

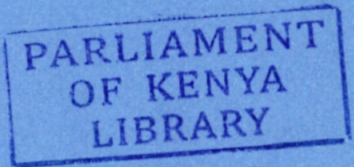
REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF



THE AUDITOR-GENERAL

ON

**RUIRU-JUJA WATER AND SEWERAGE
COMPANY LIMITED**

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

PAPERS LAID	
DATE	26.06.2024
TABLED BY	Maj. Leader
COMMITTEE	
CLERK AT THE TABLE	Innocent

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
21 FEB 2024
RECEIVED



RUIRU-JUJA WATER AND SEWERAGE COMPANY LTD
ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2023

Prepared in accordance with the Accrual Basis of Accounting Method under the International Financial Reporting Standards (IFRS)

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023



Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

Table of Contents	Page
I. ACRONYMS, ABBREVIATIONS AND GLOSSARY OF TERMS.....	iv
II .KEY ENTITY INFORMATION.....	v
III. THE BOARD OF DIRECTORS.....	vii
IV. MANAGEMENT TEAM.....	ix
V. CHAIRMAN’S STATEMENT	xi
VI. REPORT OF THE CHIEF EXECUTIVE OFFICER.....	xii
VII. REVIEW OF RUIRU JUJA WATER AND SEWERAGE CO. PERFORMACE FOR FY 2021/2022.....	xiv
VIII. CORPORATE GOVERNANCE STATEMENT.....	xv
IX. MANAGEMENT DISCUSSION AND ANALYSIS.....	xxv
X. ENVIRONMENT AND SUSTAINABILITY REPORTING.....	xxvi
XI. REPORT OF THE DIRECTORS.....	xxvii
XII. STATEMENT OF DIRECTORS’ RESPONSIBILITIES.....	xxviii
XIII. REPORT OF THE INDEPENDENT AUDITORS ON RUIRU JUJA WATER AND SEWERAGE CO...	xxix
XIV. STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME.....	1
XV. STATEMENT OF FINANCIAL POSITION.....	2
XVI. STATEMENT OF CHANGES IN EQUITY.....	3
XVII. STATEMENT OF CASH FLOWS.....	4
XVIII. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS.....	5
XIX. NOTES TO THE FINANCIAL STATEMENTS.....	6
XX. APPENDICES.....	29

I. ACRONYMS, ABBREVIATIONS AND GLOSSARY OF TERMS

A: Acronyms and Abbreviations

AWWDA	Athi Water Works Development Agency
CEO	Chief Executive Officer
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
KPI	Key Performance Indicator
MD	Managing Director
NT	National Treasury
OAG	Office of the Auditor General
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
RUIJWASCO	Ruiru Juja Water and Sewerage Company
SC	State Corporations
WASREB	Water Services Regulatory Board

B: Glossary of Terms

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

Comparative Year- Means the prior period.

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

II. KEY ENTITY INFORMATION

Background information

Ruiru-Juja Water and Sewerage Company Ltd is a public company wholly owned by the County Government of Kiambu and established under the Water Act No. 43 of 2016. It is licensed by Water Services Regulatory Board (WASREB). Ruiru-Juja Water and Sewerage Company Ltd is domiciled in Kenya and has no branches.

Principal Activities

The principal activity of Ruiru-Juja Water and Sewerage Company Ltd is to provide quality and affordable water and sewerage services in Ruiru and Juja Sub-counties in Kiambu County.

Board of Directors

The Caretaker Board who served the entity during the year/period were as follows:

1. Mrs Emma Ng'ang'a -	Chairperson	Left in February 2023
2. Mr Dominic Gachanja -	Member	Appointed in April 2018
3. Erastsus Njoroge-	Member	Appointed in February 2022
4. Samuel Mwangi Thiong'o-	Member	Appointed in February 2022
5. Ms Jennifer Musyoki -	Member	Appointed in July 2020
6. Charles Gikonyo-	Member	Appointed in February 2022
7. Joseph Mukabi-	Member	Appointed in February 2022
8. Mrs Josephine Muritu -	Company/Board Secretary	Left in February 2023

Registered Office

Ruiru-Juja Water and Sewerage Company, Adjacent to Kenyatta
University Ruiru Campus, Opposite Kenya Power Offices
P.O. Box 1165-00232
Ruiru, KENYA

Corporate Headquarters

P.O. Box 1165-00232
Ruiru-Juja Water and Sewerage Company, Adjacent to Kenyatta University Ruiru Campus
Nairobi, KENYA

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

Corporate Contacts

Telephone:020-2022651

E-mail: info@ruiruwater.co.ke

E-mail: rujwasco2017@gmail.com

Website: www.ruiruwater.co.ke

Corporate Bankers

1. Kenya Commercial Bank
Ruiru Branch
P.O. Box 400-00232,
Ruiru

2. ABSA Bank of Kenya
Juja Branch
P.O. Box 580-01001,
Juja

3. Family Bank
Branch
P.O. Box 788-00232,
Ruiru

4. Post Bank
Ruiru Branch
P.O. Box 30311-00100,
Nairobi

Independent Auditors

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

Principal Legal Advisers





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

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

III. THE BOARD OF DIRECTORS AND MANAGEMENT TEAM

	<p>1. Name: Dominic Gachanja 2. Position: Director and Chairman of the Board 3. DoB: 1955 4. DoA : April 2018 5. Qualification: Doctor in Physiology 6. Work Experience: Businessman Thika, Board Member Land Control Board</p>
	<p>1. Name: Jennifer Kanini Musyoki 2. Position: Director representing Kiambu County Government 3. DoB: 1984 4. DoA: July 2020 5. Qualification: MBA (Strategic Management); BSc Civil Engineering 6. Work Experience: Previously worked as a Water & Sanitation Engineer in planning and design of urban and rural water and sanitation infrastructure; formulating national and county government water and sanitation policies, strategies and plans; conducting out technical assessments, socio-economic studies and surveys with H.P. Gauff Ingenieure, GIZ International Water Stewardship programme and Authentic Living Int. Co. Ltd. Currently working as the Chief Officer in the Department of Water, Environment, Energy and Natural Resources</p>
	<p>1. Name: Erastus Njoroge 2. Position: Director and Chairman of Risk and Audit Committee 3. DoB: 1984 4. DoA : February 2022 5. Qualification: Masters of Economics-Finance, Bachelor of Education (Economics & Mathematics), Member of Economists Society of Kenya(ESK) 6. Work Experience: Currently working as Deputy Director-Portfolio Monitoring at Kenya Development Corporation. Previously worked as Chief of Credit at IDB Bank and as Credit and Risk Manager at Equity Bank-Rwanda, Housing Finance and Fina Bank</p>
	<p>1. Name: Rev. Samuel Thiong'o Mwangi 2. Position: Director and Chairman of Finance and Administration Committee, Acting Chairmain Technical Committee 3. DoB: 1968 4. DoA : February 2022 5. Qualification: Doctor of Divinity (Honoris Causa), Doctor of Humane Letters (Honoris Causa), M.A. in Counselling Psychology, B.A. in Bible and Theology 6. Work Experience: Director and a senior Lecturer with Gleam Africa Bible Institute .Works as a senior Pastor in African Holy Ghost Christian Church in Nairobi and a General Overseer of Evangelistic Christian Fellowship Church International.</p>
	<p>1. Name: Joseph Mukabi 2. Position: Director representing Kiambu County Government 3. DoB: 1974 4. DoA : February 2022 5. Qualification: MBA(Finance), BComm (Finance), Member of ICPAK 6. Work Experience: 10 years in County Government of Kiambu, 13 years in Defunct Ministry of Local Government, 3 years in private sector</p>

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

	<p>1. Name: Charles Gikonyo 2. Position: Director representing Kiambu County Government 3. DoB: 1977 4. DoA : February 2022 5. Qualification: BA Government & Public Administration, Certified Public Secretary, Chartered Institute of Purchasing & Supplies (UK) 6. Work Experience: Current Chief Officer – Administration & Public Service, previously practiced as a Certified Public Secretary</p>
	<p>1. Name: Emma Waithera Ng'ang'a 2. Position: Chairperson 3. DoB: 1957 4. DoA : April 2018 5. Qualification: Msc Corporate Entrepreneurship 6. Work Experience: 40 years' experience in Business and Marketing 7. DoL: February 2023</p>
	<p>1. Name: Josphine W. Muritu 2. Position: Company Secretary 3. DoA: April 2018 4. DoB: 1974 5. Qualification: LLB (UoN) 6. Work Experience: Worked with Kiambu County Government Senior Legal Counsel, Assistant Director (Quality Assurance, compliance and Accreditation), Assistant Commission Secretary (Legal Affairs), Assistant Counsel Mwaniki & Company Advocates, Counsel Musyimi & Company Advocates 7. DoL: February 2023</p>
	<p>1. Name: Jacqueline Wangari Murigi 2. Position: Company Secretary 3. DoB: 1989 4. DoA: June 2023 5. Qualification: LLB, Masters in Public Policy and Administration, Diploma in Human Resource Management, Certified Secretary (CS), Certified Mediator (CPM) 6. Work Experience: An advocate of the high court with over nine years' experience. She has served in the County Government of Kiambu in various capacities including Legal Counsel Legislative Drafting, Senior Legal Counsel and subsequently Director Legal Services in the Office of the County Secretary. Currently serves as the Director – Legal Services in the Department of Water & Sanitation supporting the Board of Directors in offering Company Secretarial Services as a qualified Certified Secretary 7. Membership: Currently a member of the Law Society of Kenya, Institute of Certified Secretaries and Associate Member of the Institute of Human Resource Management.</p>

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

IV. MANAGEMENT TEAM

	<p>1. Name: Simon M Mwangi</p> <p>2. Position: Managing Director</p> <p>3. Academic Qualification: BComm(Finance), Member of ICPAK</p>
	<p>1. Name: Mary N Karogo</p> <p>2. Position: Finance Manager</p> <p>3. Academic Qualification: MBA(Finance), BComm (Finance), Member of ICPAK</p>
	<p>1. Name: Mary W Mwangi</p> <p>2. Position: Technical Manager</p> <p>3. Academic Qualification: BSc in Environmental Engineering</p>
	<p>1. Name: Fridah W Kimani</p> <p>2. Position: Senior Internal Auditor</p> <p>3. Academic Qualification: BComm (Finance), Member of ICPAK</p>
	<p>1. Name: Anne G Kimani</p> <p>2. Position: Human Resources Manager</p> <p>3. Academic Qualification: Msc in HRM, BA HRM, CHRP(K), MIHRM</p>
	<p>1. Name: Allan G Ngugi</p> <p>2. Position: ICT Manager</p> <p>3. Academic Qualification: Msc Computer Systems Security (Forensics & Pentesting), Bsc Information Technology, Bsc Computing and Internet systems</p>

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

	<p>1. Name: Joshua W Kimotho</p> <p>2. Position: Commercial Manager</p> <p>3. Academic Qualification: Msc Data Science, Bsc. Computer Science</p>
	<p>1. Name: Francis G Murakaru</p> <p>2. Position: Procurement Manager</p> <p>3. Academic Qualification: Msc Procurement, Bachelors Purchasing and Supplies, Member CIPS and KISM</p>
	<p>1. Name: Anthony K Mburu</p> <p>2. Position: Senior Engineer (Water & Sanitation)</p> <p>3. Academic Qualification: Bsc Civil & Structural Engineering, Professional Engineer (EBK), Member Engineers Institute of Kenya (IEK), Lead Expert-NEMA</p>
	<p>1. Name: Stephen W Maina</p> <p>2. Position: Senior Engineer (Infrastructure Development)</p> <p>3. Academic Qualification: Bsc Civil & Structural Engineering, Professional Engineer (EBK), Member Engineers Institute of Kenya (IEK)</p>
	<p>1. Name: Christopher M Kaume</p> <p>2. Position: Non-Revenue Water Manager</p> <p>3. Academic Qualification: Bsc Civil & Structural Engineering, Graduate Engineer (EBK), Graduate member Engineers Institute of Kenya (IEK)</p>

V. CHAIRMAN'S STATEMENT

Overview

Ruiru-Juja water and sewerage Company remains committed to discharging her mandate by fulfilling the mission of serving the residents as stipulated in the service charter. This is evidenced by the continued increase in water and sewer connectivity that is supported by provision of high quality and reliable water supply to customers as well as the improved sanitation standards in our area of jurisdiction.

Key Activities and Successes

In the financial year under review, the company implemented key development projects in line with the strategic objectives of increasing access and coverage to water and sewer services while ensuring long term financial sustainability. Some of the key projects that were implemented includes: water and sewer extension works to unserved and underserved areas. This include Mugutha and Milimani water pipeline among others

Challenges Faced

The company has however faced few challenges in meeting water demand requirements of the population in the area of jurisdiction mainly water deficit in portable water.

Future Outlook

The future of the company is very promising as implementation of key development projects that are externally funded are in their final stages of completion. This will put the company performance to an upward trajectory. The Githurai water project funded under KFW financing, whose construction commenced in May 2020 is almost complete and construction works for Karimenu II dam project is complete

Appreciation

I greatly appreciate invaluable support that my Board continues to receive from our shareholder, stakeholders and customers. I also wish to thank Management and Staff of RUJWASCO, who have all worked very hard with great motivation to ensure that the Company continues to register excellent performance.

**CHAIRMAN,
BOARD OF DIRECTORS**



VI. REPORT OF THE CHIEF EXECUTIVE OFFICER

INTRODUCTION.

As we mark 15 years of our company's existence it is always my pleasure to look back and appreciate how far our company has come. Performance has been improving each year, and we have managed to increase our customer base from the initial 2,000 customers at inception to the current 51,000 customers. This has made our company to graduate from small size company to medium size and eventually to the category of very large utility. This has been achieved through the commitment of our shareholder, County Government of Kiambu who has given us an enabling environment and support to perform our duties. The support from our major stakeholders and our partners has been the key driver to our improved infrastructures and other support systems and we are grateful. The commitment of staff and the team spirit has completed the full circle in our Company management and to all I say thank you.

KEY ACTIVITIES AND SUCCESSES

In the financial year under review, the company implemented key development projects in line with the strategic objectives of increasing access and coverage to water and sewer services while ensuring long term financial sustainability. Some of the key projects that were implemented includes: water and sewer extension works to unserved and underserved areas. This includes Mugutha and Milimani water pipeline which will enable the company to distribute the additional water from Karimenu 11 Water Project. In addition, the company is currently implementing Ngenda Road-BTL-Gitamabaya and Kenyatta Road Water Project. This will increase supply to residents of Membly, Gitambaya,BTL,Gatongora and Kenyatta road.

CHALLENGES FACED

The company has however faced a few challenges in meeting water demand requirements of the increasing population in the area of jurisdiction with an approximate deficit of 66,000M³ /day portable water.

FUTURE OUTLOOK

The future of the company is very promising as implementation of key development projects that are externally funded are in their final stages of completion. This will put the company performance to an upward trajectory.

Construction works for Karimenu II dam project is complete and the company has been receiving bulk supply from AWWDA since February 2023. The company is expected to benefit with a boost of approximately 47,000M³ per day.

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

PERFORMANCE OF THE COMPANY.

The Company continues to perform well in its areas of operations. The monthly revenue collection has improved from Kshs 70M in the previous year to an average of Kshs 73M per month in the current year. The improved performance is greatly attributed to efficiency in the areas of operations and therefore the company has managed to utilize internally generated funds to develop its water and sewer system infrastructure.

The company total production during the year increased from 11,311,029M³ to 12,601,145M³ while the billed volumes increased from 7,308,393M³ to 8,140,218M³ which translates to about 11%.

The company reported NRW of 35.4% in the year and therefore the company need to continually adopt strategic measures to bring the NRW to acceptable level.

IMPACT OF UPCOMING PROJECTS

The Githurai water project funded under KFW financing, whose construction commenced in May 2020 is almost complete with only a very small section remaining which the team is currently working on as they undertake major test on the pipeline. The projects entail increasing Ruiru water supply production in Jacaranda from the current 13,000M³/day to 28,000M³/day, a water transmission main and distribution network to the greater Githurai area, and it shall resolve water shortage in the greater Githurai.

CONCLUSIONS

Since much has been said by our Chairman, I thank you all once again for the support we have received from our Shareholder and other stakeholders to take our company, Ruiru-Juja Water and Sewerage Company to the next level. On behalf of all the staff, thank you.



Mr. Simon Mwangi

MANAGING DIRECTOR

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

VII. REVIEW OF RUIRU JUJA WATER AND SEWERAGE PERFORMANCE FOR FY2022/2023

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the national government entity’s performance against predetermined objectives.

Ruiru-Juja Water and Sewerage Company Ltd has 5 Key Performance Indicators and objectives within its Strategic Plan for the FY 2018/2019- 2022/2023. These Key Performance Indicators are as follows:

KPI 1: Utilisation of Water Production capacity and Water Quality Monitoring

KPI 2: Non-revenue water reduction

KPI 3: Collection efficiency improvement

KPI 4: Compliance to budgetary revenue

KPI 5: Number of Paying Customers increase

Ruiru-Juja Water and Sewerage Company Ltd develops its annual work plans based on the above 5 KPIs. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. Ruiru-Juja Water and Sewerage Company Ltd level of achievement on its performance targets set for the FY 2022/2023 period for its 5 strategic pillars, is indicated in the diagram below:

S/No.	Performance Criteria	Unit of Measure	Status Previous Year (FY 2021/22)	Target (FY 2022/23)	Actual FY 2022/23
1	Utilisation of Water Production capacity	%	100%	100%	100%
	Water Quality Monitoring	Quarterly Reports	4 Reports	4 Reports	4 Reports
2	Non-revenue water	%	35%	30%	36%
3	Collection efficiency	%	88%	90%	91%
4	Compliance to budgetary revenue	%			
			105%	100%	95%
5	Number of Paying Customers	No.	85%	90%	86%

VIII. CORPORATE GOVERNANCE STATEMENT

Ruiru-Juja Water and Sewerage Company is committed to operating under a clear governance framework and strongly adheres to sound management and control practices.

Ruiru-Juja Water and Sewerage Company is committed to ensuring compliance with the Licence Agreement signed with Water Services Regulatory Board (WASREB).

Essential to the establishments of a good governance framework is formal governance structures designed to ensure accurate reporting to the board to facilitate an informed decision making, progress assessment and improvement of performance.

Board of Directors

Ruiru-Juja water and Sewerage Company is governed by a Board of Directors comprising of Seven members representing various stake holder's interests. The Board provides leadership, exercises enterprises integrity and judgement in directing Ruiru-Juja Water and Sewerage company. The Board also sets company policies.

The Board is expected to determine the purpose and values of Ruiru-Juja Water and Sewerage Company, determine the strategy to achieve that purpose and implement its values in order to ensure the company survives and thrives.

The Board has been trained in Corporate Governance practices in running of Ruiru-Juja Water and Sewerage Company and to bring the level of governance in the company in line with corporate governance guidelines. The essence of corporate governance is to protect stakeholder interests including the government, water service providers, consumers and the communities.

The Board has been trained in Corporate Governance and Procurement procedures to ensure that the company is run effectively and efficiently.

Managing Director

Responsibility for execution of the Board's policies lies with the Managing Director. The Managing Director's role is to provide the strategic leadership for the organization and act as the link between the staff and the Board of Directors.

Governance Structures

Individual directors of the Board are appointed according to the Water Act No. 43 of 2016 and corporate governance guidelines issued by WASREB.

Board Committees

In ensuring that corporate governance is enhanced and that the power of Ruiru-Juja Water and Sewerage Company is exercised in the stewardship of the company's total portfolio of assets and resources with the objective of maintaining stakeholders' value, the Board of Directors has established the following committees:

Finance and Administration Committee

The Finance committee is the overseer of the financial reporting process and the corporation internal controls.

The Committee is also responsible for efficient allocation and utilization of resources, proposing investment and funding programs for the company.

In addition, the Committee ensures that RUJWASCO has the right staff and also ensures that the staff welfare is guaranteed. Their terms of reference include but not confined to human resource planning, employee welfare, recruitment, training, performance appraisal, discipline, health and safety and HIV/AIDs.

Audit Committee

This Committee has the oversight responsibility of ensuring that the integrity of internal controls of the company.

It also reviews financial statements to ensure compliance with accounting Standards and Legal Requirements.

Technical Committee

This Committee oversees implementation of capital programmes and reviews annual quality control reports for water supply and sewerage services and give recommendations to the board.

Additionally, the committee is tasked with overseeing implementation of water conservation strategy and programmes and monitoring non-revenue water trends.

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

6 th Full	30 th May & 9th June 2023	1. Adoption of the Job Evaluation and Salary Survey Report by M/S Career Consultants	1. Dominic Gachanja
		2. Adoption of the 2023/2024 Annual Budget	2. Rev. Samuel Thiong'o
		3. Adoption of the 2023/2024 Procurement Plan	3. Erastus Njoroge
		4. Adoption of the 2023-2025 Collective Bargaining Agreement	4. Joseph Mukabi
		5. Adoption of the Finance and Administration Paper on Staff Gratuity Investment	5. Joseph Njuguna
		6. Consideration of the Athi Water Works Development Agency Bulk Water Supply Agreement and Payment of the Bulk Water Supply	6. Charles Gikonyo
		7. Confirmation of the 5 th Full Board Meeting	7. Simon Mwangi
			8. David Kuria
			9. Wangari Murigi
			10. Mary Karogo
			11. Anne Kimani
			12. Pauline Wairegi
4 th Special	27 th June 2023	1. Approval of the Amended Memorandum and Articles of Association	1. Dominic Gachanja
		2. Approval of the Board Schedule of Meetings 2023/2024 Financial Year	2. Rev. Samuel Thiong'o
		3. Approval to hold the Annual General Meeting of the Company	3. Erastus Njoroge
		4. Adoption of the Risk & Audit Committee Report	4. Joseph Mukabi
		5. Confirmation of the 6 th Full Board Minutes	5. Joseph Njuguna
			6. Simon Mwangi
			7. David Kuria
			8. Wangari Murigi
			9. Pauline Wairegi

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

	MEETING	DATES	AGENDA	MEMBERS IN ATTENDANCE
2.	FINANCE & ADMINISTRATION			
	1 st	24 th August 2022	1.Consider and recommend to the Board Employee Satisfaction and Related Surveys Report.	1.Dominic Gachanja
			2.Consider, adopt and recommend to the Board the Staff Suitability Test Paper	2.Rev. Samuel Thiong'o
			3.Consider and recommend to the Board Collective Bargaining Agreement (CBA)	3.Jennifer Musyoki
				4.Joseph Mukabi
				5.Simon Mwangi
				6.Mary Karogo
				7.Anne Kimani
				8.Allan Ngugi
	2 nd	5 th September 2022	1.Consider, adopt and recommend to the Board the 2022 Q2 Recruitment Proposal	1.Dominic Gachanja
			2.Consider, adopt and recommend to the Board the Corporate Key Performance Indicator (KPI)	2.Rev.Samuel Thiong'o
				3.Jennifer Musyoki
				4.Joseph Mukabi
				5.Simon Mwangi
				6.Anne Kimani
	3 rd	20 th September 2022	1.Presentation of the 2021/2022 Financial Year Financial Statement	1. Dominic Gachanja
				2.Rev Samuel Thiong.o
				3.Joseph Njuguna
				4.Joseph Mukabi
				5.Simon Mwangi
				6.Mary Karogo
				7. Anne Kimani
			xx	

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

4 th	31 st October 2022	1.Consider and recommend to the Board the Shortlisting of Commercial Manager Job Grade 2	1. Dominic Gachanja
		2.Oral Interviews for other positions	2.Rev.Samuel Thiong'o
		3.Confirmation of the 1 st & 2 nd Finance & Administration minutes	3.Jennifer Musyoki
			4.Joseph Mukabi
			5.Simon Mwangi
			6.Anne Kimani
1 st Special	16 th , 17 th , 21 st , 22 nd , 23 rd and 24 th November 2022	1.Conducting oral interviews for the following positions: a) Senior Engineer Water and Sanitation b) Senior Engineer Infrastructure c) Legal Officer d) Procurement Officer e) Security Officer f) NRW Manager	1.Dominic Gachanja
			2. Rev. Samuel Thiong'o
			3.Jennifer Musyoki
			4.Joseph Mukabi
			5.Simon Mwangi
			6.Mary Karogo
			7.Anne Kimani
			8.Mary Mwangi
2 nd Special	13 th December 2022	1.Consider, adopt and recommend to the Board the Oral Interview Recruitment Report	1. Dominic Gachanja
		2.Board of Directors Christmas Token	2.Rev. Samuel Thiong'o
		3. Confirmation of the 3 rd , 4 th and 2 nd Special Finance & Administration minutes	3.Jennifer Musyoki
			4.Joseph Mukabi
			5.Simon Mwangi
			6.Mary Karogo
		7.Anne Kimani	
		8.Mary Mwangi	
		xxi	

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

5 th	10 th February 2022	1.Consider, adopt and recommend to the Board Half Year Report 2022/23	1.Dominic Gachanja
		2.Consider, adopt and recommend to the Board the Supplementary Budget 2022/23	2.Rev. Samuel Thiong'o
			3.Joseph Mukabi
			4.Simon Mwangi
			5 Mary Karogo
6 th	19 th May 2023	1.Consider and recommend to the Board the Annual Budget 2023/24 for approval	1.Dominic Gachanja
		2.Consider and recommend to the Board the Procurement Plan 2023/24 for approval	2. Rev. Samuel Thiong'o
		3.Consider and recommend to the Board the Collective Bargaining Agreement 2023-2025 for registration	3.Joseph Mukabi
		4.Consider and recommend to the Board the Gratuity Investment Proposal for adoption and implementation	4.Simon Mwangi
			5.Mary Karogo
			6.Anne Kimani
			7.Pauline Wairegi

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

	MEETING	DATES	AGENDA	MEMBERS IN ATTENDANCE
3.	TECHNICAL COMMITTEE			
	2 nd	6 th September 2022	1.Consider and adopt the Performance Report for 2021/22 Financial Year	1.Rev Samuel Thiong'o
			2.Consider and adopt the Projects Implementation Report for 2021/22 Financial Year	2.Charles Gikonyo
			3. Confirm the 1 st Committee minutes	3.Jennifer Musyoki
				4.Simon Mwangi
				5.Mary Karogo
				6. Mary Mwangi
	3 rd	5 th January 2023	1.Consider and adopt the Performance Report for the 1 st Quarter 2022/23 Financial Year	1.Rev Samuel Thiong'o
			2.Consider and adopt the status report for the bulk and capital projects as at 30 th December 2022	2.Dominic Gachanja
			3.Confirm the 2 nd Committee minutes	3.Jennifer Musyoki
				4.Joseph Njuguna
				5.Simon Mwangi
				6. Mary Mwangi

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

	MEETING	DATES	AGENDA	MEMBERS IN ATTENDANCE
4.	AUDIT COMMITTEE			
	3 rd	19 th September 2022	1.Consider and adopt the Internal Audit Report for the period July 2021 to March 2022 and Follow up 2. Consider and adopt the Internal Audit Report on Transport for the 4 th Quarter 3. Confirm the minutes of the 2 nd meeting	1.Erastus Njoroge 2.Charles Gikonyo 3.Joseph Mukabi 4.Simon Mwangi 5.Fridah Kimani
	4 th	13 th February 2023	1.Consider and recommend to the Board the Customized Policies on Workplace Anti-Corruption, Enterprise Risk Management & Internal Audit Charter 2.Consider and adopt the Internal Audit Report for the 1 st & 2 nd Quarter 2022/2023 3. Confirmation of the 3 rd Committee minutes	1.Erastus Njoroge 2.Charles Gikonyo 3.Joseph Mukabi 4.Simon Mwangi 5.Fridah Kimani
	5 th	15 th June 2023	1.Consider, adopt and recommend to the Board the Audited Financial Statements for 2021/2022 2. Consider, adopt and recommend to the Board the Proposal on Strengthening the Internal Audit Function 3.Consider and adopt the Internal Audit Report on Human Resource 4.Consider and adopt the Board Risk and Audit Committee Charter 5. Consider , adopt and recommend to the Board the Corporate Governance Compliance Checklist for the 3 rd Quarter 6.Confirmation of the minutes of 4 th Audit Committee meeting	1.Erastus Njoroge 2.Charles Gikonyo 3.Joseph Mukabi 4.Simon Mwangi 5.Fridah Kimani

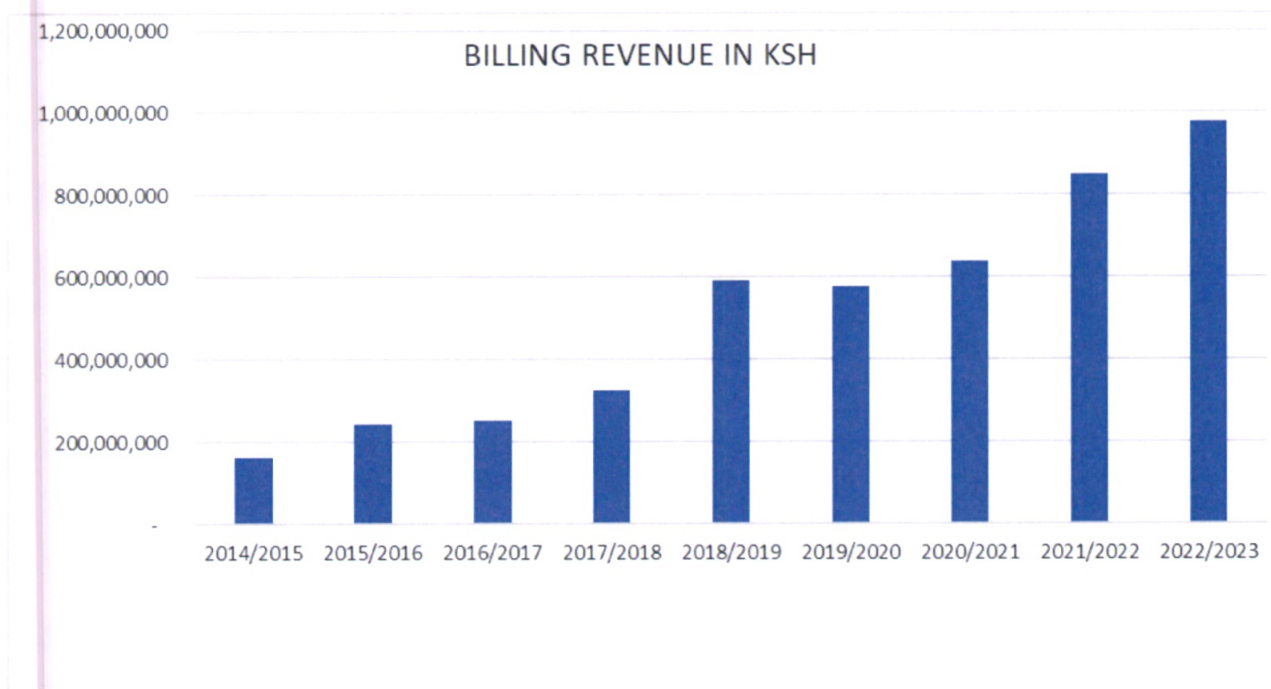
IX. MANAGEMENT DISCUSSION AND ANALYSIS

PERFORMANCE

Performance has been improving each year despite various challenges. Our customer base has grown from the initial 2,000 customers at inception in 2006 to the current 51,000 customers. This has made the company to graduate from small size company to medium size and eventually to large water company.

Billing revenue has grown tremendously for the last nine years. In the financial year 2014/2015, billing for water was Ksh 163M. This peaked in year 2022/2023 to Ksh 979 million. This has generated resources to the company which have been utilized in rehabilitation and upgrading of old water network and expansion of water and sewer network.

The graph below demonstrates how billing revenue has grown from year 2014/2015 up to year 2022/2023.



The company has made it a practice not to hold idle cash. Cash in customer deposits has from time to time been invested in fixed and call deposits and the company in return gets interest income.

X. ENVIRONMENT AND SUSTAINABILITY REPORTING

Ruiru Juja Water and Sewerage Company Limited vision is to be a world class provider of water and sewerage services. Our mission is to provide quality and reliable water and sewerage services by embracing high standards of professionalism and integrity in our service delivery.

Our core values define our systems of shared norms in our organizational setting.

Everything we do is guided by the following corporate values namely;

- Integrity in all our actions
- Key focus on customer service
- Efficiency in management of all resources
- High commitment to corporate social responsibility
- Embracing team work
- Passion for excellence
- Environmental sustainability
- Continuous staff development/Continuous professional development

Guided by these values Ruiru Juja Water and Sewerage Company Limited was able to achieve the following during the year in these areas;

Sustainability strategy and profile

The company through Athi Water Works Development Agency (AWWDA) and County Government of Kiambu continues to implement water and sewer projects that will ensure increased water and sewer coverage. The company through its internally generated funds has continued to extend the distribution network to ensure more people under its jurisdiction are served.

Environmental performance

The company staff participated in Paths of freedom and Conservation walk held in December 2022 and also attended Sasumua dam tree planting day aimed at conserving water sources. The Company also established a water shed conservation project that will ensure conservation of the water sources.

Employee welfare

The company hiring process ensures fairness and have met the two third gender rule. We also ensure equity at work place and employees get training regularly depending on training needs identified by HR department.

Market place practices

The company charge customers' levies as stipulated by WASREB tariff guideline.

Community engagements

The company has engaged four sociologists who directly interact with community and give feedback to management on community expectations and pro poor community projects.

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

XI. REPORT OF THE DIRECTORS

The Directors submit their report together with the audited financial statements for the year ended June 30, 2023 which show the state of the Ruiru-Juja Water and Sewerage Company Ltd affairs.

Principal activities

The principal activity of Ruiru-Juja Water and Sewerage Company Ltd is to provide quality and affordable water and sewerage services in Ruiru and Juja Constituencies in the Kiambu County.

Results

The results of the entity for the year ended June 30, 2023 are set out on page 1

Dividends

The Directors recommend no dividend payment for the year.

Directors

The members of the Board of Directors who served during the year are shown on page iv in accordance with Ruiru-Juja Water and Sewerage Company Ltd Articles of Association.

Auditors

The Office of the Auditor General is responsible for the statutory audit of Ruiru-Juja Water and Sewerage Company Ltd in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board


Secretary
Nairobi

Date: 21/02/2024

XII. STATEMENT OF DIRECTORS' RESPONSIBILITIES

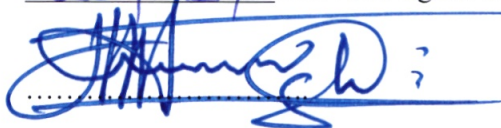
Section 149 of the Public Finance Management Act, 2012 require the Directors to prepare financial statements in respect of that Ruiru-Juja Water and Sewerage Company Ltd, which give a true and fair view of the state of affairs of Ruiru-Juja Water and Sewerage Company Ltd at the end of the financial year/period and the operating results of Ruiru-Juja Water and Sewerage Company Ltd for that year/period. The Directors are also required to ensure that Ruiru-Juja Water and Sewerage Company Ltd keeps proper accounting records which disclose with reasonable accuracy the financial position of Ruiru-Juja Water and Sewerage Company Ltd. The Directors are also responsible for safeguarding the assets of Ruiru-Juja Water and Sewerage Company Ltd.

The Directors are responsible for the preparation and presentation of Ruiru-Juja Water and Sewerage Company Ltd financial statements, which give a true and fair view of the state of affairs of Ruiru-Juja Water and Sewerage Company Ltd for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management systems 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 entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of Ruiru-Juja Water and Sewerage Company Ltd; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Ruiru-Juja Water and Sewerage Company Ltd financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards (IFRS), and in the manner required by the PFM Act, 2012 and the State Corporations Act. The Directors are of the opinion that the Ruiru-Juja Water and Sewerage Company Ltd financial statements give a true and fair view of the state of Ruiru-Juja Water and Sewerage Company Ltd transactions during the financial year ended June 30, 2023, and of Ruiru-Juja Water and Sewerage Company Ltd financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for Ruiru-Juja Water and Sewerage Company Ltd, which have been relied upon in the preparation of Ruiru-Juja Water and Sewerage Company Ltd financial statements as well as the adequacy of the systems of internal financial control.

Approval of the financial statements

Ruiru-Juja Water and Sewerage Company Ltd financial statements were approved by the Board on 20/02/2024 and signed on its behalf by:



Chairman of the Board.



Managing Director

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON RUIRU-JUJA WATER AND SEWERAGE COMPANY LIMITED FOR THE YEAR ENDED 30 JUNE, 2023

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 Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the 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

Qualified Opinion

I have audited the accompanying financial statements of Ruiru-Juja Water and Sewerage Company Limited set out on pages 1 to 31, which comprise of the statement of financial

position as at 30 June, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Ruiru-Juja Water and Sewerage Company Limited as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) and comply with the Public Finance Management Act, 2012, the Companies Act, 2015, and the Water Act, 2016.

Basis for Qualified Opinion

Irregularities in Board Expenses

The statement of profit or loss and other comprehensive income reflects Board expenses amount of Kshs.8,718,341 as disclosed in Note 14 to the financial statements. Review of the provided records revealed that the Company held twenty (20) Board meetings instead of a maximum of four (4) in a year and two special meetings. As a result, an expenditure of Kshs.2,800,000 was incurred to remunerate the Board members irregularly. The two special meetings had no approval from the County Executive Committee Member (CECM). Further, the Board did not submit their annual plan to their parent department at the County Government as required.

In addition, out of the twenty (20) meetings held by the Board, eleven (11) of them were held outside the Company's premises contrary to the directive given by the Government. This led to loss of funds in payment for venues considering the Company has a Board room within its premises. There was also no performance evaluation carried out on the Board hence the performance of the Board members could not be established. It was further noted that three (3) Board members received thirty-eight (38) payments totaling to Kshs.2,240,000. Management did not provide any justification for the amount paid.

In the circumstances, the validity and accuracy of the Board expenses of Kshs.8,718,341 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised. However, Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Unaccounted for Non-Revenue Water (NRW)

The statement of profit or loss and other comprehensive income and as disclosed in Note 6 to the financial statements reflects operating revenue from water sales of Kshs.979,425,268. Records provided for audit revealed that the Company produced a total of 13,179,010 cubic meters (m³) of water. However, only 8,140,218 cubic meters were billed to customers. The balance of 5,038,792 cubic meters, which is approximately 36% of the total water produced with a sale value of Kshs.387,986,984, at the average sale price of Kshs.77 per cubic meter represents the Non-Revenue Water (NRW).

In the circumstances, the Company significantly exceeded the allowable NRW loss of 25% by 11% or approximately Kshs.39,190,636 which if not addressed will negatively impact on the Company's profitability and its long-term sustainability.

2. Use of Expired Tariff

The statement of profit or loss and other comprehensive income and Note 6 to the financial statements reflects operating revenue from water sales amount of Kshs.979,425,268. However, during the year under review, Management billed water to customers using an expired tariff running from 2015/2016 to 2017/2018. No explanation

or evidence was provided indicating that the Management sought extension of the approved rates billed to water customers during the financial year under review. This was contrary to Section 72(1)(b) of the Water Act, 2016 which states that the powers and functions of the Regulatory Board is to evaluate and recommend water and sewerage tariffs to the County water services providers and approve the imposition of such tariffs in line with customer protection standards.

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

The audit was conducted in accordance with 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 are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Lack of Functioning of the Internal Audit Function

Review of the internal audit function revealed that the Internal Audit Department was understaffed and not adequately facilitated as there was no clear budget line including staffing and training. It is therefore doubtful whether it has the capacity to accomplish its internal audit responsibilities.

In the circumstances, the existence of an effective mechanism to ensure proper internal control system could not be confirmed.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies Act, 2015, 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 Company, so far as appears from the examination of those records; and,
- iii. The Company's financial statements are in agreement with the accounting records and returns.

Responsibilities of Management and the Board of Directors

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to liquidate the Company or to cease operations.

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

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

The Board of Directors are responsible for overseeing the Company'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 overall 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 overall 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 control 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 Company 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 control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern 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 Company's ability to continue as a going concern. 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 Company to cease to continue as a going concern.

- 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 Company 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 control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to 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 Gathungu, CBS
AUDITOR-GENERAL

Nairobi

03 May, 2024

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

XIV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	Note	2022/2023 Kshs	2021/2022 Kshs
REVENUES			
Operating Revenue-Water Sales	6	979,425,268	849,642,906
Grants -Received and Amortised	7	15,893,556	45,581,683
Other Income	8	24,693,854	22,506,146
Finance Income	9	13,429,871	1,929,051
TOTAL REVENUES		1,033,442,549	919,659,786
OPERATING EXPENSES			
Staff Cost	10	229,680,377	189,953,406
Administration Expenses	11	117,305,181	85,711,155
Operational Expenses	12	183,869,291	122,798,674
Maintenance Expenses	13	306,995,856	268,187,165
Board Expenses	14	8,718,341	5,970,614
Regulatory Expenses	15	53,694,500	49,939,500
Depreciation and Amortization Expenses	16	40,164,006	22,904,264
TOTAL OPERATING EXPENSES		940,427,552	745,464,778
PROFIT/(LOSS) BEFORE TAXATION		93,014,997	174,195,008
INCOME TAX EXPENSE	17	27,904,499	45,057,288
PROFIT AFTER TAXATION		65,110,498	129,137,720

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

XV. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2022/2023 Kshs	2021/2022 Kshs
ASSETS			
Non-Current Assets			
Property, plant and equipment	18	318,089,730	141,432,638
Intangible assets	19	1,015,131	1,902,448
Investment property			
Total Non-Current Assets		319,104,861	143,335,086
Current Assets			
Inventories	20	7,661,293	8,775,225
Trade and other receivables	21	224,507,121	133,413,796
Short-term deposits	22	130,000,000	56,039,036
Bank and cash balances	23	231,043,161	310,161,379
Total Current Assets		593,211,575	508,389,436
TOTAL NON-CURRENT AND CURRENT ASSETS		912,316,436	651,724,522
EQUITY AND LIABILITIES			
Capital and Reserves			
Ordinary share capital	24	40	40
Revaluation reserve	25	7,372,579	5,889,458
Retained earnings	26	475,082,465	409,971,967
Capital and Reserves		482,455,084	415,861,465
Non-Current Liabilities			
Deferred Grant Revenue	27	8,042,005	8,935,561
Total Non-Current Liabilities		8,042,005	8,935,561
Current Liabilities			
Bank Overdraft	28	-	-
Trade and other payables	29	199,595,650	48,269,172
Customer Deposits	30	145,643,546	129,982,672
Tax Liability	31	76,580,151	48,675,652
Total Current Liabilities		421,819,347	226,927,496
TOTAL EQUITY AND LIABILITIES		912,316,436	651,724,522

The financial statements were approved by the Board on 20/02/ 2024 and signed on its behalf by:

Director General/C.E. O/M. D
Name: Simon Mwangi

Sign: 

Head of Finance
Name: Mary. N. Karogo

Sign: 

Chairman of the Board
Name: Dominic Gachanja

Sign: 

ICPAK M/NO: 6346

Reports and Financial Statements for the year ended June 30, 2023

XVI. STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Ordinary share capital	Revaluation reserve	Retained earnings	Total
At July 1, 2021	40	5,889,458	280,834,247	286,723,745
Over provision of income tax in prior years			-	-
Total comprehensive income	-	-	129,137,720	129,137,720
At June 30, 2022	40	5,889,458	409,971,967	415,861,465
At July 1, 2022	40	5,889,458	409,971,967	415,861,465
Over provision of income tax in prior years			-	-
Revaluation of fixed assets		1,483,121		1,483,121
Total comprehensive income	-	-	65,110,498	65,110,498
At June 30, 2023	40	7,372,579	475,082,465	482,455,084

Reports and Financial Statements for the year ended June 30, 2023

XVII. STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
Cash Flows From Operating Activities			
Receipts			
Operating Revenue		886,589,868	813,712,413
Other Income		24,693,854	22,506,146
Finance Income		13,429,871	1,929,051
Grants		15,000,000	44,588,843
Customer Deposits		15,660,875	14,244,960
Total Receipts		955,374,468	896,981,413
Payments			
Staff Costs		231,080,072	206,526,385
Board Expenses		8,718,341	5,970,614
Administration, Operation And Regulatory Expenses		201,630,823	266,832,072
Maintenance		304,651,825	266,957,340
Total Payments		746,081,061	746,286,411
Net Cash From/(Used In) Operating Activities	32(a)	209,293,407	150,695,002
Cash Flows from Investing Activities			
Purchase Of Property, Plant And Equipment (PPE)	18	(214,450,661)	(42,591,719)
Purchase Of Intangible Assets	19	-	-
Net Cash From/(Used In) Investing Activities		(214,450,661)	(42,591,719)
Cash Flows from Financing Activities			
Proceeds From Borrowings		-	-
Repayment Of Borrowings	28	-	(8,790,764)
Net Cash From/(Used In) Financing Activities		-	(8,790,764)
Increase/(Decrease) In Cash And Cash Equivalents		(5,157,254)	99,312,519
Cash And Cash Equivalents At Beginning Of Year		366,200,415	266,887,896
Cash And Cash Equivalents At End Of The Year		361,043,161	366,200,415

Reports and Financial Statements for the year ended June 30, 2023

I XVIII. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30 JUNE 2023

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Performance Difference	Explanation for Variance
	2022/2023	2022/2023	2022/2023	2022/2023	2022/2023		
	Kshs	Kshs	Kshs	Kshs	Kshs	%	
Revenue							
Sale of Water	963,984,000	70,125,723	1,034,109,723	979,425,268	-54,684,455	-5.29%	
Grant –Received & Amortized	30,000,000	-30,000,000	-	15,893,556	15,893,556	100.00%	Due to additional grant of 15m from AWWDA
Finance Income	2,400,000	10,600,000	13,000,000	13,429,871	429,871	3.31%	
Other income	58,200,000	-29,931,000	28,269,000	24,693,854	-3,575,146	-12.65%	Due to slow uptake in Githurai Scheme
Total income	1,054,584,000	20,794,723	1,075,378,723	1,033,442,549	-41,936,174	-3.90%	
Expenses					-		
Compensation of employees	282,158,400	19,000,000	301,158,400	229,680,146	71,478,254	23.73%	Due to delay in new recruitments
Finance cost	-	-	-	-	-		
Taxation	-	-	-	27,904,499	-27,904,499	100.00%	Due to increased profit
Administration Costs	154,734,000	-16,994,000	137,740,000	117,305,181	20,434,819	14.84%	Non incurrence of some expenses eg legal, performance rewards, rent, AGM
Board Cost	12,000,000	-	12,000,000	8,718,572	3,281,428	27.35%	Fewer Meetings were held
Maintenance Cost	137,640,000	180,960,000	318,600,000	306,995,856	11,604,144	3.64%	
Regulatory Expenses	57,840,000	-	57,840,000	53,694,500	4,145,500	7.17%	
Other Operating costs	184,000,000	6,000,000	190,000,000	183,869,291	6,130,709	3.23%	
Wear and Tear	-	-	-	40,164,006	-40,164,006	100.00%	Fixed assets additions
Total expenditure	828,372,400	188,966,000	1,017,338,400	968,332,051	49,006,349	4.82%	
Surplus for the period	226,211,600	-168,171,277	58,040,323	65,110,498	-7,070,175		
Capital Expenditure	599,980,000	-6,263,476	593,716,524	214,450,600	379,265,924		

PFM Act section 81(2) ii and iv requires a National Government entity to present appropriation accounts showing the status of each vote compared with the appropriation for the vote and a statement explaining any variations between actual expenditure and the sums voted. IFRS does not require entities complying with IFRS standards to prepare budgetary information because most of the entities that apply IFRS are private entities that do not make their budgets publicly available. However, for public sector entities, the PSASB has considered the requirements of the PFM Act, 2012 which these statements comply with, the importance that the budgetary information would provide to the users of the statements and the fact that the public entities make their budgets publicly available and decided to include this statement under the IFRS compliant financial statements.

Reports and Financial Statements for the year ended June 30, 2023

XIX. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Ruiru-Juja Water and Sewerage Company Ltd is established by and derives its authority and accountability from Water Act No. 43 of 2016. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to provide quality and affordable water and sewerage services in Ruiru and Juja Constituencies in the Kiambu County. For Kenyan Companies Act reporting purposes, the balance sheet is represented by the statement of financial position and the profit and loss account by the statement of profit or loss and other comprehensive income in these financial statements

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying Ruiru-Juja Water and Sewerage Company Ltd accounting policies

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Ruiru-Juja Water and Sewerage Company Ltd.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, and International Financial Reporting Standards (IFRS). The accounting policies adopted have been consistently applied to all the years presented.

3. ADOPTION OF NEW AND REVISED STANDARDS

- i. *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.*

IAS 16 — Property, Plant and Equipment	The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted.	IAS 16 "Property, Plant and Equipment" outlines the accounting treatment for most types of property, plant and equipment. Property, plant and equipment is initially measured at its cost, subsequently measured either using a cost or revaluation model, and depreciated so that its depreciable amount is allocated on a systematic basis over its useful life.
IAS 37 — Provisions, Contingent Liabilities and Contingent Assets	The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted.	IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" outlines the accounting for provisions (liabilities of uncertain timing or amount), together with contingent assets (possible assets) and contingent liabilities (possible obligations and present obligations that are not probable or not reliably measurable).

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

IFRS 1 — First-time Adoption of International Financial Reporting Standards	The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted.	IFRS 1 "First-time Adoption of International Financial Reporting Standards" sets out the procedures that an entity must follow when it adopts IFRS for the first time as the basis for preparing its general-purpose financial statements. The IFRS grants limited exemptions from the general requirement to comply with each IFRS effective at the end of its first IFRS reporting period.
---	--	--

The Directors do not plan to apply any of the above until they become effective. Based on their assessment of the potential impact of application of the above, they do not expect that there will be a significant impact on the company's financial statements.

ii) Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2022/2023.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a) Revenue recognition

Revenue is recognised to the extent that it is probable that future economic benefits will flow to Ruiru-Juja Water and Sewerage Company Ltd and the revenue can be reliably measured. Revenue is recognised at the fair value of consideration received or expected to be received in the ordinary course of Ruiru-Juja Water and Sewerage Company Ltd activities, net of value-added tax (VAT), where applicable, and when specific criteria have been met for each of Ruiru-Juja Water and Sewerage Company Ltd activities as described below.

- i) **Revenue from the sale of goods and services** is recognised in the year in which Ruiru-Juja Water and Sewerage Company Ltd delivers products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured.
- ii) **Grants from National Government** are recognised in the year in which Ruiru-Juja Water and Sewerage Company Ltd actually receives such grants.
- iii) **Finance income** comprises interest receivable from bank deposits and investment in securities, and is recognised in profit or loss on a time proportion basis using the effective interest rate method.
- iv) **Other income** is recognised as it accrues.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

b) In-kind contributions

In-kind contributions are donations that are made to Ruiru-Juja Water and Sewerage Company Ltd 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, Ruiru-Juja Water and Sewerage Company Ltd includes such value in the statement of comprehensive income both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

c) Property, plant and equipment

All categories of property, plant and equipment are initially recorded at cost less accumulated depreciation and impairment losses.

Certain categories of property, plant and equipment are subsequently carried at re-valued amounts, being their fair value at the date of re-valuation less any subsequent accumulated depreciation and impairment losses. Where re-measurement at re-valued amounts is desired, all items in an asset category are re-valued through periodic valuations carried out by independent external valuers.

Increases in the carrying amounts of assets arising from re-valuation are credited to other comprehensive income. Decreases that offset previous increases in the carrying amount of the same asset are charged against the revaluation reserve account; all other decreases are charged to profit or loss in the income statement.

Gains and losses on disposal of items of property, plant and equipment are determined by comparing the proceeds from the disposal with the net carrying amount of the items, and are recognised in profit or loss in the income statement.

d) Depreciation and impairment of property, plant and equipment

Freehold land and capital work in progress are not depreciated. Capital work in progress relates mainly to the cost of ongoing but incomplete works on buildings and other civil works and installations.

Depreciation on property, plant and equipment is recognised in the income statement on a straight-line basis to write down the cost of each asset or the re-valued amount to its residual value over its estimated useful life. The annual rates in use are:

Buildings and civil works	40 years
Plant and machinery	10 years
Motor vehicles, including motor cycles	4 years
Computers and related equipment	3 years
Office equipment, furniture and fittings	8 years
Intangible Asset (Computer Software)	5 years

A full year's depreciation charge is recognised both in the year of asset purchase and in the year of asset disposal.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Depreciation and impairment of property, plant and equipment (Continued)

Items of property, plant and equipment are reviewed annually for impairment. Where the carrying amount of an asset is assessed as greater than its estimated recoverable amount, an impairment loss is recognised so that the asset is written down immediately to its estimated recoverable amount.

e) **Intangible assets**

Intangible assets comprise purchased computer software licences, which are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over the estimated useful life of the intangible assets from the year that they are available for use, usually over three years.

f) **Amortisation and impairment of intangible assets**

Amortisation is calculated on the straight-line basis over the estimated useful life of computer software of three years.

All computer software is reviewed annually for impairment. Where the carrying amount of an intangible asset is assessed as greater than its estimated recoverable amount, an impairment loss is recognised so that the asset is written down immediately to its estimated recoverable amount.

g) **Inventories**

Inventories are stated at the lower of cost and net realisable value. The cost of inventories comprises purchase price, import duties, transportation and handling charges, and is determined on the moving average price method.

h) **Trade and other receivables**

Trade and other receivables are recognised at fair values less allowances for any uncollectible amounts. These are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off after all efforts at recovery have been exhausted.

i) **Taxation**

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Entity operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

j) 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 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.

k) Trade and other payables

Trade and other payables are non-interest bearing and are carried at amortised cost, which is measured at the fair value of contractual value of the consideration to be paid in future in respect of goods and services supplied, whether billed to Ruiru-Juja Water and Sewerage Company Ltd or not, less any payments made to the suppliers.

l) Retirement benefit obligations

The entity operates a defined contribution scheme for all full-time employees from July 1, 2013. The scheme is administered by County Pension Fund Scheme and is funded by contributions from both the company and its employees. The company also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The company's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at 7.5% employee and 15% employer contribution per employee per month.

m) Budget information

The original budget for FY 2022-2023 was approved by the Board of Directors.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

n) Comparative figures

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

o) Subsequent events

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

5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

Estimates and assumptions

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

Useful lives and residual values

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

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

Provisions

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2022/2023	2021/2022
	Kshs	Kshs
6 SALES		
Sale of Water	979,425,268	849,642,906
	<u>979,425,268</u>	<u>849,642,906</u>
	=====	=====
7 GRANTS FROM GOVERNMENT AND OTHER AGENCIES		
Grant Revenue-Amortised	893,556	992,840
Grant Income-Athi Water	15,000,000	1,500,000
Grant Income-WSTF	-	43,088,843
Grant Income-JICA	-	-
	<u>15,893,556</u>	<u>45,581,683</u>
	=====	=====
8 OTHER INCOME		
Water Application fees	14,578,160	15,108,837
Sewer Application fees	6,656,950	3,110,350
Sewer Exhausting	-	-
Miscellaneous Income and Others	3,458,744	4,286,959
	<u>24,693,854</u>	<u>22,506,146</u>
	=====	=====
9 FINANCE INCOME		
Interest income on bank deposits	13,429,871	1,929,051
	<u>13,429,871</u>	<u>1,929,051</u>
	=====	=====
10 STAFF COSTS	2022/2023	2021/2022
	Kshs	Kshs
Salaries, wages and other allowances	175,984,944	147,471,652
Pension	14,963,422	13,756,298
NSSF	1,518,890	537,200
Annual staff bonus	6,135,000	5,896,000
Gratuity-contract employees	3,686,822	-
Staff welfare & Wasco Expenses	1,275,933	5,750,457
Medical insurance	<u>26,115,366</u>	<u>16,541,799</u>
	<u>229,680,377</u>	<u>189,953,406</u>
	=====	=====
11 ADMINISTRATION EXPENSES		
Advertising Expenses	1,665,537	180,120
General office Expenses	2,257,816	4,880,506
Hospitality Expenses	5,511,160	5,560,930
Stationery & Printing	2,331,437	2,061,402
Education and Training	11,152,388	4,326,738
Provision for Bad debts	4,641,770	(2,305,789)

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

Travel & Accommodation	21,452,880	23,729,305
Telephone & Postage	5,012,778	3,943,929
Audit, Professional & Consultancy fees	10,359,455	3,017,682
Bank Charges	1,012,227	1,012,276
I.T. Costs	8,623,265	4,889,165
Electricity	546,119	453,133
Security Expenses	11,959,051	13,425,525
Environment Conservation	3,367,782	2,535,806
Contingencies	2,776,000	970,860
Transport Expenses	17,183,200	11,073,112
Insurance	4,987,477	3,126,751
Subscriptions	280,060	575,625
Protective clothing	<u>2,184,779</u>	<u>2,254,079</u>
	<u>117,305,181</u>	<u>85,711,155</u>

Electricity expense under administration costs is an estimate i.e., 0.5% of total electricity expenses.

12 OPERATIONAL EXPENSES

Bulk Water	37,162,398	-
Chemicals	17,250,465	14,474,314
Billings	3,923,341	2,204,596
Water User Fees	11,486,542	12,903,108
Electricity	108,606,686	90,173,484
Water Quality	3,939,859	3,043,172
Compensation for way leave	<u>1,500,000</u>	-
	<u>183,869,291</u>	<u>122,798,674</u>

13 MAINTENANCE EXPENSES

Office & Operations Maintenance	13,699,502	20,093,297
Maintenance of Buildings	5,648,754	1,540,676
Vehicle Maintenance	7,678,096	6,146,397
Maintenance of Water Systems	236,929,588	182,625,713
Sewerage Systems Maintenance	<u>43,039,916</u>	<u>57,781,082</u>
	<u>306,995,856</u>	<u>268,187,165</u>

14 BOARD EXPENSES

	<u>8,718,341</u>	<u>5,970,614</u>
	<u>8,718,341</u>	<u>5,970,614</u>

15 REGULATORY EXPENSES

Administration Cost to AWSB	16,939,500	16,939,500
National Environment Management Authority fees	105,000	-
Regulatory Fees to WASREB	<u>36,650,000</u>	<u>33,000,000</u>
	<u>53,694,500</u>	<u>49,939,500</u>

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

16. Depreciation and Amortization Expenses

Description	2022-2023	2021-2022
	KShs	KShs
Property, plant, and equipment	39,276,689	22,016,947
Intangible assets	887,317	887,317
Total Depreciation and Amortization	40,164,006	22,904,264

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

	2022/2023 Kshs	2021/2022 Kshs
17 INCOME TAX EXPENSE/ (CREDIT)		
(a) Current taxation		
Current taxation based on the adjusted profit for the year at 30%	27,904,499	45,057,288
	<u>27,904,499</u>	<u>45,057,288</u>
	=====	=====
(b) Reconciliation of tax expense/(credit) to the expected tax based on accounting profit		
Profit before taxation	93,014,997	174,195,008
	<u>93,014,997</u>	<u>174,195,008</u>
Tax at the applicable tax rate of 30%	27,904,499	45,057,288
	<u>27,904,499</u>	<u>45,057,288</u>
	<u>65,110,498</u>	<u>129,137,720</u>
	=====	=====

Reports and Financial Statements for the year ended June 30, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

18 PROPERTY, PLANT AND EQUIPMENT

2023	Freehold land	Buildings & civil works	Plant and machinery	Motor vehicles, including, motor cycles	Computers & related equipment	Office equipment, furniture & fittings	Capital work in progress	Total
COST OR VALUATION								
At July 1, 2022	-	167,732,574	38,503,026	15,115,690	15,272,369	7,976,279	13,472,076	258,072,014
Adjustment	-	-	(38,503,026)	(15,115,690)	(15,272,369)	(7,976,279)	-	(76,867,364)
Revaluation			16,086,489	6,935,570	2,517,505	3,956,242	-	29,495,806
Additions	-	125,692,973	27,523,282	27,075,000	6,013,676	1,147,890	26,997,840	214,450,661
Disposals	-	-	-	-	-	-	-	-
At June 30, 2023	-	293,425,547	43,609,771	34,010,570	8,531,181	5,104,132	40,469,916	425,151,117
DEPRECIATION								
At July 1, 2022	-	67,784,697	17,336,144	13,629,440	12,995,526	4,893,571	-	116,639,378
Adjustment			(17,336,144)	(13,629,440)	(12,995,526)	(4,893,571)		(48,854,681)
Charge for the year	-	22,931,326	4,360,977	8,502,643	2,843,727	638,017	-	39,276,690
Impairment loss	-	-	-	-	-	-	-	-
Eliminated on disposal	-	-	-	-	-	-	-	-
At June 30, 2023	-	90,716,023	4,360,977	8,502,643	2,843,727	638,017	-	107,061,387
NET BOOK VALUE								
At June 30, 2023	-	202,709,524	39,248,794	25,507,927	5,687,454	4,466,115	40,469,916	318,089,730

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

18 PROPERTY, PLANT AND EQUIPMENT

2022	Freehold land	Buildings & civil works	Plant and machinery	Motor vehicles, including, motor cycles	Computers & related equipment	Office equipment, furniture & fittings	Capital work in progress	Total
COST OR VALUATION								
At July 1, 2021	-	132,134,035	37,528,025	13,465,690	12,736,675	6,143,794	13,472,076	215,480,296
Additions	-	35,598,539	975,001	1,650,000	2,535,694	1,832,485	-	42,591,719
Transfers	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
At June 30, 2022	-	167,732,574	38,503,026	15,115,690	15,272,369	7,976,279	13,472,076	258,072,015
DEPRECIATION								
At July 1, 2021	-	55,763,654	13,717,604	10,268,965	10,662,005	4,210,203	-	94,622,431
Charge for the year	-	12,021,043	3,618,540	3,360,475	2,333,521	683,368	-	22,016,947
Impairment loss	-	-	-	-	-	-	-	-
Eliminated on disposal	-	-	-	-	-	-	-	-
At June 30, 2022	-	67,784,697	17,336,144	13,629,440	12,995,526	4,893,571	-	116,639,377
NET BOOK VALUE								
At June 30, 2022	-	99,947,878	21,166,883	1,486,250	2,276,843	3,082,708	13,472,076	141,432,638

18 (b) Property, Plant and Equipment at Cost

Property plant and Equipment includes the following assets that are fully depreciated:

	Cost	Normal annual depreciation charge
Civil Works	32,223,481	3,222,348
Total	32,223,481	3,222,348

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2022/2023 Kshs	2021/2022 Kshs
19 INTANGIBLE ASSETS		
COST		
At July 1	4,813,355	4,813,35
Additions	-	-
Disposals	-	-
At June 30	<u>4,813,355</u>	<u>4,813,355</u>
AMORTISATION		
At July 1	2,910,907	2,023,590
Charge for the year	887,317	887,317
Disposals	-	-
Impairment loss	-	-
At June 30	<u>3,798,224</u>	<u>2,910,907</u>
NET BOOK VALUE		
At June 30	<u>1,015,131</u>	<u>1,902,448</u>
20 INVENTORIES		
Pipes & Fittings	4,560,027	6,904,059
Chemicals	1,671,560	1,726,892
Stationery and general stores	959,654	144,274
Hardware items	385,877	-
Water Stocks	84,174	-
	<u>7,661,293</u>	<u>8,775,225</u>
21 TRADE AND OTHER RECEIVABLES		
Trade receivables (note 21 (a))	210,812,169	117,976,770
Prepayments	22,484,718	20,986,362
Deposits Receivable	1,500,000	-
Staff Receivables	250,842	349,503
Gross trade and other receivables	<u>235,047,729</u>	<u>139,312,635</u>
Other: Provision for bad and doubtful receivable	(10,540,608)	(5,898,838)
Net trade and other receivables	<u>224,507,121</u>	<u>133,413,796</u>

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2022/2023	2021/2022
	Kshs	Kshs
21 (a) TRADE RECEIVABLES		
Gross trade receivables	210,812,169	117,976,770
Provision for doubtful receivables	(10,540,608)	(5,898,838)
	<u>200,271,561</u>	<u>112,077,932</u>
	=====	=====
As at 30 th June 2022, ageing analysis of gross trade receivables was as follows;		
Less than 30 days	97,912,649	73,534,178
Between 31 to 60 days	78,512,754	16,826,143
Between 61 to 90 days	960,093	12,426,692
Between 91 to 120 days	913,631	7,300,446
Over 120 days	32,513,042	7,889,311
	<u>210,812,169</u>	<u>117,976,770</u>
	=====	=====
22 SHORT TERM DEPOSITS		
Kenya Commercial Bank	130,000,000	56,039,036
Postbank	-	-
	<u>130,000,000</u>	<u>56,039,036</u>
	=====	=====
23 BANK AND CASH BALANCES		
Cash at bank	230,962,901	310,121,203
Cash in hand	80,260	40,176
	<u>231,043,161</u>	<u>310,161,379</u>
	=====	=====

The bulk of the cash at bank was held at Kenya Commercial Bank ,Family Bank, ABSA Bank Kenya and Postbank, Ruiru-Juja Water and Sewerage Company Ltd main bankers..

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The make – up of bank balances and short term deposits is as follows:

Detailed analysis of the cash and cash equivalents

		2022-2023	2021-2022
Financial institution	Account number	KShs	KShs
a) a) Current account			
Kenya Commercial bank- Revenue		19,452,159	75,792,641
Kenya Commercial bank- Expenditure		29,111,953	60,781,809
Kenya Commercial bank- Deposit		160,596,741	132,328,178
ABSA Bank-Collection		5,750,117	23,784,644
Family Bank-Collection		13,275,111	15,938,472
Postbank-Collection		2,776,237	1,488,276
Family Bank-WSTF Grant a/c		583	7,183
Sub- total		230,962,901	310,121,203
b)			
b) Fixed deposits account			
Kenya Commercial bank		130,000,000	56,039,036
Sub- total		130,000,000	56,039,036
c)			
c) Others(specify)			
Cash in hand		80,260	40,176
Sub- total		80,260	40,176

	2022/2023	2021/2022
	Kshs	Kshs
24 ORDINARY SHARE CAPITAL		
Authorised:		
5000 ordinary shares of Kshs.20 par value each	10,000	10,000
	=====	=====
Issued and fully paid:		
2 ordinary shares of Kshs.20 par value each	40	40
	=====	=====

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2022/2023	2021/2022
	Kshs	Kshs
32 NOTES TO THE STATEMENT OF CASH FLOWS		
(a) Reconciliation of operating profit/(loss) to cash generated from/ (used in) operations		
Operating profit/(loss)	93,014,997	174,195,008
Depreciation	39,276,689	22,016,947
Amortisation	887,317	887,317
Grant Revenue	(893,556)	(992,840)
(Gain)/loss on disposal of property, plant and equipment	-	-
Operating profit/(loss) before working capital changes	<u>132,285,446</u>	<u>196,106,432</u>
(Increase)/decrease in inventories	1,113,932	980,933
(Increase)/decrease in trade and other receivables	(91,093,325)	(54,809,261)
Increase/(decrease) in trade and other payables	151,326,478	124,188,827
Increase/(decrease) in customer deposits	15,660,875	14,244,960
Cash generated from/(used in) operations	<u>209,293,407</u>	<u>150,695,002</u>
(b) Analysis of changes in loans/overdrafts		
Increase/(decrease) in bank overdraft	-	(8,790,764)
(c) Analysis of cash and cash equivalents		
Short term deposits	130,000,000	56,039,036
Cash at bank	230,962,901	310,121,203
Cash in hand	80,260	40,176
Balance at end of the year	<u>361,043,161</u>	<u>366,200,415</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

33 RELATED PARTY DISCLOSURES

(a) County Government of Kiambu

The County Government of Kiambu is the principal shareholder of Ruiru-Juja Water and Sewerage Company Ltd, holding 100% of Ruiru-Juja Water and Sewerage Company Ltd equity interest. The Government of Kenya through Athi Water Services Board has provided full guarantees to all long-term lenders of the entity, both domestic and external.

	2022/2023	2021/2022
	Kshs	Kshs
Transactions with related parties		
a) Grants from the Government		
Grants from WSTF-amortized	893,556	992,840
Grants from WSTF	-	43,088,843
Grants from AWWDA	15,000,000	1,500,000
Grants from County Government	-	-
Donations in kind	-	-
Total	15,893,556	45,581,683
b) Key management compensation		
Directors' emoluments	8,712,572	6,000,614
Compensation to the CEO	6,684,597	1,418,124
Compensation to key management	19,648,422	12,885,599
Total	35,045,591	20,304,337

34 FINANCIAL RISK MANAGEMENT

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

The company's financial risk management objectives and policies are detailed below:

(i) Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of

allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

34 FINANCIAL RISK MANAGEMENT (Continued)

(i) Credit risk (Continued)

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2023				
Trade Receivables	200,271,561	200,271,561	-	-
Other Receivables	24,235,560	24,235,560	-	-
Cash and Bank balances	361,043,161	361,043,161	-	-
Total	585,550,282	585,550,282	-	-
At 30 June 2022				
Trade Receivables	112,077,932	112,077,932	-	-
Other Receivables	21,335,864	21,335,864	-	-
Cash and Bank balances	366,200,415	366,200,415	-	-
Total	499,614,211	499,614,211	-	-

(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The board of directors sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

34 FINANCIAL RISK MANAGEMENT (Continued)

ii) Liquidity risk management (Continued)

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2023				
Trade Payables	-	199,595,650	-	199,595,650
Tax Liability	-	76,580,151	-	76,580,151
Refundable Customer Deposits		-	145,643,546	145,643,546
Total	-	276,175,802	145,643,546	421,819,348
At 30 June 2022				
Trade Payables	-	48,269,172	-	48,269,172
Tax Liability	-	48,675,652	-	48,675,652
Refundable Customer Deposits		-	129,982,672	129,982,672
Total	-	96,944,824	129,982,671	226,927,496

(iii) Market risk

The board has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The company's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day to day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

a) Foreign currency risk

The entity has no transactional currency exposures.

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

iv) Capital Risk Management

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

	2022-2023	2021-2022
	Kshs	Kshs
Revaluation reserve	7,372,579	5,889,458
Retained earnings	475,082,465	409,971,967
Capital reserve	-	-
Total funds	482,455,044	415,861,465
Total borrowings	-	-
Less: cash and bank balances	361,043,161	366,200,415
Net debt/(excess cash and cash equivalents)	(361,043,161)	(366,200,415)
Gearing	0%	0%

35 INCOPORATION

The entity is incorporated in Kenya under the Kenyan Companies Act and is domiciled in Kenya.

36 EVENTS AFTER THE REPORTING PERIOD

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

37 CURRENCY

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

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Stalled Project	The was granted access of a wayleave and the project is ongoing	Simon Mwangi-Caretaker Manager	Resolved	Continuous
2	Excess Non-Revenue Water	Management has put measures to reduce NRW to acceptable level	Simon Mwangi-Caretaker Manager	Not Resolved	Continuous
3	Non-Compliance with law on board meetings	The County Government of Kiambu has been advised on the matter	Kiambu County Government	Not Resolved	Continuous
4	Non-Compliance with Law on Ethnic Composition	The Company is in process of resolving ethnic balance in future recruitments	Simon Mwangi-Caretaker Manager	Not Resolved	Continuous
5	Lack of policy on provision for Bad and Doubtful Debts	The Management formulated a clear policy during the review of the finance Policy	Simon Mwangi-Caretaker Manager	Resolved	Continuous

Managing Director

Chairman of the Board

Date: 21/02/2024

Date: 21/02/2024

APPENDIX II: PROJECTS IMPLEMENTED BY RUIRU JUJA AND SEWERAGE COMPANY

Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Mugutha and Milimani water pipeline	20,126,561	20,126,561	100%	24,586,000	20,126,561	Internal

Ruiru-Juja Water and Sewerage Company Ltd
Annual Report and Financial Statements for the year ended June 30, 2023

APPENDIX III: INTER-ENTITY TRANSFERS

Ruiru Juja Water and Sewerage Company Ltd

Breakdown of Transfers from Other Water companies in Kiambu County

		Bank Statement Date	Amount	Purpose	FY to which the amount relate
a	Direct Receipts				
	Karuri water and sewerage company ltd	1.8.22	56,000	Bacteriological /physiochemical analysis	2022/2023
	Kiambu water and sewerage company ltd	5.8.22	37,000	Bacteriological & partial waste water analysis	2022/2023
	Kiambu water and sewerage company ltd	28.9.22	20,000	Bacteriological & partial waste water analysis	2022/2023
	Kikuyu water and sewerage company ltd	6.10.22	75,000	Physiochemical analysis	2022/2023
	Karuri water and sewerage company ltd	3.11.22	48,000	Bacteriological /physiochemical analysis	2022/2023
	Githunguri water and sewerage company ltd	2.11.22	100,000	Bacteriological /physiochemical analysis	2022/2023
	Kikuyu water and sewerage company ltd	7.11.22	12,000	Bacteriological analysis	2022/2023
	Karuri water and sewerage company ltd	6.12.22	4,000	Bacteriological analysis	2022/2023
	Karuri water and sewerage company ltd	17.1.23	44,000	Bacteriological /physiochemical analysis	2022/2023
	Githunguri water and sewerage company ltd	31.1.23	153,000	Bacteriological /physiochemical analysis	2022/2023
	Kiambu water and sewerage company ltd	9.3.23	59,000	Bacteriological & partial waste water analysis	2022/2023
	Githunguri water and sewerage company ltd	17.4.23	68,000	Bacteriological /physiochemical analysis	2022/2023
	Karuri water and sewerage company ltd	1.8.22	56,000	Bacteriological /physiochemical analysis	2022/2023
	Kiambu water and sewerage company ltd	5.8.22	37,000	Bacteriological & partial waste water analysis	2022/2023
	Kiambu water and sewerage company ltd	28.9.22	20,000	Bacteriological & partial waste water analysis	2022/2023

APPENDIX IV: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/ Development /Others	Total Amount - KES	Deferred Income	Receivables	Others - must be specific	Total Transfers during the Year
Water Service Trust Fund (WSTF)	2016	Development	18,682,039	8,042,561	-	-	893,556
Athi Water Works Development Agency(AWWDA)	2022-2022	Recurrent	15,000,000	-	-	-	15,000,000
Total			33,682,039	8,042,005	-	-	15,893,556