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REPORT

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Deputy Leader, Majority Party

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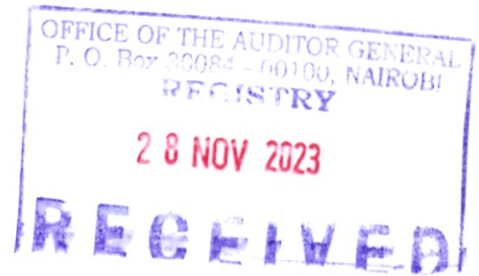
ON

**COASTAL REGION WATER SECURITY AND
CLIMATE RESILIENCE PROJECT CREDIT
NO. 5543-KE/70040-KE**

**FOR THE YEAR ENDED
30 JUNE, 2023**

**STATE DEPARTMENT FOR WATER AND
SANITATION**





COASTAL REGION WATER SECURITY AND CLIMATE RESILIENCE PROJECT

MINISTRY OF WATER, SANITATION AND IRRIGATION

STATE DEPARTMENT FOR WATER AND SANITATION

PROJECT CREDIT NUMBER 5543-KE/ 70040-KE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2023

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

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*Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023*

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1. Acronyms and Glossary of Terms

CBK	Central Bank of Kenya
C-ESMP	Construction Environmental and Social Management Plans
CDA	Coast Development Authority
GOK	Government of Kenya
GBV	Gender based Violence
GRM	Grievance Redress Committee
GRM	Grievance Redress Mechanism
ICPAK	Institute of Certified Public Accountants of Kenya
IDA	International Development Association
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OAG	Office of the Auditor General
PAH	Project Affected House
PAP	Project Affected Person
PFM	Public Finance Management.
PIU	Project Implementing Unit
PMU	Project Management Unit
PSASB	Public Sector Accounting Standards Board
RAP	Resettlement Action Plan
SEA/SH	Sexual Exploitation and Abuse/Harassment
VfM	Value for money

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WB World Bank

Comparative FY Financial year preceding the current financial year.

(Project to include all acronyms and glossary of terms used in the annual report and financial statements)

2. Project Information and Overall Performance

2.1 Name and registered office

Name

The project's official name is Coastal Region Water Security and Climate Resilience Project.

Objective

The objective of the project is to sustainably increase bulk water supply to Mombasa and Kwale Counties and also increase access to water and sanitation in Kwale County.

Address

The project headquarters offices are Nairobi, Nairobi County, Kenya.

The address of its registered office is:

Kenya Water Security and Climate Resilience Project,
Ministry of Water & Sanitation and Irrigation-Ngong Road,
Maji House
P.O Box 49720-00100 Nairobi

The project also has offices/branches as follows:

- Mombasa – Mazera's
- Kwale County Government
- Coast Development Authority

Contacts: The following are the project contacts

Telephone: (254) 2716103

E-mail: info@kwscrp.org

Website: www.kwscrp.go.ke

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Project information and overall performance (continued)

2.2 Project Information

Project Start Date:	11 th May 2015
Project End Date:	31 st January 2026
Project Manager:	Eng. Vincent N. Kabuti
Project Sponsor:	The project sponsor is Ministry of Water, Sanitation and Irrigation, State Department for Water

2.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of the Ministry of Water, Sanitation and Irrigation, State Department for Water.
Project number	Credit no 5543 / 70040 KE
Strategic goals of the project	The strategic goals of the project are as follows: <ul style="list-style-type: none"> (i) To sustainably increase bulk water supply to Mombasa and Kwale County. (ii) To increase access of water and sanitation in Kwale County.
Summary of Project Strategies for achievement of strategic goals	The project management aims to achieve the goals through the following means: <ul style="list-style-type: none"> (i) Increase availability and productivity of irrigation water for project beneficiaries and enhance the institutional framework and strengthen capacity for water security and climate resilience for the country
Other important background information of the project	The project is funded by the Government of Kenya (GOK) International Development Association (IDA). The project total cost is US\$ 255 million as indicated below and is to be implemented over seven years.

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	<ul style="list-style-type: none"> • IDA (USD200M) • Cancellation/ Exchange loss (SDR/USD) USD95M • Additional Financing (USD150M) <p>The project has three categories as per the financing agreement Category 1: Goods, works, non-consulting services, Training, Sub Grants and operations Costs for part A, Category 2: Goods, works, non-consulting services, consultants' services, Training, Sub grants and operation Cost for Part B, Category 3: Goods, works, non-consulting services, Training, Sub grants and operation Cost for Part C</p>
<p>Areas that the project was formed to intervene</p>	<p>The project was formed to intervene in the following problems/gaps:</p> <ul style="list-style-type: none"> (i) Increase bulk water supply to Mombasa and Kwale county (ii) Increase access to water in Kwale
<p>Project duration</p>	<p>Eleven (11) Years</p>

Project Information and Overall Performance (Continued)

2.4 Bankers

The following are the bankers for the current year:

- (i) Designated Account
Central Bank of Kenya
Account No. 1000263954
P.O. Box 6000-00200 Nairobi.
- (ii) Project Accounts
Central Bank of Kenya
Account No. 1000457217
Head Office, Haile Selassie Avenue

2.5 Independent Auditor

The project is audited by:

The Auditor General,
Office of the Auditor General (OAG)
Anniversary Tower, University Way
P.O. Box 30084 Nairobi.

2.6 Roles and Responsibilities

Names	Title designation	Key qualification	Responsibilities
Julius Korir	Principal Secretary	BSC Agriculture Economics, MBA International Business	Accounting Officer
Eng. Samuel Alima	Water Secretary	BSC Civil Engineering	Coordination of the Project
Eng. Vincent N. Kabuti	Project Manager	BSC Civil Engineering	Overall Project Management
CPA James K. Karori	Head of Accounting Unit	B.com, CPA(K)	Financial Management

2.7 Funding summary

The project is funded by the Government of Kenya (GOK) and the International Development Association (IDA). Originally, the project was financed through a US\$ 200 million ADA credit that was later revised to US\$ 244.56 million (IDA) US\$ 105.00 m and Gok US\$ 139.56 m) following project restructuring in March 2019. The changes in project financing structure were confirmed in the amended Project Financing Agreement signed on 27th March 2020. In February 2022, the World Bank approved additional financing of US\$150m, subsequently total financing of \$255M with an extension of the closing date to January 31, 2027.

Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Donor Commitment		Amount received to date – (30 th June 2023)		Undrawn balance to date	
	Donor currency USD	Kshs	Donor currency USD	Kshs	Donor currency USD	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Grant						
(ii) Loan						
IDA	255,000,000	31,365,000,000	53,732,907	5,814,160,325	201,267,093	25,550,839,675
(iii) Counterpart funds						
Government of Kenya	40,000,000	4,920,000,000	18,375,000	1,987,500,000	21,625,000	2,932,500,000
Total	295,000,000,000	36,285,000,000	72,107,907	7,801,660,325	294,927,892,093	28,483,339,675

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Project information and overall performance (continued)

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2023)		Cumulative amount paid to date – (30 th June 2023)		Unutilised balance to date (30 th June 2023)	
	<i>Donor currency</i>	<i>Kshs</i>	<i>Donor currency</i>	<i>Kshs</i>	<i>Donor currency</i>	<i>Kshs</i>
	<i>(A)</i>	<i>(A')</i>	<i>(B)</i>	<i>(B')</i>	<i>(A)-(B)</i>	<i>(A')-(B')</i>
(i) Grant						
(i) Loan						
IDA	9,529,613	1,334,145,841	53,732,907	5,814,160,325	201,267,093	25,550,839,675
(ii) Counterpart funds						
Government of Kenya	1,785,714	250,000,000	18,375,000	1,987,500,000	21,625,000	2,932,500,000
Total	11,315,327	1,584,145,841	72,107,907	7,801,660,325	294,927,892,093	28,483,339,675

Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

- i) Budget performance against actual amounts for current year and for cumulative to-date,

	2022/2023		CUMULATIVE TOTAL		Variance %
	Budget	Actual	Budget	Actual	
Receipts from Government of Kenya	250,000,000	250,000,000	2,000,000,000	1,987,500,000	67%
Loan from External Development Partners	1,700,000,000	1,334,145,841	10,130,000,000	5,814,160,325	57%
TOTAL	1,950,000,000	1,584,145,841	12,130,000,000	7,801,660,325	59%

- ii) Physical progress based on outputs, outcomes, and impacts since project commencement,
- iii) The absorption rate for each year since the commencement of the project.

	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Receipts from Government of Kenya	150,000,000	500,000,000	125,000,000	162,500,000	300,000,000
Loan from External Development Partners	308,550,000	277,299,541	330,748,018	2,388,176,785	786,966,167
TOTAL	458,550,000	777,299,541	455,748,018	2,550,676,785	1,086,966,167
Absorption rate %	2%	3%	2%	10%	4%

	2021/22	2022/2023	Cumulative-to-date
Receipts from Government of Kenya	500,000,000	250,000,000	1,987,500,000
Loan from External Development Partners	388,273,973	1,334,145,841	5,814,160,325
TOTAL	888,273,973	1,584,145,841	7,801,660,325
Absorption rate %	4%	6%	32%

- iv) *List the implementation challenges and recommended next steps.*

During the financial year, the project was reduced in supplementary I budget hence affected disbursements. Consequently, the contractor's payment for IPC 3, 4 and 5 could not be released because there was no budget. This is rectified in supplementary II budget.

2.9 Summary of Project Compliance:

The project has not had any cases of non-compliance with applicable laws and regulations including the project financing agreement

3. Statement of Performance against Project’s Predetermined Objectives

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity’s performance against predetermined objectives.

The key development objectives of the project’s agreement/ plan are to:

- a) Increasing the supply of bulk water to Kenya’s coastal region, including Mombasa
- b) Increasing access to water in the coastal region including Mombasa
- c) Developing an Irrigation Demonstration Scheme

The below highlights attendant indicators identified for reasons of tracking progress and performance measurement:

Objective	Outcome	Indicator	Performance
Increasing the supply of bulk water to Kenya’s coastal region, including Mombasa	Mwache Dam and Related Infrastructure	Bulk water supply from Mwache Dam (Cubic meters/year, Custom)	<ul style="list-style-type: none"> • The Contractor and the Engineer have both been adequately mobilized. Excavation of the permanent works at the main dam, lower check dam and the base camp started and are progress as planned. • A spillway hydraulic model test for the spillway was successfully concluded and findings are being incorporated into the designs. • The Dam Safety Panel of Experts visited the site in March 2023 and prepared a report. Their findings are being implemented by Project management Unit (PMU). • The Construction Environmental and Social Management Plans (C-ESMPs) and the Health and Safety Management Plans were approved. The Engineer is monitoring their implementation for compliance.
		Number of people in drought-vulnerable project areas in Kwale	The Contractor was granted another extension which lapses on 4 th September 2023. The project has taken shape at about 75% completion with most civil works completed.

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		county gaining access to improved drinking water sources and water for productive use as a result of project interventions	The only pending major work is supply of electromechanical equipment for Marere Waterworks, Mwadabara I and Mwadabara II.
		Area under sustainable land and water management practices (Hectare(Ha),	<ul style="list-style-type: none"> • In ensuring wholesome undertaking of conservation interventions in the entire catchment, Coast Development Authority (CDA) Project Implementation Unit (PIU) managed to develop two (4) Sub-Catchment Management Plans (SCMPs). The total SCMPs developed to date are 21 for the Mwache watershed. Some SCMP related activities such as riparian marking, tree planting and soil erosion control were implemented in selected hotspots. • Water Quality Monitoring and water monitoring station rehabilitation activity was done between 4th to 9th June 2023. Samples for full chemical analysis and sediment load were also completed. • Target land area under sustainable land and water management practices currently stands at 1139ha.
Increasing access to water in the coastal region including Mombasa	Number of public schools provided with WASH facilities under the project	Number of public schools provided with WASH facilities under the project (Number)	The construction of the second phase of 15 latrines has delayed for over one year as due to several factors such as delays in procuring Contractors for implementation and operational reasons related to excavation (contractors encountered rocks). However, during the period under review, construction resumed for six (6) latrines. Lot 1 that consist of three (3) toilets continued and is now at 80% completion. Only doors are remaining, and the project will be completed end of September. Lot 2 (which also consist of three latrines) has faced some delays and currently stands at 24%. Procurement for a contractor to build an additional three facilities is ongoing.

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<p>Developing an Irrigation Demonstration Scheme</p>	<p>Number of people gaining access to water for productive use under the project</p>	<p>Direct project beneficiaries (Number</p>	<ul style="list-style-type: none"> • A total of 450 farmers especially Pemba and Matumbi areas were identified, sensitized and trained on different tenets of good agricultural practices with those having access to irrigation water via river ponds, household water pans and community pans give irrigation aligned interventions. Building on the previous periods results, specific emphasis was given on soil and water conservation, seed and fertilizer selection as well as general crop and animal management. These farmers were organized into groups and training sessions targeting their specific needs and lessons learnt from the Nyalani experience also disseminated. • Ten (10) host farmers were issued with inputs and facilitated to plant crops and their sites used as platforms for participatory trainings. A drive to have each farmer with access to water grow trees during the dry season was implemented. Going forward the activities in this subcomponent will be integrated with the wider catchment management plan for synergies
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Project Information and Overall Performance (Continued)

4. Environmental and Sustainability reporting

Like its sister project, the CWSCR is classified as Category A, has triggered the E&SSs as indicated in Table 2 below.

Table 2: Environmental and Social Safeguards and Safeguards Triggered in KWSCR

OB/BP	Safeguard	Policy Objectives	Triggered?	Reasons for Triggers
4.01	Environmental Assessment*	<ul style="list-style-type: none"> • Help ensure the environmental and social soundness and sustainability of investments. • Support integration of environmental and social aspects of projects in the decision-making process. 	YES	Investments are likely to have potential significant adverse environmental impacts
	Natural Habitats*	Promote environmentally sustainable development by supporting the protection, conservation, maintenance, & rehabilitation of natural habitats and their functions.	YES	Investments may be located in or close to areas with natural unique flora and fauna
4.09	Pest Management	Minimize and manage the environmental and health risks associated with pesticide use and promote and support safe, effective, and environmentally sound pest management.	YES	Invests in irrigation for agriculture purposes may use or cause to increased use of pesticides
4.11	Physical Cultural Resources (PCR)*	Assist in preserving PCR and in avoiding their destruction or damage. PCR includes resources of archeological, paleontological, historical, architectural, and religious (including graveyards and burial sites), aesthetic, or other cultural significance.	YES	Invests. will involve construction of mega projects in the water sector and excavation activities can lead to impacts on PCRs
4.12	Involuntary Resettlement*	Avoid or minimize involuntary resettlement and, where this is not feasible, assist displaced persons in improving or at least restoring their livelihoods and standards of living in real terms relative to pre-displacement levels or to levels prevailing prior to the start of project implementation, whichever is higher.	YES	Investments may involve land take for construction purposes
4.20	Indigenous Peoples*	Design and implement projects in a way that fosters full respect for indigenous peoples' dignity, human rights, and cultural uniqueness and so that they (1) receive culturally	YES	Investments may be located in areas with vulnerable and marginalized groups/people

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		compatible social and economic benefits, and (2) do not suffer adverse effects during the development process.		
4.36	Forests*	Realize the potential of forests to reduce poverty in a sustainable manner, integrate forests effectively into sustainable economic development, & protect the vital local & global environmental services and values of forests.	YES	Investments located in or close to areas with natural forests or affect forest catchments.
4.37	Safety Dams	of Ensure quality and safety in the design and construction of new dams & rehabilitation of existing ones, and in carrying out activities that may be affected by an existing dam.	YES	Investments like construction of dams for water & irrigating raises dam safety concerns
7.50	Project on International Water Ways	Ensure that the international aspects of a project on an international waterway are dealt with at the earliest possible opportunity and that riparian dwellers are notified of the proposed project and its details.	YES	Abstraction, diversion of water from targeted water bodies may trigger trans-boundary issues.
7.60	Projects in Disputed Areas	Ensure that other claimants to the disputed area have no objection to the project, or that the special circumstances of the case warrant the Bank's support of the project notwithstanding any objection or lack of approval by the other claimants.	NO	

1. Employee welfare

The project employs a workforce that reflects the diverse community at large. It complies with equal opportunities legislation and always seeks to promote fair employment policies, within the framework of the Kenyan culture and laws. The project seeks, at all times, to employ the best candidate/firms for the job.

All levels of management are responsible for applying these policies and avoiding any form of discrimination. Consultants selected and treated on the basis of their abilities according to the requirements of the job and have equal opportunity to show their ability.

Project Information and Overall Performance (Continued)

The project is committed to the maintenance of a neutral working environment, in which no current or prospective employee staff/consultants are because of their gender, marital status, religious belief, colour, race, or ethnic/national origin. All advertisements and advertising material are reviewed to ensure they do not imply any intention to discriminate.

The project has an equality, diversity, and inclusion policy to ensure that no unjustifiable discrimination occurs against individuals based on their sex or individuals on the ground of disability in relation to recruitment, benefits, terms and condition of employment and dismissal. Wherever possible, reasonable adjustments are made to the working environment to help a staff work conveniently.

2. Market place practices-

a) Responsible Supply chain and supplier relations-

Quotations will be sought from suppliers on the list of approved vendors on a competitive basis, and the best supplier offer will be selected to provide the required goods/services. The selected vendor is expected to provide supplies, services and works of acceptable quality, and have proven this at least once.

For procurement, Value for Money (VfM), transparency, economy, effectiveness, efficiency, and equity are the basic principles that are in procurement. Procurement is strictly compliant with government procurement procedures (e.g. in relation to value for money; tendering; due diligence). Purchases of goods and services are costed and evaluated for value for money (VfM) before purchase. VfM does not necessarily mean getting the lowest price. It means buying the right quality, in the right quantity, at the right price, at the right time. It also includes other considerations such as delivery and availability, additional costs e.g. transport and storage and the cost of procurement itself (i.e. time spent on the purchase).

Competition is usually the best and most appropriate way to ensure (and demonstrate) VfM, while negotiation is another way of achieving this end. The procumbent team ensures that relevant information regarding VfM is detailed in the procurement evaluation.

Project Information and Overall Performance (Continued)

b) Responsible ethical practices

The project upholds high technical, professional and safety standards. The project is committed to behaving ethically at all times and taking responsibility for the actions of staff/consultants when those actions are taken on behalf of the Ministry.

Where a credible allegation of bribery or corruption is made against a consultant or employee, he/she is specifically required by the terms of engagement with the project to participate fully and openly in all investigations undertaken. This can include the provision of full access to tax returns, bank records, and/or other relevant financial and personal data.

Moreover, measures are taken to mitigate against conflict between official duties and private interests. In line with the Ministry's Code of Conduct, all staff are required to disclose outside business interests or activities where these may conflict with or potentially damage the interests of the project.

Additionally, staff and consultants who are nominated to evaluate quotations/proposals as a member of procurement committee must sign CoI form and declare if a real or apparent conflict of interest is involved.

c) Regulatory impact assessment

Safeguard citizen and stakeholder's rights.

3. Community Engagements

Prevention and Management of Gender-Based Violence (GBV) and Sexual Exploitation and Abuse (SEA) risks

During the review period, the consultant recorded milestones, which include but not limited to, knowledge on where to report, SEA/SH and GBV mitigation measures are in place, realisation of a Code of Conduct (COC) specially tailored to MWACHE Dam project, finalization of GBV/GRM for the project, nomination of GBV focal persons, initiating prevention and response mechanisms in Fulugani primary school. There was notable increase in collaboration and establishment of close working relations amongst all stakeholders. Further, the survivor-centred approach was strengthened and incorporated a multi-sectoral coordination approach towards SEA/SH prevention and response mechanisms. This collaboration continues to build on the prevention measures of SEA and GBV that may occur in the community as a result of the project.

Project Information and Overall Performance (Continued)

Additionally, there was better strengthening of the monitoring and accountability framework on case management through revision of the incident recorder categories, physical filling, and introducing case management tools (adopted and localised from IRC/GBVIMIS). Further, the monthly case conference continues to ensure that case resolution processes adhere to social safeguards as recommended by the World Bank Grievance Mechanisms. It was noted that the continuous engagement with the Dam Engineer and Contractor agencies set impetus on collaboration with the contractor and associated service providers throughout the project life. Working closely with partners on matters child/ren protection further strengthened government and community structures to respond to and deter occurrence of GBV risks targeting children.

During the period under review, three tier Grievance Redress Committee (GRC) levels were active and working within the project – see table 5. Majority of the cases, 154, had been recorded at the village level, 100% of which were resolved. The total number of grievances received currently are 288 with 281 cases resolved. This yields an overall resolution rate for all cases as 98%. This report shows an increase in the number of cases received and resolved during the last 12 months; the status of which is presented in the table below.

Table 3: Status of GRM

Level	Grievance Received	Grievances Resolved	%
Village	154	154	100%
Sub-location	17	17	100%
Sub-county	117	110	94%
Totals	288	281	98%

In terms of nature of disputes, land ownership disputes are the majority with 44 %, followed by compensation grievances (27%) then succession related grievances (14%) as indicated in table 4 below.

Project Information and Overall Performance (Continued)

Table 4: Nature of Grievances Recorded

Nature	Number	Percentage
Land sale disputes	7	2%
Sub-division of land disputes	14	5%
Land ownership disputes	126	44%
Compensation grievances	79	27%
Boundary disputes	13	5%
Developments disputes	7	2%
Succession grievances	41	14%
Interim livelihood	1	0%
	288	100%

It is worth noting that all these grievances have an impact on the land acquisition, physical restoration and thereafter the livelihood restoration of the PAPs. Thus, their resolutions have enabled the project to acquire the affected land parcels while also enabling the restoration of the PAPs' livelihoods.

Table 1: Analysis of Who Recorded Grievances

Level	Grievances Recorded	Grievances Recorded by Males	Grievances Recorded by Females
Village	154	115	39
Sub-location	17	6	11
Sub-county	117	92	25
Totals	288	213	75
Percentage		74%	26%

Project Information and Overall Performance (Continued)

The above table show that more male recorded grievances (74%) than women.

Table 2: Analysis of Pending Grievances

Level	Grievances Pending	Nature of Grievances	Number of the Nature of Grievance
Village	0	–	0
Sub-location	0	–	0
Sub-county	7	Compensation dispute	2
		Land ownership dispute	5
Totals	7		7

An analysis of pending disputes indicate that they are of two types where land ownerships disputes are the majority.

1.3.5. Public and Community Infrastructure

In addition to individual support and based on identified gaps in the new relocation areas, affected communities are eligible for small projects intended to support the resettlement in the new areas, improve access to project benefits and public services, and to promote community cohesion and integration of resettled and host families. The RAP document proposed a total budget of Kshs 7,200,000 per village per year for five years. This is to support the PAHs to have improved access to natural resources, roads, modern schools, irrigation, and portable water, amongst others.

Towards this, initial planning and mapping of resettlement areas of PAHs from Priority area 1 was completed in late 2021. Majority of the PAHs have resettled around the proximity of the dam area either as extended family setup or nuclear family.

Engagements with the relocated households on suitable community infrastructures in their newly resettled villages/areas through household visits led to the proposal of different infrastructure components as indicated in the table 5.

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Project Information and Overall Performance (Continued)

This initial list of community proposals will be used as a starting point to concretise actual projects, develop detailed designs, appropriate tender documents and guide on the implementation including construction supervision, once the Livelihood Consultant is on board.

Table 5: Resettlement villages and Proposed infrastructures

Village	Proposed Infrastructure	Village	Proposed Infrastructure
1. Mlungunigera	<ul style="list-style-type: none"> ▪ Access Roads ▪ High mast Lighting-2 No. ▪ Piped water +Water Tank-3 No. ▪ Electricity -Last mile ▪ Social hall -1 No. ▪ Drift & culverts 	2. Galili	<ul style="list-style-type: none"> ▪ Access Roads ▪ High masts lighting-2 No. ▪ Piped water +Water Tank-2 No. ▪ Electricity-last mile ▪ Library and ICT Centre-1 No.
3. Old Mpirani	<ul style="list-style-type: none"> ▪ Access Roads ▪ High mast lighting-1 No. ▪ Electricity-last mile ▪ Piped water +Water Tank-1 No. 	4. Mwache	<ul style="list-style-type: none"> ▪ Access Roads ▪ High Mast-1 No. ▪ Piped water+ Water Tank- 1 No. ▪ Electricity- Last mile
5. Mvuuni	<ul style="list-style-type: none"> ▪ Access Road ▪ Foot Bridge- 1 No. ▪ High Mast Lighting- 1 No. ▪ Piped water + Water Tank-1 No. ▪ Electricity-Last mile 	6. Manyu	<ul style="list-style-type: none"> ▪ Access Road ▪ Piped Water + Water Tank- 1 No. ▪ High Mast Lighting -1 No. ▪ Electricity-Last mile
7. Miyani	<ul style="list-style-type: none"> ▪ Piped Water + Water Tank- 1 No. ▪ High Mast Lighting- 1 No. 	8. Mabesheni	<ul style="list-style-type: none"> ▪ Piped Water + Water Tank- 1 No. ▪ High Mast Lighting-1 No.
9. Mwangani	<ul style="list-style-type: none"> ▪ Access Roads ▪ Piped water +Water Tank-1 No. ▪ High Mast Lighting ▪ Electricity-Last mile ▪ Transformer Upgrade 	10. Chiphinda	<ul style="list-style-type: none"> ▪ Access Roads ▪ Piped Water + Water Tank- 1 No. ▪ High Mast Lighting- 1 No. ▪ Electricity- last mile
11. Kasemeni	<ul style="list-style-type: none"> ▪ Access Roads ▪ Electricity-Last mile 	12. Mgandini	<ul style="list-style-type: none"> ▪ High mast Lighting ▪ Piped Water + Water Tank

Project Information and Overall Performance (Continued)

As for corporate social responsibility, the Coastal Region Water Security and Climate Resilience Project is financed under the Ministry of Water & Sanitation and Irrigation and therefore does not undertake any Corporate Social Responsibilities on its own.

5. Statement of Project Management responsibilities

The Principal Secretary for the Ministry of Water, Sanitation and Irrigation, State Department for Water and the Project Manager for Coastal Region Water Security and Climate Resilience Project are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year ended on June 30, 2023.

This responsibility includes (i) Maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period, (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the project, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the project, (v) Selecting and applying appropriate accounting policies and (v) Making accounting estimates that are reasonable in the circumstances.

The Principal Secretary for the Ministry of Water, Sanitation and Irrigation, State Department for Water and the Project Manager for Coastal Region Water Security and Climate Resilience Project accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Principal Secretary for the Ministry of Water, Sanitation and Irrigation, State Department for Water and the Project Manager for Coastal Region Water Security and Climate Resilience Project are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year ended June 30, 2023, and of The Principal Secretary for the Ministry of Water, Sanitation and Irrigation, State Department for Water and the Project Manager for Coastal Region Water Security and Climate Resilience Project further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

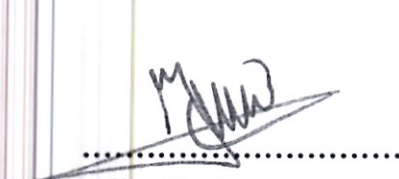
***Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023***

The Principal Secretary for the Ministry of Water, Sanitation and Irrigation, State Department for Water and the Project Manager for Coastal Region Water Security and Climate Resilience Project confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

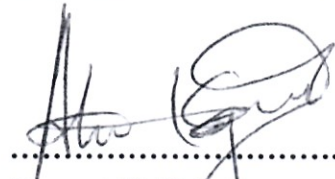
**Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023**

Approval of the Project Financial Statements

The Principal Secretary for the Ministry of Water, Sanitation and Irrigation, State Department for Water and the Project Manager for Coastal Region Water Security and Climate Resilience Project on 21/11/2023 and signed by:



Julius Korir
Principal Secretary



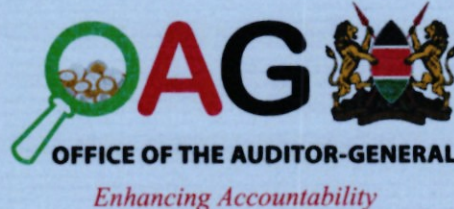
Vincent N. Kabuti
Project Manager



James K. Karori
Head Accounting Unit
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REPUBLIC OF KENYA

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HEADQUARTERS
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON COASTAL REGION WATER SECURITY AND CLIMATE RESILIENCE PROJECT CREDIT NO. 5543-KE/70040-KE FOR THE YEAR ENDED 30 JUNE, 2023 - STATE DEPARTMENT FOR WATER AND SANITATION

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

Opinion

I have audited the accompanying financial statements of Coastal Region Water Security and Climate Resilience Project set out on pages 1 to 46, which comprise of the statement

Report of the Auditor-General on Coastal Region Water Security and Climate Resilience Project Credit No. 5543-KE/70040-KE for the year ended 30 June, 2023 - State Department for Water and Sanitation

of financial assets as at 30 June, 2023 and the statement of receipts and payments, 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, the financial statements present fairly, in all material respects, the financial position of Coastal Region Water Security and Climate Resilience Project as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Financing Agreement No.5543-KE/70040-KE dated 13 January, 2015, between the Republic of Kenya and International Development Association (IDA) and the Public Finance Management Act, 2012.

In addition, the special account statement presents fairly, the transactions for the year, and the closing balance has been reconciled with books of account.

Basis for Opinion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Coastal Region Water Security and Climate Resilience Project 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 opinion.

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. There were no key audit matters to report in the year under review.

Other Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.1,950,000,000 and Kshs.1,584,145,841 respectively resulting to an under-funding of Kshs.365,854,159 or 19% of the budget. Similarly, the project spent Kshs.1,520,213,013 against an approved budget of Kshs.1,950,000,000, resulting in an under-absorption of Kshs.429,786,987 or 22 % of the budget.

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

2. Unresolved Prior Year Audit Matters

In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources, However, the Management has not resolved the issues. No explanation for the failure to resolve the issues was provided.

In the circumstances, the implementation of the Auditor-General's recommendations could not be confirmed.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for 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. Avoidable Interest on Delayed Payments

The statement of receipts and payments reflects acquisition of assets amount of Kshs.1,401,963,306 as disclosed in Note 8 to the financial statements. Included in the amount is construction of civil works amounting to Kshs.876,270,013 out of which an Kshs.74,306,675 is in respect of interest paid for delayed payments. This interest would have been avoided had the Management paid the contractor as per the terms of the contract.

In the circumstances, value for money on the nugatory expenditure could not be confirmed.

2. Unrecovered Funds from Terminated Contract

As previously reported, the Ministry, through the Project entered into a contract for construction of Rain Water Harvesting Facilities and Sanitation blocks, for schools in Kwale County Phase 2 at a contract sum of Kshs.55,113,821. However, the contract was terminated on 9 June, 2020. A joint inspection team determined that the contractor was to pay the Ministry Kshs.27,752,838 as penalties on value of uncompleted work and unrecovered advances. Review of the progress made on the matter in November 2023 revealed that the amount was yet to be received by the Ministry.

Under the circumstances, the intended objectives may not have been achieved and there may be loss of funds.

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion, 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

Ineffective Internal Controls on Treasury and Cash Management

Review of effectiveness of internal controls on treasury and cash management revealed the following anomalies;

- i. Bank reconciliations were not submitted to the Auditor-General on monthly basis.
- ii. Monthly review of the cashbook to detect and correct casting errors was not done.
- iii. The board of survey appointment letters were not provided.
- iv. Segregation of duties on recording entries in cashbook and the preparation of bank reconciliations were not observed.
- v. Payments in cash book not in the bank in the bank reconciliation statements do not indicate the dates, payee and cheque numbers.
- vi. Long overdue payments in bank statements not in the cashbook of Ksh.66,443.75 had not been reconciled.

In the circumstances, effectiveness and efficiency of internal controls in the treasury and cash management could not be confirmed

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Conclusion

As required by Financing Agreement Credit No.5543-KE/70040-KE, dated 13 January, 2015 between International Development Association (IDA) and the Republic of Kenya, I report based on my audit, that:

- i. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit;
- ii. In my opinion, adequate accounting records have been kept by the Project, so far as appears from the examination of those records; and,
- iii. The Project's financial statements agree with the accounting records and returns.

Responsibilities of the Management and those Charged with Governance

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

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

The 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.

Those charged with governance are responsible for overseeing the Project'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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Project's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Project to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Project to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gatirungu, CBS
AUDITOR-GENERAL

Nairobi

08 December, 2023

*Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023*

7. Statement of Receipts and Payments for the year ended 30th June 2023


	Note	Receipts and payments controlled by the entity	Payments made by third parties	Total	Receipts and payment controlled by the entity	Payments made by third parties	Total	Cumulative to-date (From inception)
		2022/2023			2021/22			
		Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Receipts								
Transfer from Government entities	1	250,000,000	-	250,000,000	500,000,000	-	500,000,000	1,987,500,000
Proceeds from domestic and foreign grants	2	-	-	-	-	-	-	-
Loan from external development partners	3	719,422,722	614,723,119	1,334,145,841	388,273,973	-	388,273,973	5,814,160,325
Miscellaneous receipts	4	-	-	-	-	-	-	667,795
Total receipts		969,422,722	614,723,119	1,584,145,841	888,273,973	-	888,273,973	7,802,328,120
Payments								
Compensation to employees	5	2,765,450	-	2,765,459	2,641,510	-	2,641,510	12,777,068
Purchase of goods and services	6	115,484,257	-	115,484,257	124,559,339	-	124,559,339	558,091,853
Social security benefits	7	-	-	-	-	-	-	-
Acquisition of non-financial assets	8	787,240,188	614,723,119	1,401,963,307	1,113,831,848	-	1,113,831,848	6,780,903,760
Transfers to other government entities	9	-	-	-	-	-	-	-
Other grants and transfers /payments	10	-	-	-	-	-	-	-
Total payments		905,489,894	614,723,119	1,520,213,013	1,241,032,696	-	1,241,032,696	7,351,772,681
Surplus/ (deficit)		63,932,828	-	63,932,828	(352,758,723)	-	(352,758,723)	450,556,372

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

*Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023*



.....
Julius Korir
Principal Secretary



.....
Vincent N. Kabuti
Project Manager




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James K. Karori
Head Accounting Unit
ICPAK Member No: 3972


*Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023*


8. Statement of Financial Assets as at 30th June 2023

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Financial Assets			
Cash and Cash equivalents			
Bank Balances	11.A	360,491,883	301,892,350
Cash Balances	11. B	-	-
Cash equivalents (Short-term deposits)	11.C	-	-
Total Cash and Cash equivalents		360,491,883	301,892,350
Imprests and Advances	12	102,602,425	111,122,585
Total Financial Assets		463,094,308	413,014,934
Financial Liabilities			
Third party Deposits and Retention	13	73,770,104	5,144,260
Net Assets		389,324,204	407,870,674
Represented By			
Fund Balance B/fwd.	14	407,870,675	760,629,396
Prior Year adjustments	15	(82,479,300)	-
Surplus/(Deficit) for the Year		63,932,828	(352,758,723)
Net Financial Position		389,324,204	407,870,675

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 21st June 2023 and signed by:


.....
Julius Korir
Principal Secretary


.....
Eng. Vincent N. Kabuti
Project Manager


.....
James K. Karori
Head Accounting Unit
ICPAK Member No: 3972

*Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023*

9. Statement of Cashflow for the year ended 30th June 223

Description	Notes	2022/2023	2021/2022
		Kshs	Kshs
Cashflow from operating activities			
Receipts			
Transfer from government entities	1	250,000,000	500,000,000
Proceeds from domestic and foreign grants	2	-	-
Miscellaneous receipts	4	-	-
Total receipts		250,000,000	500,000,000
Payments			
Compensation of employees	5	(2,765,450)	92,641,510)
Purchase of goods and services	6	(115,484,257)	(124,559,339)
Social security benefits	7	-	-
Transfers to other government entities	9	-	-
Other grants and transfers	10	-	-
Total Payments		(118,249,706)	(127,200,849)
Net receipts/(payments)		131,750,293	372,799,152
Adjustments during the year			
Prior year adjustments	15	(82,479,300)	-
Decrease/(increase) in accounts receivable	16	(8,520,160)	320,394,964.00
Increase/(decrease) in accounts payable:	17	68,625,843	4,650,766
Net cash flow from operating activities		126,416,997	697,844,881
Cashflow from investing activities			
Acquisition of non-financial assets	8	(1,401,963,307)	(1,113,831,848)
Net cash flows from investing activities		(1,401,963,307)	(1,113,831,848)
Cash flow from financing activities			

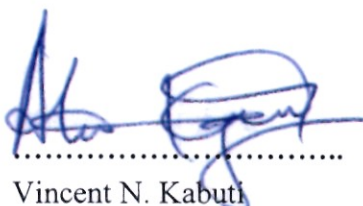
*Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023*

Description	Notes	2022/2023	2021/2022
		Kshs	Kshs
Proceeds from foreign borrowings	3	1,334,145,841	388,273,973
Net cash flow from financing activities		1,334,145,841	388,273,973
Net increase in cash and cash equivalents		58,599,331	(27,712,993)
Cash and cash equivalent at beginning of the year	11	301,892,350	329,605,343
Cash and cash equivalent at end of the year	11	360,491,883	301,892,350

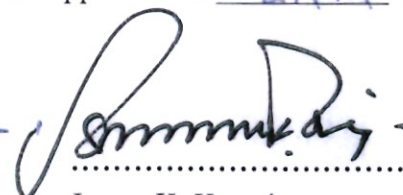
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 21/11 2023 and signed by:



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Julius Korir
Principal Secretary



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Vincent N. Kabuti
Project Manager




.....
James K. Karori
Head Accounting Unit
ICPAK Member No: 3972

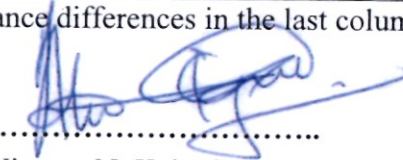
*Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023*

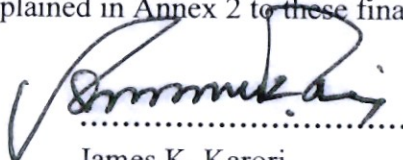
10. Statement of Comparison of Budget and Actual amounts for year ended 30th June 2023

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	D	e=c-d	f=d/c %
Receipts						
Transfer from Government entities	400,000,000	(150,000,000)	250,000,000	250,000,000	-	100%
Proceeds from domestic and foreign grants	-	-	-	-	-	-
Proceeds from borrowings	3,755,000,000	(2,055,000,000)	1,700,000,000	1,334,145,841	365,854,159	78%
Miscellaneous receipts	-	-	-	-	-	-
Total Receipts	4,155,000,000	(2,205,000,000)	1,950,000,000	1,584,145,841	365,854,159	81%
Payments						
Compensation to employees	4,200,000		4,200,000	2,795,450	1,434,450	66%
Purchase of goods and services	400,000,000		400,000,000	115,484,257	284,515,743	29%
Social security benefits	-	-	-	-	-	-
Acquisition of non-financial assets	3,750,800,000	(2,205,000,000)	1,545,800,000	1,401,963,307	143,836,693	91%
Transfers to other government entities	-	-	-	-	-	-
Other grants and transfers	-	-	-	-	-	-
Total Payments	4,155,000,000	(2,205,000,000)	1,950,000,000	1,520,213,013	429,786,987	77%
Surplus or Deficit	-	-		63,932,828		

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


.....
Julius Korir
Principal Secretary


.....
Vincent N. Kabuti
Project Manager


.....
James K. Karori
Head Accounting Unit
ICPAK Member No: 3972

11. Significant Accounting Policies

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

a) Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of accounting, as prescribed by the PSASB and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

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

b) Reporting entity

The financial statements are for Coastal Region Water Security and Climate Resilience Project under the State Department of Water. The financial statements are for the reporting entity Coastal Region Water Security and Climate Resilience Project as required by Section 81 of the PFM Act, 2012 .

c) Reporting currency

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

d) Recognition of receipts

Coastal Region Water Security and Climate Resilience Project recognises all receipts from the various sources when the event occurs, and the related cash has been received.

i) Transfers from the Exchequer

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Transfer from Exchequer is recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

Significant Accounting Policies (continued)

ii) External Assistance

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

iii) Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements at the time associated cash is received.

iv) Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

v) Proceeds from borrowing.

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

vi) Undrawn external assistance

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

Significant Accounting Policies (continued)

e) Recognition of payments

The Project recognises all payments when the event occurs, and the related cash has been paid out by the Project.

i) Compensation to employees

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

ii) Use of goods and services

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

iii) Interest on borrowing

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

iv) Repayment of borrowing (principal amount)

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the consolidated financial statements.

Significant Accounting Policies (continued)

v) Acquisition of fixed assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment. A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

f) In-kind donations

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

g) Cash and cash equivalents

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

Significant Accounting Policies (Continued)

h) Restriction on cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third part deposits.

i) Imprests and Advances

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

j) Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships, 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

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resources embodying economic benefits or service potential is remote. **Annex 6** of this financial statement is a register of the contingent liabilities in the year.

Significant Accounting Policies (Continued)

k) Contingent Assets

Coastal Region Water Security and Climate Resilience Project 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 Coastal Region Water Security and Climate Resilience Project 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.

l) Pending bills

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

m) Budget

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis (except for accounts receivable - outstanding imprest and clearance accounts and accounts payable - deposits, which are accounted for on an accrual basis), and for the same period as the financial statements. The Project's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers and are eliminated upon consolidation. A high-level assessment of the Project's actual performance against the comparable budget for the financial year/period under review has been included in an annex to these financial statements.

Significant Accounting Policies (Continued)

n) Third party payments

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

o) Exchange rate differences

The accounting records are maintained in the functional currency of the primary economic environment in which the Project operates (Kenya Shillings). Transactions in foreign currencies during the year/period are converted into the functional currency using the exchange rates prevailing at the dates of the transactions. Any foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of receipts and payments.

p) Comparative figures

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

q) Subsequent events

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2023.

r) Prior period adjustments

Prior period adjustments relate to errors and other adjustments noted arising from previous year(s). Explanations and details of these prior period adjustments are *presented in note xx of these financial statements.*

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12. Notes to the Financial Statements

1. Transfers from Government entities

These represent counterpart funding and other receipts from government as follows:

Description	2022/2023	2021/2022	Cumulative to-date (from inception)
	Kshs	Kshs	Kshs
<i>Counterpart funding through Ministry of Water, Sanitation & Irrigation</i>			
Counterpart funds Quarter 1	-	100,000,000	100,000,000
Counterpart funds Quarter 2	100,000,000	300,000,000	400,000,000
Counterpart funds Quarter 3	-	-	775,000,000
Counterpart funds Quarter 4	150,000,000	100,000,000	712,500,000
Total (See Annex 3)	250,000,000	500,000,000	1,987,500,000

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Notes to the Financial Statements (Continued)

2. Proceeds From Domestic and Foreign Grants

During the financial period to 30 June 2023, we received grants from donors as detailed in the table below:

Name of Donor	2022/2023						2021/2022	Cumulative to date
	Date received	Amount received in donor currency	Grants received in cash	Grants received as direct payment*	Grants received in kind	Total amount	Total Amount	
			Kshs	Kshs	Kshs	Kshs	Kshs	
Grants Received from Bilateral Donors (Foreign Governments)	-	-	-	-	-	-	-	-
Insert name of foreign Government	-	-	-	-	-	-	-	-
Grants Received from Multilateral Donors (International Organizations)	-	-	-	-	-	-	-	-
Insert name of international organization	-	-	-	-	-	-	-	-
Grants Received from Local Individuals and organizations	-	-	-	-	-	-	-	-
Insert name of individual or local organization	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Notes to the Financial Statements (Continued)

3. Loan from External Development Partners

During the financial period to 30 June 2023, we received funding from development partners in form of loans negotiated by the National Treasury as detailed in the table below:

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Description	2022/2023					2021/2022	Cumulative to date
Name of Donor	Date received	Amount in loan currency	Loans received in actual amount	Loans received as direct payment*	Total amount in Kshs	Total amount in Kshs	
		(USD)	Kshs	Kshs	Kshs	Kshs	
Loans received from Multilateral Donors (International Organizations)							
World Bank (IDA)	xxx	xxx	337,299,400	-	337,299,400	120,966,660	-
World Bank (IDA)	Xxx	Xxx	238,921,208	-	238,921,208	141,570,325	
World Bank (IDA)	Xxx	Xxx	143,202,114	-	143,202,114	125,736,988	
World Bank (IDA)				92,617,373	92,617,373		
World Bank (IDA)				47,859,465	47,859,465		
World Bank (IDA)				93,560,898	93,560,898		
World Bank (IDA)				124,631,575	124,631,575		
World Bank (IDA)				64,459,570	64,459,570		
World Bank (IDA)				51,305,536	51,305,536		
World Bank (IDA)				62,270,216	62,270,216		
World Bank (IDA)				39,499,401	39,499,401		
World Bank (IDA)				38,519,084	38,519,084		
Total	xxx	xxx	719,422,722	614,723,119	1,334,145,841	388,273,973	5,814,160,325

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Notes to the Financial Statements (Continued)

4. Miscellaneous receipts

Description	2022/2023			2021/2022	Cumulative to-date (from inception)
	Receipts controlled by the entity in Cash	Receipts controlled by third parties	Total receipts	Total receipts	
	Kshs	Kshs	Kshs	Kshs	Kshs
Property income	-	-	-	-	-
Sales of goods and services	-	-	-	-	-
Administrative fees and charges	-	-	-	-	-
Fines, penalties, and forfeitures	-	-	-	-	-
Voluntary transfers other than grants	-	-	-	-	-
Other receipts not classified elsewhere*	-	-	-	-	667,795
Total	-	-	-	-	667,795

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Notes to the Financial Statements (Continued)

5. Compensation to Employees

Description	2022/2023			2021/2022	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total payments	Total payments	
-	Kshs	Kshs	Kshs	Kshs	Kshs
Basic salaries of permanent employees	-	-	-	-	-
Basic wages of temporary employees	2,765,450	-	2,765,450	2,641,510	12,777,069
Personal allowances paid as part of salary	-	-	-	-	-
Personal allowances paid as reimbursements	-	-	-	-	-
Personal allowances provided in kind	-	-	-	-	-
Pension and other social security contributions	-	-	-	-	-
Compulsory national social security schemes	-	-	-	-	-
Compulsory national health insurance schemes	-	-	-	-	-
Social benefit schemes outside government	-	-	-	-	-
Other personnel payments	-	-	-	-	-
Total	2,765,450	-	2,765,450	2,641,510	12,777,069

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Notes to the Financial Statements (Continued)

6. Purchase of Goods and Services

Description	2022/2023			2021/2022	Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	
	Kshs	Kshs	Kshs	Kshs	
Utilities, supplies and services	-	-	-	-	13,857,608
Communication, supplies and services	5,794,769	-	5,794,769	2,458,065	12,547,618
Domestic travel and subsistence	55,612,653	-	55,516,653	52,895,424	256,421,398
Foreign travel and subsistence	-	-	-	-	8,767,755
Printing, advertising, and information supplies	12,118,101	-	12,118,101	1,077,089	45,749,120
Rentals of produced assets	6,881,004	-	6,881,004	5,527,772	24,044,014
Training payments	-	-	-	-	5,572,800
Hospitality supplies and services	2,807,750	-	2,807,750	4,799,543	31,083,006
Insurance costs	459,342	-	459,342	1,218,404	1,751,041
Specialized materials and services	-	-	-	1,341,621	11,416,723
Other operating payments	6,734,461	-	6,734,461	19,449,145	37,761,174
Routine maintenance – vehicles and other transport equipment	25,076,177	-	25,076,177	35,792,277	109,119,596
Routine maintenance- other assets	-	-	-	-	-
Exchange rate losses/gains (net)	-	-	-	-	-
Total	<u>115,484,257</u>	=	<u>115,484,257</u>	<u>124,559,339</u>	<u>558,091,853</u>

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Notes to the Financial Statements (Continued)

7. Social Security Benefits

Description	2022/2023		2021/22 Total Payments Kshs	Cumulative to- date Kshs
	Payments made by the Entity in Cash Kshs	Payments made by third parties Kshs		
Government pension and retirement benefits	-	-	-	-
Social security benefits in cash and in kind	-	-	-	-
Employer social benefits in cash and in kind	-	-	-	-
Total	=	=	=	=

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Notes to the Financial Statements (Continued)

8. Acquisition of Non-Financial Assets

Description	2022/2023			2021/22	Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	
	Kshs.	Kshs.	Kshs	Kshs	Kshs
Purchase of buildings	-	-	-	-	-
Construction of buildings	-	-	-	-	-
Refurbishment of buildings	-	-	-	-	2,482,053
Construction of roads	-	-	-	-	-
Construction of civil works	261,546,894	614,723,119	876,270,013	76,246,741	3,173,315,001
Overhaul & refurbishment of construction and civil works	-	-	-	-	-
Purchase of vehicles & other transport equipment	-	-	-	-	54,955,805
Overhaul of vehicles & other transport equipment	-	-	-	-	-
Purchase of household furniture & institutional equipment	-	-	-	-	-
Purchase of office furniture & general equipment	1,828,000	-	1,828,000	-	17,920,311
Purchase of specialised plant, equipment and machinery	-	-	-	-	19,162,243
Rehabilitation & renovation of plant, equipment & machinery	-	-	-	-	-

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Description	2022/2023			2021/22	Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	
Purchase of certified seeds, breeding stock and live animals	-	-	-	-	-
Research, studies, project preparation, design & supervision	482,171,863	-	482,171,863	293,275,445	1,960,616,706
Rehabilitation of civil works	-	-	-	-	-
Acquisition of strategic stocks	-	-	-	-	-
Acquisition of land	41,693,430	-	41,693,430	744,309,663	1,552,451,641
Acquisition of other intangible assets	-	-	-	-	-
Total	<u>787,240,188</u>	<u>614,723,119</u>	<u>1,401,963,306</u>	<u>1,113,831,848</u>	<u>6,780,903,760</u>

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Notes to the Financial Statements (Continued)

9. Transfers to other Government Entities

During the financial period to 30 June 2023, we transferred funds to reporting government entities as shown below:

Description	2022/2023			2021/2022	Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	
	Kshs	Kshs	Kshs	Kshs	Kshs
Transfers to National Government entities					
Ministry ABC	-	-	-	-	-
Project XYZ	-	-	-	-	-
	-	-	-	-	-
Transfers to County Governments					
County ABC	-	-	-	-	-
County XYZ	-	-	-	-	-
	-	-	-	-	-
Total	=	=	=	=	=

Notes to the Financial Statements (Continued)

10. Other Grants, Transfers and Payments

Description	2022/2023			2021/2022	Cumulative to-date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	
	Kshs	Kshs	Kshs	Kshs	
Grants for scholarships	-	-	-	-	-
Transfers to lower levels of government e.g. schools	-	-	-	-	-
Miscellaneous payments	-	-	-	-	-
Total	-	-	-	-	-

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Notes to the Financial Statements (Continued)

11. Cash And Cash equivalents

Description	2022/2023	2021/2022
	Kshs	Kshs
Bank accounts (Note 11A)	360,491,883	301,892,350
Cash in hand (Note 11B)	-	-
Cash equivalents (short-term deposits) (Note 11C)	-	-
Total	<u>360,491,883</u>	<u>301,892,350</u>

Coastal Region Water and climate resilience project has one number of project accounts spread within the project implementation area and one number of foreign currency designated accounts managed by the National Treasury as listed below:

11. A Bank Accounts

Project Bank Accounts

Details	2022/2023	2021/2022
	Kshs	Kshs
<u>Foreign Currency Accounts</u>		
Central Bank of Kenya [A/c No.....]	-	-
Kenya Commercial Bank [A/c No.....]	-	-
Co-operative Bank of Kenya [A/c No.....]	-	-
Others (<i>specify</i>)	-	-
Total Foreign Currency balances	=	=
<u>Local Currency Accounts</u>		
Central Bank of Kenya [A/c No 100457217]	360,491,883	301,892,350
Total bank account balances	<u>360,491,883</u>	<u>301,892,350</u>

**Coastal Region Water Security and Climate Resilience Project
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Notes to the Financial Statements (Continued)

Special Deposit Accounts

The balances in the Project's Special Deposit Account(s) as at 30th June 2023 are not included in the Statement of Financial Assets since they are below the line items and are yet to be drawn into the Exchequer Account as a voted provision.

Below is the Special Deposit Account (SDA) movement schedule which shows the flow of funds that were voted in the year. These funds have been reported as loans/grants received in the year under the Statement of Receipts and Payments.

Special Deposit Accounts Movement Schedule

Description	2022/2023	2021/2022
	Kshs	Kshs
(i) A/C Name [A/c No 100263954]		
Opening balance	62,494,096	106,704
Total amount deposited in the account	656,964,833	450,661,365
Total amount withdrawn (as per Statement of Receipts & Payments)	<u>719,422,722</u>	<u>388,273,973</u>
Closing balance (as per SDA bank account reconciliation attached)	<u>36,207</u>	<u>62,494,096</u>

(The Special Deposit Account(s) reconciliation statement(s) has (have) been attached as Appendix xx support these closing balance.

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Notes to the Financial Statements (Continued)

11 B Cash in hand

Description	2022/2023	2021/2022
	KShs	KShs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Total cash in hand balances	=	=

[Provide a cash count certificate for each location above]

11 C Cash equivalents (short-term deposits)

Description	2022/2023	2021/2022
	Kshs	Kshs
Kenya Commercial Bank [A/C No.....]	-	-
Co-operative Bank of Kenya [A/C No.....]	-	-
Total	=	=

12. Imprests and Advances

Description	2022/2023	2021/2022
	Kshs	Kshs
Government Imprests	-	2,312,300
Coast Development Authority	15,051,861	23,928,905
County Government of Kwale	318,881	10,836,288
Grants for Livelihood	-	3,303,696
KWSCRIP	322,800	322,800
MOWSI (Retention in Ministry deposits account)	60,188,460	60,188,460
National Lands Commission	26,720,423	70,418,596
Total	102,602,425	111,122,585

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Notes to the Financial Statements (Continued)

12A: Breakdown of Imprests and Advances

13. Deposits and Retention Monies

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Retention	73,770,104		5,144,260	
Deposits	-		-	
Total	73,770,104		5,144,260	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	68,625,844	93%	4,650,766	90%
1-2 years	4,650,766	6%	493,494	10%
2-3 years	493,494	1%	-	-
Over 3 years	-	-	-	-
Total	73,770,104	100%	5,144,260	100%

14. Fund Balance Brought Forward

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Bank accounts	301,892,350		329,605,343	
Cash in hand	-		-	
Cash equivalents (short-term deposits)	-		-	
Outstanding imprests and advances	111,122,585		431,517,549	
Deposits and retention	5,144,260		(493,494)	
Total	407,870,675		760,629,396	

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Notes to the Financial Statements (Continued)

15. Prior Year adjustment

	Balance b/f Previous FY (audited financial statements)	Adjustments	Adjusted balance b/f Previous FY
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Imprests and advances	110,799,785	82,479,300	28,320,484
Deposits and retentions	-	-	-
Others (<i>specify</i>)	-	-	-
Total	110,799,785	82,479,300	28,320,484

(The prior year adjustment are on balances reported as receivable in the beginning of the financial year. Kshs. 82,479,300 was expenditure in the financial year 2022/23.

Details	Bal b/d	Closing balance	Adjustment
Government Imprest and Advances	2,312,300.00	-	2,312,300.00
Coast Development Authority	23,928,905.00	1,281,181.09	22,647,723.91
Kwale County Government	14,139,984.00	318,880.25	13,821,103.75
NLC	70,418,596.00	26,720,423.20	43,698,172.80
TOTAL	110,799,785.00	28,320,484.54	82,479,300.46

16. Changes in Imprests and Advances

Description	2022/2023	2021/2022
	Kshs	Kshs
Opening Receivables as at 1 st July 2022	111,122,585	431,517,549
Closing account receivables as at 30 th June 2023	102,602,425	111,122,585
Change in Imprests and advances	8,520,160	320,394,964

There was a typing error in the previous financial year on note 16. The adjustment has been done in the cashflow and was therefore not affecting financial year 2022/23

*Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023*

17. Changes in Accounts Deposits and Retention

Description	2022/2023	2021/2022
	Kshs	Kshs
Deposit and Retentions as at 1 st July 2022	5,144,260	493,494
Closing accounts payables as at 30 th June 2023	73,770,104	5,144,260
Changes in deposit and retention	68,625,844	4,650,766

*Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023*

Other Important Disclosures

1. Pending Accounts Payable (See Annex 4a)

	Balance b/f from Comparative FY	Additions for the year	Paid during the year	Balance c/f For Current FY
Description	Kshs	Kshs	Kshs	Kshs
Construction of buildings	-	-	-	-
Construction of civil works	-	-	-	-
Supply of goods	-	-	-	-
Supply of services	-	-	-	-
Total	-	-	-	-

2. Pending Staff Payables (See Annex 4b)

	Balance b/f from Comparative FY	Additions for the year	Paid during the year	Balance c/f for Current FY
Description	Kshs	Kshs	Kshs	Kshs
Senior management	-	-	-	-
Middle management	-	-	-	-
Union employees	-	-	-	-
Others	-	-	-	-
Total	-	-	-	-

3. Other Pending Payables (See Annex 4c)

	Balance b/f from Comparative FY	Additions for the year	Paid during the year	Balance c/f for Current FY
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government entities	-	-	-	-
Amounts due to County Government entities	-	-	-	-
Amounts due to third parties	-	-	-	-
Total	-	-	-	-

*Coastal Region Water Security and Climate Resilience Project
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Other Important Disclosures (Continued)

4. External Assistance

	2022/2023	2021/2022
Description	Kshs	Kshs
External assistance received as grants	-	-
External assistance received as loans	-	-
External assistance received in kind- as payment by third parties	-	-
Total	-	-

a). External assistance relating loans and grants

	2022/2023	2021/2022
Description	Kshs	Kshs
External assistance received as loans	-	-
External assistance received as grants	-	-
Total	-	-

b) Undrawn external assistance

	Purpose for which the undrawn external assistance may be used	2022/2023	2021/2022
Description		Kshs	Kshs
Undrawn external assistance - loans		-	-
Undrawn external assistance - grants		-	-
Total		-	-

(This is a disclosure of the assistance not yet received as per donor agreements)

**Coastal Region Water Security and Climate Resilience Project
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Other Important Disclosures (Continued)

c) Classes of providers of external assistance

	2022/2023	2021/2022
Description	Kshs	Kshs
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

(Provide details of the reasons for external assistance e.g. Economic development or welfare objective, Emergency relief, Trading activities etc.)

d. Non-monetary external assistance

	2022/2023	2021/2022
Description	Kshs	Kshs
Goods	-	-
Services	-	-
Total	-	-

(This may occur when goods such as vehicles, computers, medical equipment, food aid etc are contributed to a project by donors, NGO etc N/B: Disclose the basis on which the value of goods and services were determined (This may be by: depreciated historical cost of physical assets, price attached on the goods, an assessment of value by the management of transferor, recipient or Third Party, Fair value measurement The totals here tie with line 4 of note 2.)).

Coastal Region Water Security and Climate Resilience Project
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Other Important Disclosures (Continued)

e Purpose and use of external assistance

Payments made by third parties	2022/2023	2021/2022
Description	Kshs	Kshs
Compensation to employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to other Government entities	-	-
Other grants and transfers	-	-
Social Security benefits	-	-
Acquisition of assets	-	-
Finance Costs including loan interest	-	-
Repayment of principal on domestic and foreign borrowing	-	-
Other payments	-	-
Total	-	-

(N/B The above sub-classification should be adopted based on the purpose of the external assistance and how it was used).

f. External Assistance paid by third parties on behalf of (the Entity) by Source

This relates to external assistance paid directly by third parties to settle obligations on behalf of (the entity This note should tie to line 3 of note 4 on external assistance).

	2022/2023	2021/2022
Description	Kshs	Kshs
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023

Other Important Disclosures (Continued)

5. Payments By Third Party on Behalf of The Project

This relates to payments done directly to supplier on behalf of the project such as; national government may fund the operation of health or education program; a donor may pay directly for construction of a given activity

5.1 Classification by Source

	2022/2023	2021/2022
Description	Kshs	Kshs
National government	-	-
Multilateral donors	xxx	Xxx
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

(Third party payments may be done by other entities that are not providers of external assistance)

5.2 Classification of payments made by Third Parties by Nature of expenses

Payments made by third parties	2022/2023	2021/2022
Description	Kshs	Kshs
Compensation of employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to other government units	-	-
Other grants and transfers	-	-
Social security benefits	-	-
Acquisition of assets	xxx	xxx
Finance costs, including loan interest	-	-
Other payments	-	-
Total	-	-

N/B The above subclassification will be adopted based on the appropriate project's operations.

*Coastal Region Water Security and Climate Resilience Project
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Other Important Disclosures (Continued)

6. Related Party Disclosures

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS. The comprise of related parties to the Project

- i) Key management personnel including the program director/manager
- ii) The implementing entity/ministry/ department
- iii) Other Ministries and Departments.
- iv) The National Treasury

Related party transactions:

	2022/2023	2021/2022
	Kshs	Kshs
Compensation to Key Management		
Compensation to the program manager/ director	-	-
Key Management Compensation others (specify)	-	-
Total Compensation to Key Management	-	-
Transfers to related parties		
Transfers to other government entities	-	-
Total Transfers to related parties	-	-
Transfers from related parties		
Transfers from the Ministry/ department	-	-
Payments made on behalf of the project by other govt. entities	-	-
(Insert any other transfers received)	-	-
Total Transfers from related parties	-	-

7. Contingent Liabilities

Contingent liabilities	2022/2023	2021/2022
	Kshs	Kshs
Court case xxx against the project	-	-
Bank guarantees in favour of other govt. entities	-	-
Contingent liabilities arising from PPPs/ donor agreements	-	-
Total	-	-

(Give details- Update ANNEX 8 Contingent liabilities register)

*Coastal Region Water Security and Climate Resilience Project
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13. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

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.	<p>Low Absorption of Project Funds</p> <p>The annual report for the year under review indicates that the project has been in operation for six (6) years, which covers 99% of the project duration expected to end on 31st December, 2023. However, as at 30th June, 2021, the Project had only absorbed an amount of Kshs. 4,091,202,153 out of the total loan amount of Kshs. 20,000,000,000(USD200 million) translating to about 20% of the total funding.</p> <p>Further, during the year under review, the Project failed to utilize Kshs. 927,817,239 or 55% of its annual budget. As a result of this underperformance, it is unlikely that the Project will utilize the whole</p>	<p>The low absorption was funds was due to delays in the commencement of construction works for Mwache Dam project at a cost of Kshs. 13.7 billion, which constitutes 70% of the loan finance. This resulted from the land acquisition delays which was hampered by NLC internal processes, incorrect land ownership documents and succession disputes, inadequate allocation by NT for land compensation budget and strict social safeguards in the RAP as approved by World Bank. To ensure the project meets its objectives, the</p>	Resolved	

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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)
	loan amount within the funding period, and its expected outputs and objectives may not be achieved.	Government has already negotiated with World Bank for a restructured Finance Agreement with extension of the project up to January 2027 and additional funding to ensure completion of the Dam.		
1.	<p>Delayed Construction of Mwache Multipurpose Dam Project</p> <p>As reported previously, the Ministry of Water, Sanitation and Irrigation awarded a contract for construction of Mwache dam on 21st March, 2019, but the commencement of the works delayed pending acquisition of land, compensation, relocation and livelihood restoration process. A review of progress made on the construction revealed that, during the year under review, the</p>	<p>Once it was determined that land acquisition for priority areas land which is needed to be handed over to the contractor for the works to commence would not be completed by 1st November, 2021, the start date was moved to 15th February, 2021 and the contractor notified accordingly. Consequently, no claims will be incurred since the contractor had not mobilized to site. The new date will allow for all</p>	Resolved	

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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>contractor was paid an advance payment amounting to Kshs. 85,267,787, and a notice given to start construction of permanent dam works. The work was scheduled to commence on 1st November, 2021. However, a site visit in October, 2021 revealed that the contractor had not mobilized the site and that implementation aimed at compensating the project-affected persons (PAPs) and acquiring the necessary land required for the Dam construction was yet to be finalize. The delay in commencement of works may result in additional Project costs.</p>	<p>pending land parcels to be compensated and vacated in readiness for commencement of works.</p>		
2.	<p>Sustainability of Project's Livelihood Programme The Project disbursed grants totalling Kshs. 22,465, 136 to sixty-two (62) community groups in Kwale County under</p>	<p>The disbursement of funds for the livelihood programme to the selected groups was based on an approved project proposal and work</p>	Resolved	

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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>the Livelihood Programme. The programme was to carry out a series of activities aimed at improving sustainable livelihood and sharing the Project's benefits in rural areas of the County. The activities included establishment of tree nurseries, greenhouses and horticulture, dairy, poultry farming among other economic activities. However, as reported in the previous year, some beneficiary groups diverted funds to activities not stated in the Grant Agreement. A review of Project records in October 2021 revealed that out of Kshs. 22,465,136 of Project grants for livelihoods, an amount of Kshs. 19, 161,440 had been accounted for leaving a balance of Kshs. 3,303,696. Due to the shortcomings, the livelihood programme activities may not be sustained.</p>	<p>plan whose implementation was to be monitored by Kwale Government Project Implementation Unit (PIU) to ensure compliance to the agreed activities and financial accountability. A fiduciary review was conducted jointly by the CRWSCR and PIU officials on September 2020 to monitor the progress by the supported groups. A follow-up assessment of expenditures records by the project accountant showed the gaps on the un-accounted funds totalling to Kshs. 3,303,696. The groups have been instructed to avail supporting documents for the un-accounted</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)
		funds before disbursement of any more funds to them. In addition, the groups have been taken through a refresher training on proper accounting documentation to ensure the funds are properly utilized and accounted for. The beneficiary groups have also been linked with county extension officers for necessary technical support and monitoring.		
3.	<p>Unrecovered Funds on Terminated Contract As reported in the previous year, the Ministry of Water, Sanitation and Irrigation, through Coastal Region Water Security and Climate Resilience Project entered into a contract for construction of a Rain Water Harvesting Facilities and Sanitation blocks, for schools in Kwale County Phase 2. This contract, which was signed on</p>	The Ministry has written a demand letter to the contractor for the payment of Kshs. 27,752,838 as penalties on value of uncompleted work and unrecovered advances after contract termination due to breach of contract by the contractor in accordance with the terms of	Unresolved	

**Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023**

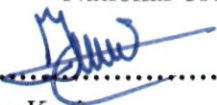
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>22nd October, 2018 was for a sum of Kshs. 55,113,821. However, on 9th June, 2020 the contract was terminated with approximately 90% of the works pending and the contractor was paid an amount of Kshs. 20,410,6677 as advance and certified work done. A joint inspection team determined that the contractor was to pay the Ministry Kshs. 27,752,838 as penalties on value of uncompleted work and unrecovered advances. A review of the progress made on the matter in November 2021 revealed that the amount was yet to be received by the Ministry. Under the circumstances, the intended objectives may not be achieved and there may be loss of Project funds.</p>	<p>contract. The matter has been forwarded to the Ministry's legal counsel for follow-up to ensure the payment is done. Meanwhile, all the remaining works have been compiled into bills of quantities and will be contracted afresh to ensure they are completed.</p>		

Guidance Notes:

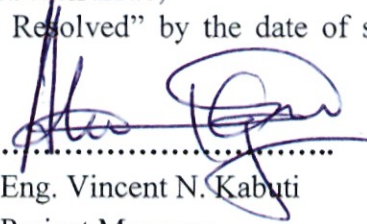
1. Use the same reference numbers as contained in the external audit report;
2. Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;

***Coastal Region Water Security and Climate Resilience Project
Annual Report and Financial Statements for the financial year ended June 30, 2023***

3. Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
4. Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.



.....
Julius Korir
Principal Secretary



.....
Eng. Vincent N. Kabuti
Project Manager

*Coastal Region Water Security and Climate Resilience Project
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Annex 2: Variance explanations - Comparative Budget and Actual amounts for Current FY

	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comments on Variance (below 90% and over 100%)
	a	b	c=a-b	d=b/a %	
Receipts					
Transfer from Government entities	250,000,000	250,000,000	-	100%	
Proceeds from domestic and foreign grants	-	-	-	-	
Proceeds from borrowings	1,700,000,000	1,334,145,841	365,854,159	78%	i
Miscellaneous receipts	-	-	-	-	
Total Receipts	1,950,000,000	1,584,145,841	365,854,159	81%	
Payments					
Compensation of employees	4,200,000	2,765,450	1,434,550	66%	li
Purchase of goods and services	40,000,000	115,484,257	284,515,743	29%	iii
Social security benefits	-	-	-	-	
Acquisition of non-financial assets	1,545,800,000	1,401,963,307	143,836,693	91%	iv
Transfers to other government entities	-	-	-	-	
Other grants and transfers	-	-	-	-	
Total payments	1,950,000,000	1,520,213,013	429,786,987	78%	

***Coastal Region Water Security and Climate Resilience Project
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i.ii and iv – The projects absorption is highly dependent on commencement of Mwache Multi-purpose dam which like captured in the previous years, has experienced prolonged delays due to the challenge on acquisition of land. The contractor started works on the site and was paid 5 additional certificates which is an improvement from the previous years.

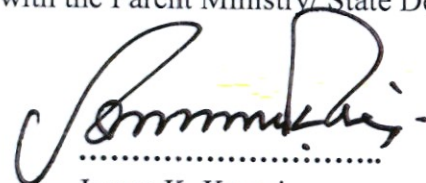
*Coastal Region Water Security and Climate Resilience Project
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Annex 3: Reconciliation of inter-entity transfers

Project Name:				
Break down of transfers from the State Department of XXX				
a.	Government Counterpart funding			
		Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
			100,000,000	2022/2023
			150,000,000	2022/2023
			-	
		Total	250,000,000	
		Total A	250,000,000	

The above amounts have been communicated to and reconciled with the Parent Ministry/ State Department


.....
Vincent N. Kabuti
Project Manager


.....
James K. Karori
Head Accounting Unit
ICPAK Member No: 3972

*Coastal Region Water Security and Climate Resilience Project
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Annex 4a: Analysis of Pending Bills

Supplier of Goods or Services	Date Contracted/ invoiced.	Original Amount	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
		a	b	c=a-b		
Construction of buildings						
1.						
2.						
Sub-Total						
Construction of civil works						
3.						
4.						
Sub-Total						
Supply of goods						
5.						
6.						
Sub-Total						
Supply of services						
7.						
8.						
Sub-Total						
Grand Total						

*Coastal Region Water Security and Climate Resilience Project
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Annex 4b: Analysis of Pending: Staff Bills

Name of Staff	Job Group	Date Payable Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Permanent Employees - Management							
1.							
2.							
Sub-Total							
Permanent Employees - Others							
3.							
4.							
Sub-Total							
Temporary employees							
5.							
6.							
Sub-Total							
Others (specify)							
7.							
8.							
Sub-Total							
Grand Total							

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Annex 4c: Analysis of other Pending Payables

Name	Brief Description	Date Payable Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Amounts due to National Govt Entities							
1.							
2.							
Sub-Total							
Amounts due to County Govt Entities							
3.							
4.							
Sub-Total							
Amounts due to Third Parties							
5.							
6.							
Sub-Total							
Others (specify)							
7.							
8.							
Sub-Total							
Grand Total							

Coastal Region Water Security and Climate Resilience Project
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Annex 5: Summary of Fixed Assets Register

Asset class	Opening Cost (KShs) 2022/23	Donations in form of assets (KShs) 2022/23	*Purchases/ Additions in the Year (KShs) 2022/23	**Disposals in the Year (KShs) 2022/23	Transfers in/(out) Kshs 2022/23	Closing Cost (KShs) 2022/2023
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)+c)- (d)+(-)d
Land	1,510,758,211		41,693,430			1,552,451,641
Buildings and structures	2,482,053					2,482,053
Transport equipment	54,955,805					54,955,805
Office equipment, furniture and fittings	16,092,311		1,828,000			17,920,311
ICT Equipment,						
Other Machinery and Equipment	19,162,243					
Heritage and cultural assets						
Infrastructure assets roads, rails	2,297,044,987		876,270,013			3,173,315,000
Intangible assets	1,478,444,843		482,171,983			1,960,616,706
Work in Progress						-
Total	5,378,940,453		1,401,963,306			6,780,903,760

Notes

* Purchases/Additions in the year reconciled to the amount in Statement of Receipts and Payments

** The disposal amount to be disclosed in this register is the cost that the asset was acquired at and not the price at which it has been sold

*Coastal Region Water Security and Climate Resilience Project
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Annex 6: Contingent Liabilities Register

	Nature of contingent liability	Remarks
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

*Coastal Region Water Security and Climate Resilience Project
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Annex 7: Reporting of Climate Relevant Expenditures

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

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Annex 8: Reporting Disaster Management Expenditure

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

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Annex 9: Other Support Documents

- i. Signed confirmations from beneficiaries in Transfers to Other Government Entities
- ii. Bank Reconciliations statement as at 30th June 2023
- iii. Board of Survey Report
- iv. Special Deposit Account(s) reconciliation statement(s)
- v. GOK IFMIS comparison Trial Balance (*Where applicable*)



REPUBLIC OF KENYA

MINISTRY OF WATER, SANITATION AND IRRIGATION
STATE DEPARTMENT FOR IRRIGATION
KENYA WATER SECURITY & CLIMATE RESILIENCE PROJECT

MAJI HOUSE
NGONG ROAD
P. O. BOX 49720-00100
NAIROBI
Website: www.water.go.ke

Telegrams: "MAJI" Nairobi
Telephone: +254204900303
G.L +254 20 2716103
Fax: +254 20 2728703
Email: info@kwscrp.org

REF.: KWSCR/ACCT/004/VOL.IV/97

Date: 17th August 2023

The Team Leader
Coast Development Authority PIU
KWALE

RE: CONFIRMATION OF FUNDS TRANSFERRED IN THE FINANCIAL YEAR
2022/2023

The regulation under IPSAS requires confirmation of the amounts transferred to Project implementing Units/SAGAs during the financial year 2022/2023

The funds we transferred to your organization is as follows.

Date	Amount
26.06.2023	13,770,680.00
TOTAL	13,770,680.00

Please confirm by signing the below:-

Eng. Vincent Kabuti, O.G.W.
PROJECT MANAGER

Amount:

13,770,680 on 04/7/23

Name:

FREDRICK MWABILI

Signature:

Designation:

CDA PIU TH

Date:

01/05/23



HEAD OFFICE: P.O. Box 75104 - 00200 Nairobi, Tel: 020 2202000 Fax: 2131270, Mobile: 0711020000/0732 112000, Email: info@equitybank.co.ke, Website: www.equitybank.co.ke

To,

COAST DEVELOPMENT AUTHORITY-
KWSCRP
P.O. BOX 1322
MOMBASA
KE
80100

Branch ID : 156
Customer Name : COAST DEVELOPMENT AUTHORITY-
KWSCRP
Product Name : CAA
Currency : KES

Account Statement 1560267200967
Statement Period (From 01-07-2023 To 21-08-2023)

Tran Date	Value Date	Tran Particulars	Instrument Id	Debit	Credit	Balance
03-07-2023	03-07-2023	ChequeNo.002927 Presented	2927	7,000.00		1,046,239.87
03-07-2023	03-07-2023	Inward Cleaning Charge		60.00		1,046,179.87
04-07-2023	04-07-2023	RTGS MIN OF WATER SANITATION IRRIGATION			13,770,680.00	14,816,859.87
04-07-2023	04-07-2023	ChequeNo.002929 Presented	2929	16,800.00		14,800,059.87
04-07-2023	04-07-2023	Inward Cleaning Charge		60.00		14,799,999.87
05-07-2023	05-07-2023	ChequeNo.002928 Presented	2928	4,200.00		14,795,799.87
05-07-2023	05-07-2023	Inward Cleaning Charge		60.00		14,795,739.87
05-07-2023	05-07-2023	ChequeNo.002926 Presented	2926	66,336.00		14,729,403.87
05-07-2023	05-07-2023	Inward Cleaning Charge		60.00		14,729,343.87
05-07-2023	05-07-2023	2020230002021365 COAST DEVELOPMENT AUTHORITY	2925	1,164.00		14,728,179.87
05-07-2023	05-07-2023	Transfer Charge		120.00		14,728,059.87
06-07-2023	06-07-2023	Cash Withdrawal from MOMBASA SUPREME CENTRE	2930	35,000.00		14,693,059.87
06-07-2023	06-07-2023	Cash Withdrawal Charge		120.00		14,692,939.87
06-07-2023	06-07-2023	Cash Withdrawal from MOMBASA SUPREME CENTRE	2933	160,725.00		14,532,214.87
06-07-2023	06-07-2023	Cash Withdrawal Charge		120.00		14,532,094.87
07-07-2023	07-07-2023	PRECISION EXPERT- BY /J18813118389/07-07-2023 11:45			335.00	14,532,429.87

Note: Any omission or errors in this statement should be promptly advised in writing to the Branch Manager within 30 days from the date of receipt otherwise the account will be presumed to be in order

15602672009671103945

				F.O 30
COAST REGION WATER SECURITY AND CLIMATE RESILIENCE PROJECT				
	D-110 (KWSCR)		2022/2023	
BANK RECONCILIATION STATEMENT AS AT 30th June 2023				
		KSHS.	Kshs.	Kshs.
Balance as per bank certificate(New A/c)				492,803,024.05
Less				
1. Payments in cashbook not yet recorded in bank statement (Unpresented Cheques)		132,377,583.05	132,377,583.05	
2. Receipts in bank statement not yet recorded in cashbook		-		
Add				
3. Payments in bank statement not yet recorded in casbook		66,443.75		
4. Receipts in cashbook not yet recorded in bank statement.		0.00	-	
Balance as per the cashbook.....				360,491,884.75
I certify that I have verified the bank balance in the cashbook with the bank statement and that the above reconciliation is correct.				
Prepared By: PA				
Signature				
Date 30/6/2023				
(All schedules are attached herewith)				

STATEMENT OF ACCO	Rundate : 04 JUL 2023					
CENTRAL BANK OF KEN	Runtime : 12:31:57					
BANKI KUU YA KENYA,	Customer number : 145029					
P.O.BOX 60000-0200,	Account number : 1000457217					
NAIROBI.	Account name : COASTAL REG WATER SECU CLIMAT RESIE-KES					
STATEMENT PERIOD :	Opening Balance : 343,982,224.05					
No.	Txn. Date	Reference No.	Transaction Details	Dr. Amount	Cr. Amount	Balance
1	7-Jun-23	FT231584DYFL	Outward RTGS Payment MT 102 30003468	75,600.00	0	343,906,624.05
			MIN OF WATER SANITATION IRRIGATION:CBK			
			ANDREW MWENDA MBURUGU			
			/REC/0030003468			
			IMP4910381			
2	7-Jun-23	FT2315804YG5	Outward RTGS Payment MT 102 30003469	75,600.00	0	343,831,024.05
			MIN OF WATER SANITATION IRRIGATION:CBK			
			RICHARD NDUAYO MUTIE			
			/REC/0030003469			
			IMP4910380			
3	7-Jun-23	FT231581K8KM	Outward RTGS Payment MT 102 30003465	134,400.00	0	343,696,624.05
			MIN OF WATER SANITATION IRRIGATION:CBK			
			VICTOR NDWIGA NTHIGA			
			/REC/0030003465			
			IMP4910379			
4	7-Jun-23	FT231585PMRG	Outward RTGS Payment MT 102 30003466	134,400.00	0	343,562,224.05
			MIN OF WATER SANITATION IRRIGATION:CBK			
			CYNTHIA WANGECHI NDERITU			
			/REC/0030003466			
			IMP4910376			
5	7-Jun-23	FT23158P6W81	Outward RTGS Payment MT 102 30003463	134,400.00	0	343,427,824.05
			MIN OF WATER SANITATION IRRIGATION:CBK			

			ESTHER MAKENA JOTHAM			
			/REC/0030003463			
			IMP4910377			
6	7-Jun-23	FT23158J3MHT	Outward RTGS Payment MT 102	134,400.00	0	343,293,424.05
			30003464			
			MIN OF WATER SANITATION IRRIGATION:CBK			
			JORAM NYAGA NJAGI			
			/REC/0030003464			
			IMP4910378			
7	7-Jun-23	FT23158WL55H	Outward RTGS Payment MT 103	134,400.00	0	343,159,024.05
			30003461			
			MIN OF WATER SANITATION IRRIGATION:999999			
			MUNA MOHAMED			
			30003461			
			IMP4910375			
8	7-Jun-23	FT23158YVGM5	Outward RTGS Payment MT 102	168,000.00	0	342,991,024.05
			30003467			
			MIN OF WATER SANITATION IRRIGATION:CBK			
			SHADRACK MAKOKHA NASENGO			
			/REC/0030003467			
			IMP4910374			
9	7-Jun-23	FT23158XB5NP	Outward RTGS Payment MT 102	201,600.00	0	342,789,424.05
			30003462			
			MIN OF WATER SANITATION IRRIGATION:CBK			
			ABDI SAHAL ALI			
			/REC/0030003462			
			IMP4910373			
10	22-Jun-23	FT23173F3SL4	Local Cash Deposit Bulk	0	13,600.00	342,803,024.05
			2.69265E+23			
11	30-Jun-23	FT23181PG1N6	TRFS Payments	0	150,000,000.00	492,803,024.05
			STD011105			

BANK RECONCILIATION STATEMENT AS AT 30 JUNE 2023

COAST DEVELOPMENT AUTHORITY(KWSCRIP)

EQUITY BANK MOI AVENUE

A/C NO. 1560267200967

CASH BOOK SUMMARY

CASH BOOK BALANCE AS AT 01/06/2023 4,223,755.87

ADD RECEIPTS 123,810.00

REVERSED CHEQUES -

Sub Totals 4,347,565.87

LESS PAYMENTS 3,396,386.00

BANK CHARGES 4,080.00

Sub Totals 3,400,466.00**CASH BOOK BALANCE 947,099.87****BANK RECONCILIATION STATEMENT**

BALANCE AS PER BANK STATEMENT AS AT 30/06/2023 1,053,239.87

ADD UN BANKED RECEIPT -

Sub Totals

LESS UNPRESENTED CHEQUES 106,140.00

BALANCE AS PER CASH BOOK AS AT 30/06/2023 947,099.87

LIST OF UNPRESENTED CHEQUES

DATE	CHQ.No.	PAYEE NAME	AMOUNT
6/9/2023	2885	JAPHET MOROA	3,640.00
6/30/2023	2924	SIMON LOKTAR	7,000.00
6/30/2023	2925	KRA	1,164.00
6/30/2023	2926	WIDOWS ASSOCIATION	66,336.00
6/30/2023	2927	ESTHER KIRIGHA	7,000.00
6/30/2023	2928	JUSTINE MANGALE	4,200.00
6/30/2023	2929	ELIJAH NDIRANGU	16,800.00
TOTALS			106,140.00



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To,

COAST DEVELOPMENT AUTHORITY- KWSCRIP P.O.BOX 1322 MOMBASA KE 80100	Branch ID : 156 Customer Name : COAST DEVELOPMENT AUTHORITY- KWSCRIP Product Name : CAA Currency : KES
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Account Statement 1560267200967
Statement Period (From 01-06-2023 To 30-06-2023)

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
02-06-2023	02-06-2023	ChequeNo.002841 Presented	21,000.00		4,375,717.87
02-06-2023	02-06-2023	Inward Clearing Charge	60.00		4,375,657.87
07-06-2023	07-06-2023	ChequeNo.002864 Presented	28,000.00		4,347,657.87
07-06-2023	07-06-2023	Inward Clearing Charge	60.00		4,347,597.87
07-06-2023	07-06-2023	ChequeNo.002866 Presented	16,800.00		4,330,797.87
07-06-2023	07-06-2023	Inward Clearing Charge	60.00		4,330,737.87
07-06-2023	07-06-2023	ChequeNo.002863 Presented	38,000.00		4,292,737.87
07-06-2023	07-06-2023	Inward Clearing Charge	60.00		4,292,677.87
07-06-2023	07-06-2023	Clearing Chq No. 002868	31,500.00		4,261,177.87
07-06-2023	07-06-2023	FREDRICK WANOKO	25,200.00		4,235,977.87
07-06-2023	07-06-2023	Inter Sol Cash Wdrawal charge	120.00		4,235,857.87
08-06-2023	08-06-2023	ChequeNo.002860 Presented	48,700.00		4,187,157.87
08-06-2023	08-06-2023	Inward Clearing Charge	60.00		4,187,097.87
08-06-2023	08-06-2023	ChequeNo.002856 Presented	19,262.00		4,167,835.87
08-06-2023	08-06-2023	Inward Clearing Charge	60.00		4,167,775.87
08-06-2023	08-06-2023	ChequeNo.002882 Presented	25,000.00		4,142,775.87
08-06-2023	08-06-2023	Inward Clearing Charge	60.00		4,142,715.87
08-06-2023	08-06-2023	2020230001649014 COAST DEVELOPMENT AUTHORITY	283.00		4,142,432.87
08-06-2023	08-06-2023	Transfer Charge	120.00		4,142,312.87

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MM0494520230704062235



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Account No. : 1560267200967

Customer Name : COAST DEVELOPMENT AUTHORITY-KWSCRIP

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
08-06-2023	08-06-2023	2020230001659829 COAST DEVELOPMENT AUTHORITY	1,621.00		4,140,691.87
08-06-2023	08-06-2023	Transfer Charge	120.00		4,140,571.87
08-06-2023	08-06-2023	ChequeNo.002869 Presented	8,400.00		4,132,171.87
08-06-2023	08-06-2023	Inward Clearing Charge	60.00		4,132,111.87
09-06-2023	09-06-2023	ChequeNo.002878 Presented	16,117.00		4,115,994.87
09-06-2023	09-06-2023	Inward Clearing Charge	60.00		4,115,934.87
09-06-2023	09-06-2023	ChequeNo.002876 Presented	92,379.00		4,023,555.87
09-06-2023	09-06-2023	Inward Clearing Charge	60.00		4,023,495.87
09-06-2023	09-06-2023	ChequeNo.002867 Presented	4,200.00		4,019,295.87
09-06-2023	09-06-2023	Inward Clearing Charge	60.00		4,019,235.87
09-06-2023	09-06-2023	ChequeNo.002880 Presented	200,000.00		3,819,235.87
09-06-2023	09-06-2023	Inward Clearing Charge	60.00		3,819,175.87
09-06-2023	09-06-2023	ChequeNo.002865 Presented	7,000.00		3,812,175.87
09-06-2023	09-06-2023	Inward Clearing Charge	60.00		3,812,115.87
09-06-2023	09-06-2023	ChequeNo.002873 Presented	21,000.00		3,791,115.87
09-06-2023	09-06-2023	Inward Clearing Charge	60.00		3,791,055.87
09-06-2023	09-06-2023	ChequeNo.002870 Presented	8,400.00		3,782,655.87
09-06-2023	09-06-2023	Inward Clearing Charge	60.00		3,782,595.87
09-06-2023	09-06-2023	ChequeNo.002881 Presented	4,200.00		3,778,395.87
09-06-2023	09-06-2023	Inward Clearing Charge	60.00		3,778,335.87
09-06-2023	09-06-2023	ChequeNo.002874 Presented	4,200.00		3,774,135.87
09-06-2023	09-06-2023	Inward Clearing Charge	60.00		3,774,075.87
12-06-2023	12-06-2023	ChequeNo.002879 Presented	37,215.00		3,736,860.87
12-06-2023	12-06-2023	Inward Clearing Charge	60.00		3,736,800.87
13-06-2023	13-06-2023	ChequeNo.002883 Presented	4,200.00		3,732,600.87
13-06-2023	13-06-2023	Inward Clearing Charge	60.00		3,732,540.87

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Account No. : 1560267200967

Customer Name : COAST DEVELOPMENT AUTHORITY-KWSCRIP

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
13-06-2023	13-06-2023	PRECISION EXPERT- BY:/316414770448/13-06-2023 13:41		41,200.00	3,773,740.87
14-06-2023	14-06-2023	ChequeNo.002884 Presented	41,100.00		3,732,640.87
14-06-2023	14-06-2023	Inward Clearing Charge	60.00		3,732,580.87
14-06-2023	14-06-2023	ChequeNo.002887 Presented	8,400.00		3,724,180.87
14-06-2023	14-06-2023	Inward Clearing Charge	60.00		3,724,120.87
14-06-2023	14-06-2023	Cash Withdrawl from MOMBASA SUPREME CENTRE	7,000.00		3,717,120.87
14-06-2023	14-06-2023	Cash Withdrawal Charge	120.00		3,717,000.87
14-06-2023	14-06-2023	PRECISION EXPERT- BY:/316514878328/14-06-2023 11:37		26,300.00	3,743,300.87
14-06-2023	14-06-2023	PRECISION EXPERT- BY:/316514878569/14-06-2023 11:39		20.00	3,743,320.87
14-06-2023	14-06-2023	FREDRICK KAI/21901990/0744502894		21,200.00	3,764,520.87
15-06-2023	15-06-2023	ChequeNo.002903 Presented	200,000.00		3,564,520.87
15-06-2023	15-06-2023	ChequeNo.002904 Presented	6,200.00		3,558,320.87
15-06-2023	15-06-2023	Inward Clearing Charge	60.00		3,558,260.87
15-06-2023	15-06-2023	Inward Clearing Charge	60.00		3,558,200.87
15-06-2023	15-06-2023	ChequeNo.002891 Presented	49,040.00		3,509,160.87
15-06-2023	15-06-2023	Inward Clearing Charge	60.00		3,509,100.87
15-06-2023	15-06-2023	ChequeNo.002895 Presented	12,600.00		3,496,500.87
15-06-2023	15-06-2023	Inward Clearing Charge	60.00		3,496,440.87
15-06-2023	15-06-2023	ChequeNo.002900 Presented	28,000.00		3,468,440.87
15-06-2023	15-06-2023	Inward Clearing Charge	60.00		3,468,380.87
15-06-2023	15-06-2023	ChequeNo.002897 Presented	21,000.00		3,447,380.87
15-06-2023	15-06-2023	Inward Clearing Charge	60.00		3,447,320.87
16-06-2023	16-06-2023	ChequeNo.002899 Presented	28,000.00		3,419,320.87
16-06-2023	16-06-2023	Inward Clearing Charge	60.00		3,419,260.87
16-06-2023	16-06-2023	ChequeNo.002893 Presented	28,000.00		3,391,260.87

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Account No. : 1560267200967

Customer Name : COAST DEVELOPMENT AUTHORITY-KWSCRIP

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
16-06-2023	16-06-2023	Inward Clearing Charge	60.00		3,391,200.87
16-06-2023	16-06-2023	ChequeNo.002894 Presented	21,000.00		3,370,200.87
16-06-2023	16-06-2023	Inward Clearing Charge	60.00		3,370,140.87
16-06-2023	16-06-2023	ChequeNo.002898 Presented	12,600.00		3,357,540.87
16-06-2023	16-06-2023	Inward Clearing Charge	60.00		3,357,480.87
16-06-2023	16-06-2023	ChequeNo.002902 Presented	16,800.00		3,340,680.87
16-06-2023	16-06-2023	Inward Clearing Charge	60.00		3,340,620.87
16-06-2023	16-06-2023	ChequeNo.002901 Presented	16,800.00		3,323,820.87
16-06-2023	16-06-2023	Inward Clearing Charge	60.00		3,323,760.87
16-06-2023	16-06-2023	ChequeNo.002872 Presented	4,200.00		3,319,560.87
16-06-2023	16-06-2023	Inward Clearing Charge	60.00		3,319,500.87
16-06-2023	16-06-2023	ChequeNo.002888 Presented	16,800.00		3,302,700.87
16-06-2023	16-06-2023	Inward Clearing Charge	60.00		3,302,640.87
16-06-2023	16-06-2023	PRECISION EXPERT- BY:/316713986931/16-06-2023 10:26		4,950.00	3,307,590.87
16-06-2023	16-06-2023	2020230001864607 COAST DEVELOPMENT AUTHORITY	9,966.00		3,297,624.87
16-06-2023	16-06-2023	Transfer Charge	120.00		3,297,504.87
16-06-2023	16-06-2023	2020230001864505 COAST DEVELOPMENT AUTHORITY	11,337.00		3,286,167.87
16-06-2023	16-06-2023	Transfer Charge	120.00		3,286,047.87
16-06-2023	16-06-2023	2020230001755194 COAST DEVELOPMENT AUTHORITY	180.00		3,285,867.87
16-06-2023	16-06-2023	Transfer Charge	120.00		3,285,747.87
16-06-2023	16-06-2023	ChequeNo.002919 Presented	78,000.00		3,207,747.87
16-06-2023	16-06-2023	Inward Clearing Charge	60.00		3,207,687.87
16-06-2023	16-06-2023	ChequeNo.002921 Presented	74,480.00		3,133,207.87
16-06-2023	16-06-2023	Inward Clearing Charge	60.00		3,133,147.87
19-06-2023	19-06-2023	ChequeNo.002906 Presented	4,900.00		3,128,247.87

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Account No. : 1560267200967

Customer Name : COAST DEVELOPMENT AUTHORITY-KWSCRIP

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
19-06-2023	19-06-2023	Inward Clearing Charge	60.00		3,128,187.87
19-06-2023	19-06-2023	ChequeNo.002911 Presented	568,034.00		2,560,153.87
19-06-2023	19-06-2023	Inward Clearing Charge	60.00		2,560,093.87
19-06-2023	19-06-2023	ChequeNo.002920 Presented	14,700.00		2,545,393.87
19-06-2023	19-06-2023	Inward Clearing Charge	60.00		2,545,333.87
19-06-2023	19-06-2023	ChequeNo.002910 Presented	646,163.00		1,899,170.87
19-06-2023	19-06-2023	Inward Clearing Charge	60.00		1,899,110.87
19-06-2023	19-06-2023	ChequeNo.002917 Presented	33,600.00		1,865,510.87
19-06-2023	19-06-2023	Inward Clearing Charge	60.00		1,865,450.87
19-06-2023	19-06-2023	ChequeNo.002913 Presented	10,260.00		1,855,190.87
19-06-2023	19-06-2023	Inward Clearing Charge	60.00		1,855,130.87
19-06-2023	19-06-2023	ChequeNo.002918 Presented	16,800.00		1,838,330.87
19-06-2023	19-06-2023	Inward Clearing Charge	60.00		1,838,270.87
19-06-2023	19-06-2023	ChequeNo.002912 Presented	20,000.00		1,818,270.87
19-06-2023	19-06-2023	Inward Clearing Charge	60.00		1,818,210.87
19-06-2023	19-06-2023	ChequeNo.002905 Presented	45,600.00		1,772,610.87
19-06-2023	19-06-2023	Inward Clearing Charge	60.00		1,772,550.87
19-06-2023	19-06-2023	ChequeNo.002908 Presented	60,000.00		1,712,550.87
19-06-2023	19-06-2023	Inward Clearing Charge	60.00		1,712,490.87
20-06-2023	20-06-2023	ChequeNo.002914 Presented	36,600.00		1,675,890.87
20-06-2023	20-06-2023	Inward Clearing Charge	60.00		1,675,830.87
20-06-2023	20-06-2023	ChequeNo.002889 Presented	24,370.00		1,651,460.87
20-06-2023	20-06-2023	Inward Clearing Charge	60.00		1,651,400.87
20-06-2023	20-06-2023	ChequeNo.002822 Presented	11,000.00		1,640,400.87
20-06-2023	20-06-2023	Inward Clearing Charge	60.00		1,640,340.87
20-06-2023	20-06-2023	PRECISION EXPERT- BY:/317113443668/20-06-2023 11:16		12,140.00	1,652,480.87
22-06-2023	22-06-2023	ChequeNo.002916 Presented	8,400.00		1,644,080.87

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MM0494520230704062235



Account No. : 1560267200967

Customer Name : COAST DEVELOPMENT AUTHORITY-KWSCRIP

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
22-06-2023	22-06-2023	Inward Clearing Charge	60.00		1,644,020.87
29-06-2023	29-06-2023	Cash Withdrawal from MOMBASA SUPREME CENTRE	601,601.00		1,042,419.87
29-06-2023	29-06-2023	Cash Withdrawal Charge	120.00		1,042,299.87
30-06-2023	30-06-2023	ChequeNo.002922 Presented	7,000.00		1,035,299.87
30-06-2023	30-06-2023	Inward Clearing Charge	60.00		1,035,239.87
30-06-2023	30-06-2023	PRECISION EXPERT- BY:/318114964654/30-06-2023 14:02		15,000.00	1,050,239.87
30-06-2023	30-06-2023	FREDRICK KAI/21901990		3,000.00	1,053,239.87
Grand Total			3,467,288.00	123,810.00	1,053,239.87

Note: Any omission or errors in this statement should be promptly advised in writing to the Branch Manager within 30 days from the date of receipt otherwise the account will be presumed to be in order.
END

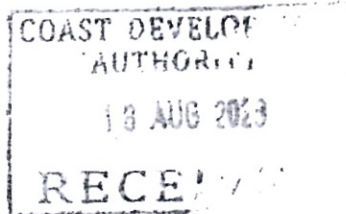
MM0494520230704062235



(Handwritten initials)

EBL/MS/156/
18th August 2023

TO WHOM IT MAY CONCERN,



Dear Sir/Madam,

RE: CONFIRMATION OF ACCOUNTS BALANCES FOR COAST DEVELOPMENT AUTHORITY ACCOUNTS.

We hereby confirm that the balances of the above company's accounts as at 30/06/2023 are as below:

1060299686735	KES	1,221,329.65 Cr
1560267200967	KES	1,053,239.87 Cr

This information is given in strict confidence, without guarantee and constitutes no liability and /or responsibility on the bank and /or its officials.

Yours faithfully,

(Handwritten signature)
AUTHORISED SIGNATORY



(Handwritten signature)
AUTHORISED SIGNATORY

Equity Bank (Kenya) Limited: Equity Centre, Hospital Road, Upper Hill, P.O Box 75104-00200 Nairobi, + 254 763 026 000,
+ 254 763 063 000, info@equitybank.co.ke, www.equitygroup Holdings.com/ke, @KeEquitybank, @KeEquitybank

Directors: Amb. Erastus J.O. Mwencha - Non-Executive Chairman, Mr. Gerald Warui - Managing Director, Ms. Mary Wangari Wamae, Prof. Isaac Macharia
Mr. Fredrick Muchoki, Prof. Shem Migot-Adholla, Ms. Adema Sangale, Mrs. Jane Ngige, Prof. Timothy Waema, Mr. Samuel Onyango

KWALE COUNTY GOVERNMENT

KENYA WATER SECURITY & CLIMATE RESILIENCE PROGRAM-1

BANK NAME: KCB A/C NAME: KWALE COUNTY WATER SECURITY & CLIMATE, A/C NO.:1180460448

BANK RECONCILIATION FOR THE PERIOD ENDING 30TH JUNE. 2023

		Notes		
		Sh.	Cts	Sh. Cts
Balance as per Bank Statement				318,880.05
Less				
	Payments in Cash Book not in Bank Statement { Un presented cheque}	I	0.00	
	Receipts in Bank statement not recorded in cash book { Direct Credits}	II	-	0.00
				318,880.05
Add				
	Payments in Bank Statement not in Cash Book { Direct Debits & Bank charges}	III	-	
	Receipts in Cash Book not in Bank Statement { Uncredited cheques}	IV	-	0.00
BALANCE AS PER CASHBOOK				318,880.05

I certify that I have verified Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct

Prepared by:

Checked by:

PREPARED BY:

Sign & Date:

CONFIRMED BY:

Sign & Date:



4 July 2023
17:21:47

ACCOUNT STATEMENT

Customer:
Account: 1180460448 KWALE COUNTY WATER SECURITY&CLIMATE
Product Name: Large Corporate

Statement Period: 01 JUN 2023 - 04 JUL 2023

Balance at Period Start 319,300.05 KES Balance at Period End: 317,815.05 KES

TXN DATE	DESCRIPTION	VALUE DATE	MONEY OUT	MONEY IN	LEDGER BALANCE
01 JUN 2023	BALANCE B/FWD	01 JUN 2023			319,300.05
30 JUN 2023	Tax Amount Due 1180460448.LEDGERFEE	01 JUL 2023	-70		319,230.05
30 JUN 2023	Ledger Fees 1180460448.LEDGERFEE KE00	01 JUL 2023	-350		318,880.05
01 JUL 2023	Certificate Of Balance Change CERT2318200141	01 JUL 2023	-1,065.00		317,815.05
			=====	=====	=====
			=	=	=
	BALANCE AT PERIOD END:		-1,485.00	0.00	317,815.05

Date 03/07/2023

Report of the Board of Survey on the Cash and Bank Balances of CRWSCR as at the close of business on 30 June 2023

The Board, consisting of - (Names and Official titles)

F.A Walter J. Oselu - Chairman

Rolex K. Kirui - Member

Dennis Macharia Gitiya - Member

assembled at the office of CRWSCR Accounts office at 11:00 A.m.(time) on the 03/07/2023

as the following cash was produced: -

Notes	Sh. <u>NIL</u>
Silver	Sh. <u>NIL</u>
Copper	Sh. <u>NIL</u>
Cheques as per details on reverse	Sh. <u>NIL</u>
	<u>NIL</u>

It was observed that cheques amounting to Sh. NIL cts had been on hand for more than 14 days prior to the date of the survey.

The cash consists of East African currency and does not contain any demonetized coin or notes.

The Cash Book reflected the following balances as at the close of business on the 30th June, 2023

Cash on hand	Sh. <u>NIL</u>
Bank balance	Sh. <u>360,491,882.85</u>

The Bank Certificate of Balance showed a sum of Sh. Four Hundred Ninety Two Million Eight Hundred and Three Thousand and Twenty Four cts Five (sh. 492,803,024.05) standing to the credit of the account on 30th June 2023

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation Statement (F.O. 30) attached.

Chairman

Members of the Board

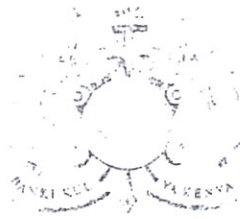
Date 3 July 2023

GPK (L)

LIST OF CHEQUES INCLUDED AS PART OF CASH ON HAND

<i>Cheque No.</i>	<i>Drawer</i>	<i>Date of Cheque</i>	<i>Date Received</i>	<i>Amount</i>

BANKI
KUU YA
KENYA



CENTRAL
BANK OF
KENYA

Haile Selassie Avenue
P.O. Box 60000 - 00200 Nairobi, Kenya
Telephone: 2860000, Fax: 3340192

July 19, 2023

CERTIFICATE OF BALANCES

MIN OF WATER SANITATION
IRRIGATION

Customer :
Balance
Date:

145029
30-Jun-23

Account No	Account Name	Currency	Balance
1000456997	REC-MIN OF WATER SANIT IRRIGATION	KES	78,955,814.80
1000457007	DEV-MIN OF WATER SANIT IRRIGATION	KES	5,054,096,342.45
1000457015	DEP-MIN OF WATER SANIT IRRIGATION	KES	313,782,468.95
1000457023	CBK165-MIN OF WATER SANIT IRRIGAT	KES	0.00
1000457198	EQUALIZATION FUND	KES	43,886,120.55
1000457201	WATER AND SANITATION DEV PRO WSDP	KES	366,193,315.65
1000457217	COASTAL REG WATER SECU CLIMAT RESIE	KES	492,803,024.05
1000537701	WATER SECTOR TRUST FUND(WSTF)PROJ A	KES	0.00
1000630841	THE HORN OF AFRICA GROUND WATER RES	KES	0.00


Leonard Kipsanai
Senior Manager
Banking Services Division


Joyce Nasieku
Authorised Signatory
Banking Services Division

**COASTAL REGION WATER SECURITY AND CLIMATE RESILIENCE
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2023**

Credit No.: IDA LOAN NO. CREDIT NO.5543-KE

Bank Account No.: 1000263954 Held with CENTRAL BANK OF KENYA

	NOTES	AMOUNT USD	AMOUNT USD
1	Amount advanced by IDA		28,167,574.31
	Less:		
2	Total amount documented		24,752,149.31
3	Outstanding amount to be documented		3,415,425.00
	Represented by:		
4	Ending Special account Balance as as 30 June 2023		199.64
5	Amounts claimed but not credited as at 30 June 2023		-
6	Amounts withdrawn and not claimed		3,415,225.36
7	Service Charges (if not included in lines 5 and 6 above)		-
8	Interest earned (if included in Special Account)		-
9	Total advance to Special Account Year ended 30 June 2023		3,415,425.00

Discrepancy between total appearing on line 3 and 9

_____ -

Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by IDA and provide reasons for not claiming the expenditures

The amount appearing on line 6 is eligible for financing by World Bank and shall be documented in subsequent IFRs

[Signature]

**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE: 25-08-2023

SPECIAL ACCOUNT STATEMENT

For period ending	30th JUNE, 2023
Account No.	1000263954
Depository Bank	CENTRAL BANK OF KENYA.
Address	CENTRAL BANK OF KENYA.
Related Loan	COAST REG WAT SEC & CL RES PRJ-5543
Credit Agreement	
Currency	USD

Part A - Account Activity

Beginning balance of 1st July, 2022 as per C.B.K. Ledger Account	555,880.97
Add:	
Total Amount deposited by World Bank	5,255,718.67
Total Interest earnings if deposited in account	
Total amount refunded to cover ineligible expenditure	
Deduct:	
Total amount withdrawn	5,811,400.00
Total service charges if not included above in amount withdrawn	
Ending balance on 30th June,2023	199.64

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE:

DATE

24.07.2023

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE:

DATE

25-08-2023

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2023 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Run Date: 19/07/2023
 CENTRAL BANK OF KENYA
 BANKI KUC YA KENYA
 P.O.BOX 60000-0200
 NAIROBI

Run Time: 14:01:06

STATEMENT OF ACCOUNT

PAGE NO : 1

ACCOUNT NUMBER : 1000263954

ACCOUNT TITLE : COAST REG WAT SEC & CL RES PRJ-5543
 30/06/2023

STATEMENT PERIOD: From 01/07/2022 To

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE	
OPENING BAL :				555.880.97		
NO.	Value Date	Reference.No	Details	Debit	Credit	Balance
1	17/08/2022	FT22229YR005	FUNDING	0.00	2,256,414.63	2812295.6
2	01/09/2022	FT22244169B2	PA128264	-2,812,000.00	0.00	295.6
3	08/12/2022	FT22342125WB	FUNDING	0.00	1,919,134.68	1919430.28
4	03/02/2023	FT23034SHK63	PA129593	-1,919,200.00	0.00	230.28
5	28/02/2023	FT23059130KN	FUNDING	0.00	1,080,169.36	1080399.64
6	04/04/2023	FT23094L3PMN	PA129908	-1,080,200.00	0.00	199.64

CLOSING BALANCE : 199.64

END OF ACCOUNT STATEMENT

Favourites

TAM.E.STMT.OF.ACCT.EPRM [More Options](#)

[Clear Selection](#)

Account equals v 1000263954

Statement From equals v 20220701

Statement To equals v 20230630

TAM.E.STMT.OF.ACCT.EPRM

**COASTAL REGION WATER SECURITY AND CLIMATE RESILIENCE
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2022**

Credit No.: IDA LOAN NO. CREDIT NO.5543-KE

Bank Account No.: 1000263954 Held with CENTRAL BANK OF KENYA

	NOTES	AMOUNT USD	AMOUNT USD
1	Amount advanced by IDA		21,212,043.98
	Less:		
2	Total amount documented		17,796,618.98
3	Outstanding amount to be documented		3,415,425.00
	Represented by:		
4	Ending Special account Balance as as 30 June 2022		555,880.97
5	Amounts claimed but not credited as at 30 June 2022		-
6	Amounts withdrawn and not claimed		2,859,544.03
7	Service Charges (if not included in lines 5 and 6 above)		-
8	Interest earned (if included in Special Account)		-
9	Total advance to Special Account Year ended 30 June 2022		3,415,425.00

Discrepancy between total appearing on line 3 and 9

-

Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by IDA and provide reasons for not claiming the expenditures

The amount appearing on line 6 is eligible for financing by World Bank and shall be documented in subsequent IFRs

**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE:



Loan: IDA 55430 (IDA - IDA Credit) | Status: Disbursing and Repaying | Country: Kenya

Project: P145559 - Coastal Region Water Security and Climate Resilience Project

Loan Overview | Disbursements | History | Repayments | Amortization Schedule | Audit Submission

Important Dates

Approval	Signing	Commitment Charges Start Date	Effective	First Repayment	Closing	Application Deadline	Last Repayment
16-Dec-2014	13-Jan-2015	14-Mar-2015	11-May-2015	15-Apr-2021	31-Jan-2027	31-May-2027	15-Oct-2052

Currency of Commitment : XDR

Show amounts in XDR

Loan Information (XDR)

Signed Amount	131,800,000.00
Cancelled	57,600,000.00
Disbursed	40,137,783.48
Undisbursed	34,062,216.52
Special Commitments	0.00
Funds Available	34,062,216.52

Funds Available (XDR)

Withdrawal Applications	0.00
Special Commitment Issuance Applications	0.00
Estimated Funds Available	34,062,216.52

Disbursed 54.1% Undisbursed 45.9%

Last Bill, IDA 55430, due on 15-Apr-2023

1,049,743.86

Retroactive Available

Borrower: The National Treasury and Planning

Date Payable	Currency	Amount Payable	Retroactive Limit	1,049,743.86
17-Apr-2023	XDR	1,238,360.10	Retroactive Disbursed	0.00
			Period of Retroactivity	31-Dec-2013 to 12-Jan-2015

34,340,908.48

0.75 %

0.00 %

Principal Outstanding

Total Charges

Net Commitment Fee

Disbursed



Loan: IDA 55430 (IDA - IDA Credit) | Status: Disbursing and Repaying | Country: Kenya |

Project: P145559 - Coastal Region Water Security and Climate Resilience Project

[Loan Overview](#) | [Disbursements](#) | [History](#) | [Repayments](#) | [Amortization Schedule](#) | [Audit Submission](#) | [D](#)

[Applications](#) | [eSignatorie\(s\)](#) | [Beneficiaries](#) | [Contracts](#) | [Designated/UN Accounts](#) | [Category Schedule](#) |

Designated Account Detail- DA-A

Account Details

Account Holder	COAST REGION WATER SECURITY AND	DA Currency	USD
Account Holder's Bank	CENTRAL BANK OF KENYA HAILE SELASSIE AVENUE NAIROBI Swift: CBKEKENXXX	Current Authorized Allocation	5,000,000.00
Account Number	XXXXXXXX54	Associated Categories	1 - (Gd,Wk,Ncs,Cs,Trn,Sub-grnts,OpC,PrtA) 2 - (Gd,Wk,Ncs,Cs,Trn,Sub-grnts,OpC,PrtB) 3 - (Gd, Cs,Trn,OpC Prt C) 4 - (Gds, wks, Cs, Ncs, Trn, & OC PtA excl Sb Grts Pt A.2) 5 - (Gds, wks, Cs, Ncs, Trn, & OC Pt B excl Sb Grts Pt B.3) 6 - (Sub-grants under Part A.2 and Part B.3 of the Project)
Intermediary Bank	STANDARD CHARTERED BANK 1 BASINGHALL AVENUE LONDON Swift: SCBLGB2LXXX	Other Financing Sources	

Transaction Details

Currency (USD) [View Transaction List](#)

Total Deposits Less Refunds	28,167,574.31
Documented	24,752,149.31
Outstanding Balance	3,415,425.00
Waived Documentation Amount	0.00
Transaction in Process	0.00



Loan: IDA 55430 (IDA - IDA Credit) | Status: Disbursing and Repaying | Country: Kenya |

Project: P145559 - Coastal Region Water Security and Climate Resilience Project

Loan Overview | Disbursements | History | Repayments | Amortization Schedule | Audit Submission | D

Applications | eSignatorie(s) | Beneficiaries | Contracts | Designated/UN Accounts | Category Schedule |

Withdrawal Applications

Disbursement Milestone

Loan Approval Date 16-Dec-2014	Loan Signing Date 13-Jan-2015	Loan Made Effective 11-May-2015	Authorized Signatories Submitted to WB 09-Mar-2023	Authorized Signatories Approved 09-Mar-2023	Loan is Ready for Disbursing Online 15-Aug-2023
--	---	---	--	---	---

Submit Withdrawal Application

Transaction List

Showing results 1 - 10 of 45 entries

Filter by DA-A

Paid Summary

Value Date

Search

Borrower Reference	Application					Paid						
	Type	Status	Ccy	Amount	Category Summary	Ccy	Amount	Date received	Value Date	Logged by	Last Updated	
WA 49	DA-A	Completed	USD	1,699,811.66	Multiple	USD	1,699,811.66	27-Jun-2023	30-Jun-2023	Borrower	30-Jun-2023	
WA 43	DA-A	Completed	USD	1,080,169.36	CAT 5	USD	1,080,169.36	23-Feb-2023	27-Feb-2023	Borrower	27-Feb-2023	
WA 42	DA-A	Completed	USD	1,919,134.68	CAT 5	USD	1,919,134.68	05-Dec-2022	07-Dec-2022	Borrower	07-Dec-2022	
WA 39	DA-A	Completed	USD	2,256,414.63	CAT 5	USD	2,256,414.63	15-Aug-2022	16-Aug-2022	Borrower	16-Aug-2022	
WA 36	DA-A	Completed	USD	555,829.50	Multiple	USD	555,829.50	16-Jun-2022	16-Jun-2022	Borrower	16-Jun-2022	
WA 35	DA-A	Completed	USD	1,100,928.01	CAT 4	USD	1,100,928.01	16-Feb-2022	17-Feb-2022	Borrower	17-Feb-2022	
WA 31	DA-A	Completed	USD	1,253,773.93	CAT 4	USD	1,253,773.93	20-Nov-2021	22-Nov-2021	Borrower	22-Nov-2021	
WA 30	DA-A	Completed	USD	1,097,789.20	CAT 4	USD	1,097,789.20	17-Aug-2021	17-Aug-2021	Borrower	17-Aug-2021	
WA 29	DA-A	Completed	USD	1,658,927.88	CAT 4	USD	1,658,927.88	21-May-2021	21-May-2021	Borrower	21-May-2021	
WA 27	DA-A	Completed	USD	1,633,487.47	Multiple	USD	1,633,487.47	11-Feb-2021	11-Feb-2021	Borrower	11-Feb-2021	



Loan: IDA 55430 (IDA - IDA Credit) | Status: Disbursing and Repaying | Country: Kenya |

Project: P145559 - Coastal Region Water Security and Climate Resilience Project

Loan Overview | Disbursements | History | Repayments | Amortization Schedule | Audit Submission | D

Applications | eSignatorie(s) | Beneficiaries | Contracts | Designated/UN Accounts | Category Schedule |

Withdrawal Applications

Disbursement Milestone

Loan Approval Date 16-Dec-2014	Loan Signing Date 13-Jan-2015	Loan Made Effective 11-May-2015	Authorized Signatories Submitted to WB 09-Mar-2023	Authorized Signatories Approved 09-Mar-2023	Loan is Ready for Disbursing Online 15-Aug-2023
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Submit Withdrawal Application

Transaction List

Showing results 1 - 10 of 84 entries

Filter by

DA-A

Documented E

Value Date

Search

Borrower Reference	Application				Paid						
	Type	Status	Ccy	Amount	Category Summary	Ccy	Amount	Date received	Value Date	Logged by	Last Updated
Wa 52	DA-A	Draft	USD	2,947,250.85	4		0.00			James Munge	11-Aug-2023
WA 49	DA-A	Completed	USD	1,699,811.66	CAT 6	USD	1,440,000.00	27-Jun-2023	30-Jun-2023	Borrower	30-Jun-2023
WA 49	DA-A	Completed	USD	1,699,811.66	CAT 5	USD	259,811.66	27-Jun-2023	30-Jun-2023	Borrower	30-Jun-2023
WA 43	DA-A	Completed	USD	1,080,169.36	CAT 5	USD	1,080,169.36	23-Feb-2023	27-Feb-2023	Borrower	27-Feb-2023
WA 42	DA-A	Completed	USD	1,919,134.68	CAT 5	USD	1,919,134.68	05-Dec-2022	07-Dec-2022	Borrower	07-Dec-2022
WA 39	DA-A	Completed	USD	2,256,414.63	CAT 5	USD	2,256,414.63	15-Aug-2022	16-Aug-2022	Borrower	16-Aug-2022
WA 36	DA-A	Completed	USD	555,829.50	CAT 4	USD	276,162.20	16-Jun-2022	16-Jun-2022	Borrower	16-Jun-2022
WA 36	DA-A	Completed	USD	555,829.50	3	USD	233,856.52	16-Jun-2022	16-Jun-2022	Borrower	16-Jun-2022
WA 36	DA-A	Completed	USD	555,829.50	2	USD	45,810.78	16-Jun-2022	16-Jun-2022	Borrower	16-Jun-2022
WA 35	DA-A	Completed	USD	1,100,928.01	CAT 4	USD	1,100,928.01	16-Feb-2022	17-Feb-2022	Borrower	17-Feb-2022

