Disconnection of water abstraction equipment	Janet Olewe/Tacey Makori	Mention on 16th July 2025. Mention on 27th October 2025 for further directions.
5.	WRA/4/251	Milimani ELCL Pet. No. E046 of 2025 - Patricia Wangui & others vs Simon Kinyatti & others	Encroachment of riparian reserve	Janet Olewe/Tacey Makori	Mention on 17th September 2025.

30. DIVIDENDS/SURPLUS REMISSION

In accordance with Section 219 (2) of the Public Financial Management Act regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. The authority did not make any surplus during the year and hence no remittance to the Consolidated Fund.

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 State Corporation/ or a Semi- Autonomous Government Agency under the Ministry of water and Sanitation. Its ultimate parent is the Government of Kenya.

33. Currency

The financial statements are presented in Kenya Shillings (Kshs).

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20. Appendices

Appendix 1: Implementation status of Auditor -Generals' Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1. Property Plant and Equipment Kshs 186,846,950	<p>The statement of financial position reflects property, plant, and equipment balance of Kshs.186,846,950 as at 30 June, 2024 and as disclosed in Note 20 to the financial statements. However, the amount excludes value of land owned by the authority. Further the ownership documents for the land were not provided</p> <p>Consequently, the accuracy and completeness of the property, plant and equipment balance of Kshs. 186,846,950 as at 30 June, 2024 could not be confirmed.</p>	<p><i>We concur with the observation that we have unvalued parcels of land across the Country on which Water Resources Authority has put various developments is excluded from property, plants and equipment. Currently land for most of the offices has been demarcated and fenced off and ownership acquisition process is ongoing at county physical planning offices</i></p>	Not resolved	31 December 2025
2. Receivables from Exchange Transactions	<p>The statement of financial position reflects receivables from exchange transactions balance of Kshs.2,498,440,036 as disclosed in Note 18 to the financial statements. Although the Management provided for a general provision of 10% amounting to Kshs. 277,604,448, the general provision for bad debts for the period under review appears inadequate for the growing long outstanding receivables from exchange transactions owing to failure to make a provision for specific bad debts. Further, the Authority has not adhered to its own debt collection policy which requires debts to be recovered as when they fall due and outstanding debts should be stated as nominal value less provisions of 10% and 50% for debts older than 8 and 12 months respectively.</p>	<p><i>WRA management has instituted several mechanisms in debt recovery apart from providing for bad debts; -The management engaged a debt collection agent (Earth view management ltd in Joint Venture with Kenya Airport Parking Services) with effect from 1st September, 2023 Vide Contract Number WRA/T/09/2022-2023 for provision of debt collection services.</i></p>	Partially resolved	31 December 2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>In the circumstances, the completeness and recoverability of the receivables from exchange transactions balance of Kshs.2,498,440,036 could not be confirmed.</p>			
<p>3. Long Outstanding Trade and other Payables</p>	<p>The statement of financial position reflects trade and other payables from exchange transactions amounting to Kshs.1,364,819,352 as further disclosed in Note 21 to the financial statements. The amount includes payables in respect of Pay as You Earn (PAYE), Water Resources Authority Pension and National Social Security Fund amounting to Kshs.640, 115,417, Kshs.512,234,545 and Kshs.1,438,280, respectively, all totalling Kshs.1, 153, 788,242 which had not been remitted.</p> <p>Further, the amount includes audit fees amounting to Kshs.5,830,633 which has been outstanding for long.</p> <p>Delayed remittance of statutory deductions will attract interest and penalties.</p>	<p><i>The above observations have been noted. WRA endeavors to clear its financial obligations on time but in the matter above, especially Paymaster and WRA pension dues; they relate to prior years before August 2016. During the year 2022/23, WRA settled a debt of Kshs 3,000,000 relating to audit fees therefore reducing the debt to kshs 5,830,633. WRA has negotiated with Pension Administrator on a payment plan for the past debt and has written to national treasury on the Waiver of the past PAYE.</i></p>	<p>Partially resolved</p>	<p>31 December 2025</p>
<p>4. UnServiced Long Term Loan</p>	<p>The statement of financial position reflects current portion of borrowing and Long-term loan of Kshs.144,168,607 and 284,046,302 respectively as reflected in Note 25 to the financial statements. The loan relates to an on-lent loan from the Government of Kenya arising from a credit granted by the World BANK (IDA) earmarked for Natural Resources</p>	<p><i>The long term loan of Kshs 362 ,612,300/=, was on-lent from the Government of Kenya out of proceeds of World Bank(IDA) credit and was earmarked for Natural Resources</i></p>	<p>Not Resolved</p>	<p>30th <u>June</u> 2026</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Management (NRM) Project with various effective dates of repayments starting 30 March 2017. Although the repayment fell due, the Authority has not started repaying the loan yet, hence the loan is accruing interest and penalties every year. Current portion of borrowing is Kshs.78, 565,998 (principal amount), and Kshs.65, 602,609 interest and penalties.</p> <p>Further, delay in repaying the loan means more accruing interest and penalties to the Authority due to compounding of penalty at 2% per annum of the outstanding balance as per the loan agreement.</p>	<p><i>Management (NRM) Project in 2007. The loan is being repaid by the National Treasury on behalf of the Government of Kenya to the lender, WRA through a subsidiary agreement WRA is supposed to be paying the National Treasury the amounts for the Installments for the Loan Principal and Interests.</i></p> <p><i>Due to limitation of resources and underfunding, WRA has not been a position to repay the loan and has made several communications to the Parent Ministry and National Treasury with regard to the Matter where WRA had written to the PS Ministry of Water and Sanitation & Irrigation and the Investment Secretary at National Treasury informing them of the inability to pay since WRA is a non-commercial government agency and had therefore requested for the financial support in repayment or waiver</i></p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p><i>of the facility. Further WRA had requested for a tripartite meeting with the Investments secretary through the PS Ministry of Water and Sanitation to discuss the issue and way forward which is currently waiting for the feedback.</i></p> <p><i>As a way forward in addressing the issue, WRA revised upwards its fees for water use charges as contained in the second schedule of Water Resources Regulation 2021 (Legal Notice N0 170) but its implementation was halted by a court injunction.</i></p>		
<p>5. Debarment of Implementation of New Water Tariffs</p>	<p>Included in the general expenses of Kshs.291,703,384 is legal costs of Kshs.1,843,958. Review of case register maintained by the Authorities' legal department revealed that conservatory orders were issued suspending the implementation of water use charges in the case Nairobi Petition No. E108 of 2023. The Petitioners were seeking orders against the Respondents that a declaration be issued to declare that the Water Resources Regulations, 2021 were promulgated in violation of Article 10 and 96 of the Constitution and Section 11 of the Statutory Instrument Act, 2013.</p>	<p><i>The above observations have been noted. The conservatory orders issued suspending the implementation of water use charges in the case Nairobi Petition No. E108 of 2023 is beyond the Authority's control. The water use charges as had been provided under the Water Resources Regulations 2021 was stopped. This therefore means that</i></p>	<p>Resolved P</p>	<p>31 December 2025</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<i>in the period the stay orders by court are in place, WRA is not in a position to generate revenue (A.I.A) from Water Use Charges.</i>		
Budgetary Control and Performance	<p>The statement of comparison of budget and actual on comparative basis reflects budgeting receipts against actual on comparative basis of Kshs.1,675,033,219 and Kshs.1,372,444,466 resulting to under-collection of Kshs.302,588,753 or 18% of the budget. Similarly, the Authority spent Kshs.1,603,768,810 against budgeted amount of Kshs.1,675,033,219 resulting to under-expenditure of Kshs.71,264,409.</p> <p>The under-collection and under-performance affected the planned activities and may have impacted negatively on service delivery to the public.</p> <p>My opinion is not modified in respect to this matter.</p>	<p><i>The above observations have been noted. Kindly note that WRA's budget was prepared as per the guidelines issued by the national treasury. The estimates are usually realistic but in the report, the under collection is as a result of the court petition that halted implementation of some sections of the Water Resources Regulations 2021 therefore preventing WRA from collecting Water Use charges which is a critical revenue stream. The under expenditure is as a result of controlled spending due to limited income flows and late disbursement of development funds from National Treasury.</i></p>	Resolved	31 December 2025


CEO WRA
 Date..... 28/8/25


Chairman of the Board

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Appendix II: Projects Implemented by WRA

Horn of Africa Groundwater for Resilience (HOAGW4RP)

Horn of Africa Ground Water for Resilience Project is a World Bank funded project executed by the Ministry of Water and Sanitation (MoWSI). Water Resources Authority (WRA) is one of the implementing agencies of the project and has Project Implementation Unit (PIU) within the institution. The PIU reports to the Project Coordinator (PC) of WRA management. The project account and auditing is done at the PIU during the review of various implementing agencies.

Project Title	Project Number	Donor	Period/duration	Donor commitment ('000 Euros)	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these Financial Statements (Yes/No)
Horn of Africa groundwater for Resilience)	70820 KE	World Bank	6 yrs	40,566	Yes	Yes
Total				40,566		

Status of Projects Completion

SN	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Source of funds
001	Horn of Africa GroundWater for Resilience	5,115,510,000	503,240,829	9.8%	380,000,000	292,547,634	IDA/ World bank

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Appendix III: Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) Previous Year	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) Current Year
Land, Buildings and structures	393,706,080	0	0	0	393,706,080
Transport equipment (Motor vehicles)	212,538,573	13,978,000	0	0	226,516,573
Office equipment, furniture and fittings	352,374,670	113,865,716	0	0	466,240,387
ICT Equipment	179,121,061	14,781,304	0	0	193,902,365
Infrastructure Assets- (Water supply)	33,262,521	0	0	0	33,262,521
Intangible assets	246,954,759	6,674,200	0	0	253,628,959
Total	1,417,957,664	149,299,220	0	0	1,567,256,885

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Appendix IV: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Date received	Nature: Recurrent/Development/Others	Total Amount - KES	Where Recorded/recognized					Total Transfers during the Year
	as per bank statement			Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others - must be specific-Opening deferred income	
Ministry of Water and Sanitation- Recurrent grant	FY24/25	Recurrent	201,333,333	201,333,333	0	183,223,235	0	0	201,333,333
Ministry of Water and Sanitation & SDL	FY24/25	Development	218,023,999	109,380,706	0	81,357,088	0	0	218,023,999
HOAGW4RP	FY24/25	Development	292,547,634.20	275,524,099	92,143,730	1,678,437	0	0	292,547,634.20
CRWS&CRP	FY24/25	Development	140,659,100	116,878,723	0	23,939,644		0	140,659,100
State Department for Livestock	FY 24/25	Development	99,043,600	83,389,,060	0			0	99,043,600
Total			951,607,666	902,908,6220	92,143,730	290,198,404	0	0	951,607,666

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Appendix V- Inter-Entity Confirmation Letter

Name of Transferring entity: State Department of Water and Sanitation /State Department of Irrigation/State Department of Livestock

Amount disbursed by the State Department for Water and Sanitation for the period ending 30th June,2025 Water Resources Authority.				
Date Disbursed	Recurrent (Kshs) A	Development (B)	Donor (C)	Total D (A+B+C)
30/08/2024	5,333,333			5,333,333
23/09/2024	5,333,333			5,333,333
19/09/2024			68,956,089.50	68,956,089.50
23/10/2024		9,500,000		9,500,000
28/10/2024	5,333,333			5,333,333
18/11/2024	5,333,333			5,333,333
28/11/2024		4,749,998		4,749,998
03/12/2024		4,750,000		4,750,000
19/12/2024	5,333,333			5,333,333
09/01/2025	5,333,333			5,333,333
14/01/2025		4,750,000		4,750,000
29/01/2025			223,591,544.70	223,591,544.70
10/02/2025	5,333,333			5,333,333
12/03/2025	5,333,333			5,333,333
03/04/2025	5,333,333			5,333,333
14/05/2025	51,111,112			51,111,112
22/05/2025		81,250,000		81,250,000
10/06/2025	51,111,112			51,111,112
17/06/2025		68,499,997		68,499,997
07/07/2025	51,111,112			51,111,112
16/07/2025		44,524,004		44,524,004
Totals	201,333,333	218,023,999	292,547,634.20	711,904,966.2

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Amount disbursed by the State Department for Irrigation for the period ending 30th June, 2025 Water Resources Authority.				
Date Disbursed	Recurrent (Kshs) A	Development (B)	Donor (C)	Total D (A+B+C)
22/08/2024			67,274,110	
29/05/2025			73,384,990	
Totals			140,659,100	140,659,100

Amount disbursed by the State Department for Livestock for the period ending 30th June, 2025 Water Resources Authority.				
Date Disbursed	Recurrent (Kshs) A	Development (B)	Donor (C)	Total D (A+B+C)
14/11/2024			20,000,000	
16/01/2025			19,521,800	
09/05/2025			40,000,000	
29/05/2025			19,521,800	
Totals			99,043,600	99,043,600

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

**Head of Account Department
State Department of Water and Sanitation**

Name

Signature.....

Date.....

**Head of Accounts Department
State Department of Water and Irrigation**

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Name

Signature.....

Date.....

**Head of Accounts Department
State Department of Livestock**

Name

Signature.....

Date.....

**Head of Accounting Unit
Water Resources Authority**

Name JAMES MBURU

Signature [Handwritten Signature]

Date 28/08/2025