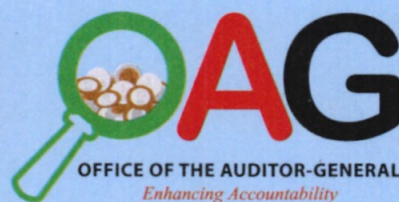


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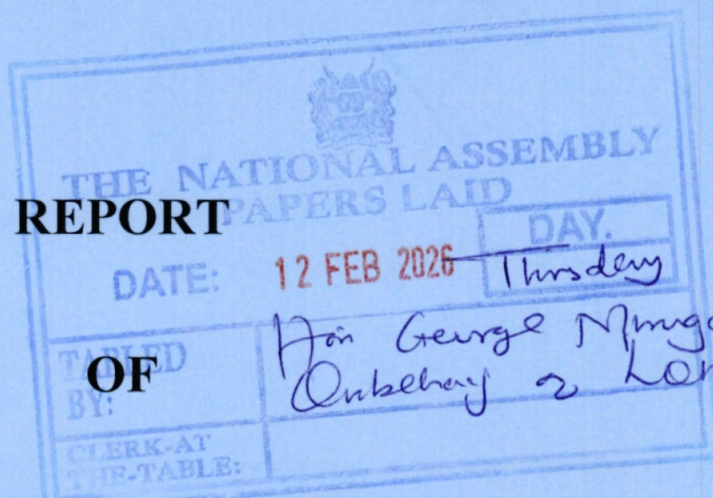
THE AUDITOR-GENERAL

ON

**KENYA TOWNS SUSTAINABLE WATER
SUPPLY AND SANITATION PROGRAM
CR. NO. P-KE-E00-011 (AFDB LOAN
NO.2000200000501)**

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

**CENTRAL RIFT VALLEY WATER WORKS
DEVELOPMENT AGENCY**





**PROJECT NAME: KENYA TOWNS SUSTAINABLE WATER SUPPLY AND
SANITATION PROGRAMME**

**IMPLEMENTING ENTITY: CENTRAL RIFT VALLEY WATER WORKS
DEVELOPMENT AGENCY**

**PROJECT GRANT/CREDIT NUMBER: P-KE-E00-011
(AfDB LOAN NO. 2000200000501)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2025

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

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1 Acronyms and Glossary of terms

KTSWSSP	Kenya Towns Sustainable Water Supply & Sanitation Program
CRVWWDA	Central Rift Valley Water Works Development Agency
LVNWWDA	Lake Victoria North Water Works Development Agency
LVSWWDA	Lake Victoria South Water Works Development Agency
NRVWWDA	North Rift Valley Water Works Development Agency
AfDB	African Development Bank
ADF	African Development Fund
MIC	Middle Income Countries
GOK	Government of Kenya
KFS	Kenya Forest Services
WRA	Water Resources Authority
NEMA	National Environment & Management Authority
KeRRA	Kenya Rural Roads Authority
KeNHA	Kenya National Highways Authority
EMCA	Environmental Management and Coordination Act 1999
OSHA	Occupational Safety and Health Act of 2007
ERP	Enterprise Resource Planning
UA	Unit of Account
WSB	Water Service Board
IPCs	Interim Payment Certificates
RAP	Resettlement Action Plan
O & M	Operation and Maintenances
WSPs	Water Service Providers
PFM	Public Finance Management
AIE	Authority to Incur Expenditure
MDAs	Ministries, Departments and Agencies
SDA	Special Deposit Account

2 Project Information and Overall Performance

2.1 Name and registered office

Project: Kenya Towns Sustainable Water Supply and Sanitation Program.

Objective: The key objective of the Program is to improve the access, quality, availability and sustainability of water supply and wastewater management services in multiple (28 towns) in Kenya.

Address: Central Rift Valley Water Works Development Agency,
 Maji Plaza, Prisons Road, Off Eldama Ravine Highway,
 P. O. Box 2451-20100
 Nakuru.
 Telephone: (254) 725999000
 E-mail: info@crvwwda.go.ke
 Website: www.crvwwda.go.ke

2.2 Project Information

Program Start Date:	01/01/2017
Initial Program End Date:	31/12/2021
1st Revised program Closing date	31/12/2023
2nd Revised program End Date	31/12/2025
Program Manager:	Eng. Joseph M Salee
Program Sponsor:	African Development Bank

2.3 Project Overview

Ministry	The program is under the supervision of the Ministry of Water, Sanitation and Irrigation.
Program number	P-KE-E00-011
Strategic goals of the program	The strategic goals of the program are as follows: (i) Catalysing commercial activities. (ii) Driving Economic growth. (iii) Employment Creation. (iv) Improving quality of life of the people. (v) Building resilience against Variability and change.

Achievements of strategic goals	The program management aims to achieve the goals through the following means: (i) Construction and rehabilitation of water supply and sanitation services. (ii) Capacity Development of water service providers, the sector regulator for improved service efficiency.
Other important background information of the program	The program is divided into two components namely: 1. Works: Water Supply infrastructure (including expansion into informal settlements), Construction and rehabilitation of sewerage infrastructure and ablution blocks and last mile pipe connectivity support. 2. Goods & Services: Goods: Purchase of Vehicles, Exhausters, Non-revenue water equipment, Enterprise Resource planning, water testing laboratories and equipment. Services: Study, Design review and supervision of works consultancy.
Areas that the project was formed to intervene.	The project was formed to intervene in the following problems/gaps water supply & sanitation services in the following areas: Narok town, Olkalau town, Kapenguria and Chepararia, Kabarnet, Kabartonjo, Marigat, Eldama Ravine, Bomet, Mulot, Nandi hills, Kilgoris, Lolgorian, Oyugis, Kendu Bay, Siaya, Bondo, Ugunja Ukwala and Sega, Kiptogot, kolongolo, Eldoret, Kakamega, Migori, Siaya, Nyamira, Migori, Busia, Nambale, Webuye.
Program duration	The program started on 1st January 2017, expected end date was 31st December 2021, and this date has been revised to 31st December, 2025.

2.4 Bankers

The following are the bankers for the project is KCB address shown below;

KCB Bank,
Main Branch, Kenyatta Avenue Nakuru,
Account No: 1116841347
P.O BOX 18-20100
Nakuru

2.5 Independent Auditor

The project is audited by the Office of the Auditor General the address is as shown below;

Auditor General
Office of the Auditor General
P. O. Box 30084 -00100
Nairobi.

2.6 Roles and Responsibilities

Names	Title designation	Key Qualifications	Responsibilities
CPA Douglas Kaibos Murei	Chief Executive Officer	MSc. Project Planning & Management, Bachelor of Commerce, CPA (K)	Accounting Officer (Chief Executive Officer)
Eng. Joseph M Salee	Program Coordinator	Bachelor of Science in Civil Engineering, Post Graduate Diploma in Computer Science.	Program Coordinator
CPA Grace J Bowen	Ag. GM-Finance	Bachelor of Science, Registered Member of CPAK	Finance Expert
Eng. Alice Nyawira Kimaru	Program Engineer	Masters of Science in Civil Engineering (Environmental ASAL) Registered Graduate Engineer.	Program Engineer
Eng. Philip Kimeli	Environmental Engineer	Msc Science & Climate Change BSc. in soil water& Environmental Engineering.	Environment & Social Safeguard Expert
William Sakuda	Procurement Manager	Masters in Business Administration, BSC Mathematic and Diploma in Procurement.	Procurement Expert
Agnes. J. Bowen	Accountant	Masters in Business Administration (Finance Option) BCom degree in Finance. Registered Accountant ICPAK	Program Accountant

Note:

CPA Agnes. J. Bowen the Program Accountant is not in office with effect from 2nd February 2023 pending a court matter.

Mr Brian Kiprono Koimett an Associate Member of ICPAK is currently assisting with the project accounts.

2.7 Funding summary

The Program duration is for nine years from 2017 to 2021, revised end date is 31st December, 2025 with an approved budget of UA 125.687 million equivalents to Kshs. 18.026B. UA 1 =Kshs 143.3506.

Below is the Funding Summary:

A. Source of Funds

Source of Funds	Donor Commitment		Amount Received to Date 30/6/2025.		Undrawn Balance to Date 30/06/2025.	
	Donor Currency (UA)	Kshs	Donor Currency (UA)	Kshs	Donor Currency (UA)	Kshs
	(A)	(A)	(B)	(B)	(A')-(B')	(A')-(B')
(i) Grants						
ADF Grant	145,430	20,796,425	145,430	20,796,425	0	0
MIC Grant	982,028	140,430,000	730,452	104,454,665	251,576	35,975,335
	1,127,458	161,226,425	875,882	125,251,090	251,576	35,975,335
(ii) Loan			0	0	0	0
AfDB Loan	108,275,201	15,483,353,694	83,643,181	11,960,974,954	24,632,020	3,522,378,740
ADF Loan	2,158,923	308,726,038	1,940,646	277,512,393	218,277	31,213,645
	110,434,124	15,792,079,732	85,583,828	12,238,487,347	24,850,296	3,553,592,385
Sub Total	111,561,582	15,953,306,157	86,459,709	12,363,738,437	25,101,873	3,589,567,720
(iii) Counterpart funds						
Government of Kenya	14,498,096	2,073,227,699	6,767,679	967,778,124	7,730,417	1,105,449,575
Total	126,059,678	18,026,533,856	93,227,389	13,331,516,561	32,832,289	4,695,017,295

B. Application of Funds

Application of funds	Amount received to date (30 June 2025)		Cumulative Amount paid to date – (30 June 2025)	Unutilised balance to date 30 June 2025.	
	<i>Donor currency (UA)</i>	<i>Kshs</i>	<i>Kshs</i>	<i>Donor currency (UA)</i>	<i>Kshs</i>
	(A)	(A')	(B')	(A)-(B)	(A')-(B')
(i) Grant					
ADF Grant	145,430	20,796,425	20,796,425	0	-
MIC Grant	730,452	104,454,665	104,454,665	251,576	35,975,335
	875,882	125,251,090	125,251,090	251,576	35,975,335
(i) Loan		0		-	-
AfDB Loan	83,643,181	11,960,974,954	11,960,974,954	24,632,020	3,522,378,740
ADF Loan	1,940,646	277,512,393	277,512,393	218,277	31,213,645
	85,583,828	12,238,487,347	12,238,487,347	24,850,296	3,553,592,385
	86,459,709	12,363,738,437	12,363,738,437	25,101,873	3,589,567,720
(ii) Counterpart funds					
Government of Kenya	6,767,679	967,778,124	967,778,124	7,730,417	1,105,449,575
Total	93,227,389	13,331,516,561	13,331,516,561	32,832,289	4,695,017,295

2.8 Summary of Overall Program Performance:

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

The budget for the program Fy 2024/2025 was Kshs 1,580,000,000 for the donor and Kshs 245,000,000 Gok counterpart funding, the request for disbursement submitted to the Ministry of Water Sanitation and Irrigation amounted to 1,430,538,728 out of which kshs 1,115,664,754 was disbursed, in addition we received Kshs 211,218,504 from Government of Kenya for counterpart funding during the financial year.

ii. Physical progress based on outputs, outcomes and impacts since program commencements

The program is approximately at 93% implementation and all the projects had commenced. The outcomes, outputs and impact as at 30th June 2025 is summarized in the table shown below:

Output Indicators (as specified in the RLF, add/delete rows as needed)	Most recent value	Annual Target (expected cumulative value at end of reporting period)	End Target (expected cumulative value at completion)	Progress towards annual target (%) realized)	Progress towards end target (% realized)	Assessment (On whether output indicator is on track to reach annual and end targets. If not on track, please justify)
Length of water pipes laid in Kms	1,101	1200	1200	92	92	The indicator is on track
No. of water treatment plants constructed/rehabilitated	14	16	16	88	88	The indicator is on track
No. of intake structures constructed/rehabilitated	10	16	16	63	63	The indicator is on track
Length of sewer pipes laid in Kms	194	220	220	88	88	The indicator is on track
No. of wastewater treatment plants constructed/rehabilitated	4	6	6	67	67	The indicator is on track
No. of ablution blocks constructed	27	26	26	104	104	The indicator is on track
No. of laboratories constructed	9	11	11	82	82	The indicator is on track
No. of exhausters procured	3	7	7	43	43	The indicator is on track
No. of WSPs/WSB staff trained	86	800	800	10	10	The indicator is on track
No. of climate mainstreamed WSP business plans developed/revised (gender informed)	0	20	20	0	0	The indicator did not commence.
No. of studies prepared for future investments	7	7	7	100	100	The indicator was completed.

iii. Absorption rate since commencement of program

The absorption rate for each year since the project commencement

FY	Receipts	Commitments	
	a	b	(a/b)%
		18,026,533,856	
2024/2025	1,326,883,258		7%
2023/2024	1,671,981,681		9%
2022/2023	2,276,266,081		13%
2021/2022	3,298,531,144		18%
2020/2021	2,410,457,492		13%
2019/2020	1,712,892,996		10%
2018/2019	634,503,909		4%
Total	13,331,516,561	18,026,533,856	74%

Implementation challenges.

- Delayed approval of Master Lists and processing of specific exemption requests.
- Delayed processing and disbursement of advance payments to the contractors.
- Delayed processing and disbursement of Interim Payment Certificates (IPCs) to the Contractors and Consultants.
- Delayed approvals of permits by counterpart agencies i.e., KFS, WRA, NEMA, KeRRA and KeNHA.
- Delayed process of land acquisition due to community aversion and political influence. Increase of costs for key project materials due to increase in shipment of materials due to the effect of COVID-19 and new legislation on the Finance Act. Some of the materials affected include pipes, reinforcement, fuel costs, cement among others. This is a critical issue that needs to be determined as its critically affecting all the projects and claims has been submitted by the contractors.
- Several Claims due to extension of time and additional costs due to interest on delayed payments have been/are being raised by contractors.
- Inadequate Budget allocation for the donor and Gok counterpart funding.

Recommendations & way forward

- The review and approval process of the Master List, Interim Payment Certificates (IPCs) and advance payments has to be hastened in order to minimize delays.
- Approvals of permits from inter-government agencies needs to be fast-tracked and applied for before project commencement.

- c) Proper sensitization needs to be done to the community before and during project implementation.

2.9 Summary of Project Compliance:

i. Significant cases of non-compliance with applicable laws and regulations and essential external financing agreements/covenants

The program has continually to adhere to the applicable laws and regulations including the environmental and social safeguards. The projects have had ESIA studies undertaken and NEMA licenses issued on time prior to project implementation, compensation of Project Affected Persons (PAPs) is ongoing prior to project construction and therefore there are no significant cases of non-compliance recorded so far during the project implementation.

ii. Consequences suffered on account of non-compliance or likely to be suffered.

There are no consequences suffered so far, however, in an event of a significant non-compliance case, the financing institution will stop specific project disbursement or even the entire program disbursement leading to delayed project implementation. Failure to adhere to applicable laws and regulations such as NEMA, NCA, WRA can also lead to temporary closure of project sites leading to delayed project implementation and cases of claims by contractors leading increased cost implications.

iii. Mitigation measures taken or planned to be taken to alleviate the adverse effects of actual or potential consequences of non-compliance.

The agency has instituted mitigation measures to alleviate the adverse/potential effects of non-compliance; this includes quarterly monitoring and reporting of the environmental and social management frameworks. This is jointly done by the project parties (employer, engineer, consultant, contractor and government authorities NEMA, WRA), through this any non-compliance is easily noted and addressed before escalation. Through monthly site meetings, project implementation progress and other essential external financing agreements/covenants are noted and addressed immediately. The executing agency has continually collaborated with the project stakeholders including the communities and beneficiary WSPs and County Governments to address other socio-cultural issues that may arise during the project implementation.

The projects have fully complied to the Kenyan Laws and AfDB social safeguards operating standards and reporting done on quarterly basis to the financier.

3 Statements of Performance Against Project's Predetermined Objectives.

Introduction

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

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

- a) Construction and rehabilitation of water supply and sanitation infrastructure (including expansion into informal settlements) for improved water and sanitation services.
- b) Capacity development of water service providers, the sector regulator for improved service efficiency and women and youth for increased employment opportunities.

Progress on attainment of Strategic development objectives

The main objective of the program is to improve the access, quality, availability and sustainability of water supply and wastewater management services in multiple towns in Kenya, with a view to catalysing commercial activities, driving economic growth, employment creation, improving quality of life of the people and building resilience against climate variability and change. The program objective will be achieved through:

The program will support water supply infrastructure in and sanitation infrastructures in 20 towns, providing more than 2.1 million people with reliable and sustainable water supply services and more than 1.3 million people with water-borne sewerage systems. In addition, the program will create more than 15,000 new jobs during and after construction.

Below we provide progress on attaining the stated objectives:

Project	Objective	Outcome	Indicator	Performance In FY 2024/25
Kenya Towns Sustainable water and sanitation program	Improve access, quality, availability and sustainability of water supply and wastewater management services in multiple towns in Kenya, with a view to catalyzing commercial activities, driving economic growth, employment creation, improving quality of life of the people	Increased number of people with access to water supply services	1200km of water pipelines laid	1,101 km of water pipelines have been laid Additional 250,050 people accessing water services
			16 Nr. of water treatment plant constructed/rehabilitated	4.No. Water treatment plant constructed
			16Nr. Of intake structures constructed/rehabilitated	10.No. Of intake structures constructed
		Increased number of people with access to sanitation services	220 km of sewer pipes laid	194km of sewers laid Additional 69,750 people accessing water services
			6Nr. wastewater treatment plants constructed/rehabilitated	4. No. Of waste water treatment plants constructed
			26 No. of ablution blocks to be constructed	27. No. of ablution blocks have been constructed
			Procurement of 7Nr. exhausters	3. No. of exhauster procured
		Capacity development of water service providers and water works development agencies	11 No. of laboratories constructed	9.No. of laboratories constructed
			800 No. of WSPs/WSB staff trained	86 No. of WSPs/WSB staff trained
			Supply, delivery and installation of Enterprise Resource Management System (ERP) and training	The contract is currently in the at 99% implementation status
		Increased employment opportunities for women and youth for	1200 No. of direct/indirect permanent & temporary jobs created	36 graduates on temporary employment at the Agency level;15 out of the 36 are female
				1,899 youth have been engaged in for both skilled and unskilled labour, deployed on the project's sites;570 out of the 1,899 are women

Detailed Outputs as at 30 th June 2025								
S/No	Project	Water Pipelines	water Treatment/ rehabilitations	water Intakes/ rehabilitation	Sewer Pipes	Sewerage treatment Plant	Laboratory	Ablution blocks
1	Narok	95	-	1	54	1	1	-
2	Olkalou	28	1	-	23	1	-	1
3	Kabarnet	7	1		-	-		-
4	Kilgoris	68	1	1	-	-		4
5	Kiptogot	73	2	2	-	-	-	-
6	Malaba lot I	84	2	1	-	-	1	-
7	Malaba lot II	-			56	1		4
8	Nandi Hills	36	1	1	-	-		3
9	Kakamega	14			-	2		-
10	Kendu Bay	34	1	1	-	-	1	3
11	Oyugis	27	1	1	-	-	1	4
12	Ugunja	99	1	1	-	-	1	3
13	Siaya LMC	184			-	-		-
14	Migori LMC	204			-	-		-
15	Keroka LMC	40			-	-		-
16	Bomet	67		1	-	-		4
17	Kipkaren	40		1	-	-		-
18	Eldoret LMC	-			44	2	2	-
19	Kapenguria	-			8	1	1	-
20	Chepareria	-			10	1	1	1
	Totals	1,101	11	10	195	9	4	27

4 Environmental and Sustainability Reporting-

The program has outlined a number of activities including tree planning, slope protection, capacity building etc. to be implemented in all the projects under construction for the Kenya Towns Sustainable Water Supply and Sanitation Program. Project implementation is underway and all of the activities commenced. A number of projects are Complete. The total cost for the year spent was Kshs 2.65 million spread in the project areas.

No.	Project	Activity	Budget Breakdown (Kshs)
1	Kilgoris-Lolgoria Towns water Supply and Sanitation Project	Tree Planting and slope protection	250,000.
2	Olkalou Town Sewerage Project	Tree Planting and slope protection	280,000
3	Ugunja-Ukwala-Sega Towns Water Supply and Sanitation Project	Tree Planting and slope protection	250,000
4	Oyugis Town Water Supply and Sanitation Project	Tree Planting and slope protection	500,000
Total (Kshs)			1,280,000

1. Sustainability strategy and profile

The Constitution of Kenya has declared access to Water Supply and Sanitation Services a human right which is to be achieved progressively. Under the Water Act, 2016, the Cabinet Secretary is expected to formulate and implement a National Water Services Strategy that will progressively lead to attainment of this right. The Agency has therefore aligned its development and operational agenda to the National Water Services Strategy and endeavours to mobilize adequate resources to implement its plan and achieve the national vision. The Agency has identified six key result areas to effectively realize its mandate.

The five key result areas are:

- a) Roof water harvesting exercise which has seen the distribution of plastic tanks to schools around the project area aimed at sensitizing the community on the importance of water harvesting to address water scarcity as well as reduction of runoff.
- b) Effective mobilization and prudent utilization of resource.
- c) Development and Improvement of the water and sanitation infrastructure.
- d) Management of the water and sanitation infrastructure developed.
- e) Enhancement of institutional framework and capacity.
- f) Customer and stakeholder management.

The Agency believes that pursuing impact in these six key result areas will enable achievement of sufficient and resilient infrastructure that will continually and sustainably support attainment of the universal access to improved water supply and sanitation services in its area of jurisdiction. This aspiration is aligned to the National initiatives under the Big Four Agenda which is attendant to the Vision 2030, the Sustainable Development Goal Number six of the United Nation and the Africa Union Agenda 2063. We have done our best with considerable success in each of the key result areas and we remain committed to achieving the National Government's development goals by our short-term local interventions.

2. Environmental performance

The Environmental Management and Coordination Act 1999 (EMCA) and 2015 guides the Agency project/ program implementation. Through the Act, the public and the society are empowered through Public participation that in turn supports the project implementation leading to its success and sustainability. On the other hand, the EMCA Act is implemented by guiding principle that every person has a right to a clean and healthy environment and can seek redress through high court if the right has been, is likely to be or is being contravened which empowers communities on regions where projects are being implemented thus leading to project rejection and aversion.

The Agency, working closely with other stakeholders promotes and sustain tree planting exercise which seeks to mitigate climate change and promote biodiversity. In its efforts to reduce environmental impacts, the Agency undertakes the Environmental Impact Assessment studies which outlines the possible impacts and propose mitigation measures which are implemented during project implementation though the outlined environmental and social management plans. The implementation progress is monitored regularly through the regular environmental audits.

3. Employee welfare

The Agency has a Human Resources Policy and Procedures Manual which stipulates the guidelines on recruitment and selection and further requires that a third (1/3) gender rule is adhered to in the recruitment process.

Further, the in view of supporting the young people actively engaged in water improvement, the The cluster has further engaged 109 interns who are attached on different projects for skill development 60 out of the 109 are female and were attached to project engineers in the field and

some assigned to various managers in the office for on-the-job training. The young participants then may have an opportunity to grow and to gain new ideas to enhance water related issues.

At the individual project level, youth have been engaged in for both skilled and unskilled labor, as at the reporting period 1,899 people had been deployed on the project's sites, about 570 out of the 1,899 are women.

The Agency has in place career progression guidelines and reviews the staffing levels of the institution from time to time.

On safety and compliance with Occupational Safety and Health Act of 2007, (OSHA), An approved Health and Safety Policy is in place and is well adhered to and has been availed to all staff. The employees are entitled for leave out, medical insurances, training on their professional growth, COVID 19 and HIV/AIDS prevention measures. Provision of sanitizers, and a safe working environment.

4 Market place practices

a) Responsible supply chain and supplier relations

The Agency engages suppliers on sensitizations meetings to get their feedback on the provision of good, works and services. Pre-bid and site visit meetings are conducted to acquaint the suppliers with the minimum requirements. Successful bidders are engaged in a negotiation/pre-contract clarification meeting so as to be at par with the expectations of the Agency before contract execution. All this ensures an established good relationship between the Agency and the suppliers. Payment is made timely provided that all requirements are met. Suppliers are informed of the required documentations and processes and the contract implementation requirements before a payment request is raised. This ensures no delay in making for payment of goods supplied, works executed or services rendered.

b) Responsible ethical practices

The Agency ensures that laws relating to The Constitution of Kenya 2010, The Public Procurement and Asset Disposal Act 2015 And Public Procurement and Asset Disposal Regulations 2020 are followed. The Agency strictly adopts the most preferred method of procurement-Open tendering. Players in the market are given chances and level ground to compete. Information on the available tender opportunities is relayed to the bidders through the Public Procurement Information Portals, The Agency's website and the national newspapers to ensure universal and free access to

information. To enhance fair competition, evaluation is based on set criteria favorable to all bidders, where price takes precedence without prejudicing on quality. Vulnerable groups are given preference to ensure they are not edged out of market and are therefore given a favorable and conducive business environment. The Agency ensures that specifications development does not give undue influence or reference to a particular product or service in the market that will give a competitive advantage to a particular supplier

c) Regulatory impact assessment

The agency ensures openness in advertising for its available opportunities. Informing on such opportunities is relayed in the easiest, understandable language and conveyed in the easily available mode of communication. The information is consistent to all clients. Queries raised by a particular bidder in relation to a procurement proceeding is clarified and the clarification is sent to all bidders in that respect. In preparation of product specifications, the Agency ensures that the approved standards used are universal and cannot be tied to a particular item or product in the market. The Agency has a dedicated email service for queries in relation to procurement matters

5 Community Engagements

During the year under review, the Agency continued to implement its Corporate Social Responsibility program in line with its policy. This policy builds and support the execution of the Agency's mandate as part of integrating community concerns in the Agency's operation and interactions with their stakeholders and customers. In addition, the agency carry out community and stakeholder engagements during project formulation and implementation so as to ensure sustainability is achieved in all the agency developed infrastructure.

5 Statement of Project Management Responsibilities

The Chief Executive Officer of Central Rift Valley Water Works Development Agency and the Project Coordinator for Kenya Towns Sustainable Water Supply and Sanitation Program are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year (period) ended on 30th June, 2025. This responsibility includes:

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

The Chief Executive Officer of Central Rift Valley Water Works Development Agency and the Project Coordinator for Kenya Towns Sustainable Water Supply and Sanitation program accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Chief Executive Officer of Central Rift Valley Water Works Development Agency and the Project Coordinator for Kenya Towns Sustainable Water Supply and Sanitation Program are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year/period ended June 30, 2025, and of the Project's financial position as at that date. The Chief Executive Officer of Central Rift Valley Water Works Development Agency and the Project Coordinator for Kenya Towns Sustainable Water Supply and Sanitation Program further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

The Chief Executive Officer of Central Rift Valley Water Works Development Agency and the Project Coordinator for Kenya Towns Sustainable Water Supply and Sanitation Program confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project financial statements

The Kenya Towns Sustainable Water Supply and Sanitation Program Project Financial Statements were approved by the and Chief Executive Officer of Central Rift Valley Water Works Development Agency and the Project Coordinator on 28th August, 2025 and signed by them.



CPA Douglas Murei Kaibos

Chief Executive Officer



Eng. Joseph M Salee

Program Coordinator

REPUBLIC OF KENYA

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HEADQUARTERS
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KENYA TOWNS SUSTAINABLE WATER SUPPLY AND SANITATION PROGRAM CR. NO. P-KE-E00-011 (AFDB LOAN NO.2000200000501) FOR THE YEAR ENDED 30 JUNE, 2025 – CENTRAL RIFT VALLEY WATER WORKS DEVELOPMENT AGENCY

PREAMBLE

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

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

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying transitional IPSAS financial statements of Kenya Towns Sustainable Water Supply and Sanitation Program - Central Rift Valley Water Works Development Agency set out on pages 1 to 46, which comprise of the statement

of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and 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, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of Kenya Towns Sustainable Water Supply and Sanitation Program - Central Rift Valley Water Works Development Agency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the financing agreement No. 2000200000501 between African Development Bank and Republic of Kenya dated 9 January, 2017, the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

In addition, the special accounts statements present fairly, transactions for the year, and the closing balance have been reconciled with the books of account.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Towns Sustainable Water Supply and Sanitation Program - Central Rift Valley Water Works Development Agency Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.1,825,000,000 and Kshs.1,326,883,258 resulting to an under-funding of Kshs.498,116,742 or 27% of the budget. Further, the statement reflects that the Project spent an amount of Kshs.1,304,244,654 against the actual receipts of Kshs.1,326,883,258 resulting to an under-absorption of Kshs.22,638,604 or 2% of the actual receipts.

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

2. Failure to Settle Accounts Payables

Note 23 to the financial statements on other important disclosures reflects pending trade and other payables and land compensation balance of Kshs.314,873,974 and Kshs.20,526,740 respectively as at 30 June, 2025. The balance of Kshs.314,873,974

includes amounts of Kshs.222,169,358 and Kshs.92,704,616 for construction of roads and for supply of goods and services respectively. Review of documents and schedules provided for audit in support of land compensation revealed that there is a long delay in compensating of persons affected by the project (PAPs).

Failure to clear pending bills in the year to which they relate distorts the budget of the following year as they constitute a first charge on that budget.

My opinion is not modified in respect of these matters.

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 under the Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2025. These matters were; low absorption of project funding, failure to settle pending bills, lack of designate project bank account, delays in project implementation, program funding and stalled implementation of Bomet-Longisa- Mulot Project.

Other Information

The Management is responsible for the Other Information set out on page iii to xvii which comprise of Project Information and Overall Performance, Statements of Performance against Project's Predetermined Objectives, Environmental and Sustainability Reporting and Statement of Project Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Project's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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. Low Absorption of Project Funding

The Program was advanced loans and grants for a duration of five (5) years with effect from 9 January, 2017 to 31 December, 2021 but subsequently extended to 31 December, 2025. Available information revealed that out of the total donor commitment of Kshs.18,026,533,856, an amount of Kshs.12,363,738,437 or 69% had been disbursed as at 30 June, 2025. Further, out of the Government's (GOK) counterpart funding commitment of Kshs.2,073,227,699, only an amount of Kshs.967,778,124 or 47% has been issued.

In the circumstances, this has resulted to delayed Project implementation and higher payment of interest and commitment fee on undrawn loan balances.

2. Expired Advance Payment Guarantee for Bomet/Mulot Water Supply Project

The contract in respect of Bomet/Mulot Water Supply Project was signed on 19 August, 2021 between the Agency and an international contractor, for a contract sum of Kshs.2,032,917,319 for a period of 545 days and 365 days defects liability period. The work commenced on 3 January, 2022 with the expected completion date of 2 July, 2023. Review of the contract Implementation Team Report dated 3 March, 2025, revealed that the advance payment guarantees amounting to Kshs.323,036,822 from a local bank had expired on 22 July, 2025 and has not been renewed. This has exposed the Project to greater loss if the contract is not fully or well executed as required by Section 142 (2) of the Public Procurement and Asset Disposal Act, 2015.

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

3. Outstanding Advance Payment on Kipkaren Dam

The Agency, on behalf of the Project, contracted a firm for the construction of Kipkaren Dam Water Supply Project through contract No.RVWSB/LVN/AFDB/KTSWSSP/W/KIPKARREN/2017-18 with effect from 13 December, 2018 for a period of twenty (20) months at a cost of Kshs.1,185,758,691 exclusive of VAT. Review of the project implementation time lines revealed that the

completion date was extended to 26 September, 2022. However, audit inspection in the month of June, 2025 revealed that the works remain stalled.

Further, out of the advanced payment of Kshs.118,572,444 paid to the contractor on 03 April, 2019 amount of Kshs.22,806,053 has been recovered leaving a balance of Kshs.95,766,391 outstanding. In addition, the advance payment was not supported by a valid performance security bond and therefore recovery of advance payment may not be enforced.

In the circumstances, the efficiency in the management of public resources on the advance payments could not be confirmed.

4. Slow Progress of the Bomet-Longisa-Mulot Project

Review of the Project returns revealed that the completion date for Mulot-Longisa-Bomet water supply was revised and expires on 14 October, 2025 and the Project is expected to end on 31 December, 2025. Therefore, the outstanding water supply project is at a risk of not being financed by the donor when the Project comes to an end. In addition, the employer (CRVWWDA) has expressed frustration on the slow progress of works on site which possess a serious risk to the timely completion of the project as per the contractual date set for 14 October, 2025 including the delays in procurement of steel pipes and generally slow pace in executing the outstanding works.

Review of records revealed that the contractor is experiencing challenges in resource mobilization and therefore has been unable to fulfill some of the basic contractual obligations such as mobilization of key staff, procurement of key materials, mobilization of key equipment and recruitment of competent staff. Thus, the contractor may not complete the Project as per the contractual obligation and the employer may fail to manage the contract effectively.

In the circumstances, the Project may not obtain value for money and the expected benefits from the water supply project to the public may not be realized.

5. Delay in Program Funding

The Project was advanced loans and grants for a duration of five (5) years with effect from 9 January, 2017 to 31 December, 2021 and which was subsequently extended to 31 December, 2025. However, out of the total donor commitment total loan balance of Kshs.15,953,306,157 a balance of Kshs.10,893,485,555 (or 60%) has been disbursed leaving a balance of Kshs.4,589,868,139 undrawn. Equally, out of the total Government of Kenya counterpart funding balance of Kshs.2,073,227,699 a balance of Kshs.756,559,620 (or 27%) has been disbursed leaving an undrawn balance of Kshs.1,316,668,079.

In the circumstances, the delay in funding will negatively affect the implementation and overall achievement of the Program objectives and the project may not be able to withdraw and absorb the remaining funding within the remaining period.

6. Failure to Absorb the Approved Funds for the Program

The Project was started on 1 January, 2017 for a period of five (5) years with expected end date of 31 December, 2021 with an approved loan of Kshs.18.026 billion (UA 125.746 million). However, review of the financial records and Project Status Reports revealed that the end date of the Program has been revised three (3) times translating to nine (9) years with the latest end date of 31 December, 2025. Further, as at 30 June, 2025, the total disbursement to the Project amounted to Kshs.13.334 billion or 73.9% resulting to an undrawn funds of Kshs.4.692 billion (UA 34.146 million) or 26.1% of the approved budget.

In the circumstances, failure to implement projects as planned may have negatively impacted on delivery of goods and services to the citizens.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

Conclusion

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

Basis for Conclusion

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Conclusion

As required by African Development Fund (ADF) and African Development Bank (AfDB) and the Republic of Kenya, I report based on my audit, that:

- i. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit;

- ii. Adequate accounting records have been kept by the Project, so far as appears from the examination of those records; and,
- iii. The Project's financial statements are in agreement with the accounting records and returns.

Basis for Conclusion

The Financing Agreement requires that I report on the legal or regulatory requirements, or on performance information disclosed. These matters require expressing a separate opinion as to the Project's compliance with laws and regulations. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

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

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

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

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

Management is responsible for overseeing the Project's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or

error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 November, 2025

7 Statement of Financial Performance for The Year Ended 30th June 2025

	Notes	2024/2025
		Kshs
Revenue		
Revenue Transfers	6	1,326,883,258
Miscellaneous Revenue	7	-
Total revenue		1,326,883,258
Expenses		
Employee costs	8	-
Use of goods and services	9	144,267,630
Depreciation and amortization expense	10	-
Transfer to other Government Entities	11	-
Other Transfers/Subsidies/Grants	12	-
Certified Works	13	1,159,977,024
Total expenses		1,304,244,654
Other gains/(losses)		
Gain/Loss on sale of assets	14	-
Gain/Loss on foreign exchange transactions	15	-
Impairment loss	16	-
Surplus/ (deficit)		22,638,604

The accounting policies and explanatory notes to these Financial Statements are an integral part of the Financial Statements.



CPA Douglas Murei Kaibos
Chief Executive Officer



Eng. Joseph M Salee
Program Coordinator



CPA Grace J Bowen
Ag. GM-Finance
ICPAK No 6480

(IPSAS 1.3.24 requires an entity to separately disclose third party payments separately on the statement of receipts and payments. These are payments made by development partners directly on behalf of the entity. In recognizing these transactions, the receipts must be equal to the payments made and therefore there is no surplus or deficit.)

8 Statement of Financial Position as at 30th June 2025

Assets	Note	2024/2025	1st July 2024
		Kshs	Kshs
Current Assets			
Cash and Cash equivalents	17	25,530,451	24,619,187
Receivables -Advance Payments	18	418,839,960	560,874,701
Inventories	19	-	-
Prepayment	20	-	-
Total Current Assets		444,370,411	585,493,888
Non-Current Assets			
Property, Plant and Equipment	21	15,476,249,564	13,791,403,750
Intangible Assets	22	-	-
Total Non- Current Assets		15,476,249,564	13,791,403,750
Total Assets (a)		15,920,619,975	14,376,897,638
Liabilities			
Current Liabilities			
Trade and Other Payables	23	335,400,714	693,600,028
Third Party Deposits	24	489,570,857	599,043,676
Deferred Income-external borrowing -AfDB	25	13,418,107,978	12,333,369,747
Total Current Liabilities		14,243,079,549	13,626,013,451
Total Liabilities (b)		14,243,079,549	13,626,013,451
Net Assets (a-b)		1,677,540,426	750,884,187
Represented By:			
Accumulated Surplus		1,677,540,426	750,884,187
Capital fund		14,243,079,549	13,626,013,451
Total Net Assets		15,920,619,975	14,376,897,638

The accounting policies and explanatory notes to these Financial Statements form an integral part of the Financial Statements. The Financial Statements were approved on 28th August 2025 and signed by:



CPA Douglas Murei Kaibos
Chief Executive Officer



Eng. Joseph M Salee
Program Coordinator



CPA Grace J Bowen
Ag. GM-Finance
ICPAK No 6480

9 Statement of Changes in Net Assets

Description	Accumulated Surplus
	Kshs
As at 30 th June 2024 (Cash Basis)	(74,716,582)
Adjustments:	
Asset Recognition	-
Liabilities recognition	-
As at 1 st July 2024	(74,716,582)
Surplus/(Deficit) for the year	22,638,604
As at 30 th June 2025	(52,077,978)

The accounting policies and explanatory notes to these Financial Statements form an integral part of the Financial Statements. The Financial Statements were approved on 28th August 2025 and signed by:



CPA Douglas Murei Kaibos
Chief Executive Officer



Eng. Joseph M Salee
Program Coordinator



CPA Grace J Bowen
Ag. GM-Finance
ICPAK No 6480

10 Statement of Cash flows for The Year Ended 30th June 2025

Description	Note	Insert Current FY
		Kshs
Cashflow from operating activities		
Receipts		
Revenue Transfers		211,218,504
Miscellaneous Revenue		
Total receipts		211,218,504
Payments		
Employee costs		-
Use of goods and services		210,307,241
Transfer to other Government Entities		-
Other Transfers/Subsidies/Grants		
Certified Works		-
Total payments		210,307,241
Net cash flow from operating activities	26	911,263
Cashflow from investing activities		
Acquisition of non-financial assets		
Proceeds from sale of Assets		
Acquisition of Intangible assets		-
Non-cash grants-goods and services		-
Net cash flows from investing activities		
Cash flow from financing activities		
<i>Specify the activity</i>		-
Net cash flow from financing activities		-
Net increase/Decrease in cash and cash equivalents		911,263
Cash and cash equivalent at 1st July 2024	17	24,619,187
Cash and cash equivalent at end June 2025	17	25,530,450

The financial statements are set out on pages 1 to 71 and were signed on its behalf by;



CPA Douglas Murei Kaibos
Chief Executive Officer



Eng. Joseph M Salee
Program Coordinator



CPA Grace J Bowen
Ag. GM-Finance
ICPAK No 6480

11 Statement of Comparison of Budget and Actual Amounts for The Year Ended 30th June 2025

The accounting policies and explanatory notes to these Financial Statements are an integral part of the Financial Statements.

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	%
Receipts	a	b	c=a+b	d	e=c-d	f =d/c
Transfer from Government entities	245,000,000	-	245,000,000	211,218,504	33,781,496	86%
Proceeds from domestic and foreign grants	80,000,000	-	80,000,000	30,926,523	49,073,477	39%
Proceeds from foreign borrowing	1,500,000,000	-	1,500,000,000	1,084,738,231	415,261,769	72%
Total Receipts	1,825,000,000	-	1,825,000,000	1,326,883,258	498,116,742	73%
Payments						
Compensation of employees	-	-	-	-	-	0
Purchase of goods and services	456,250,000	-	456,250,000	432,903,281	23,346,719	95%
Social security benefits	-	-	-	-	-	
Acquisition of non-financial assets	1,368,750,000	-	1,368,750,000	871,341,373	497,408,627	64%
Transfers to other government entities	-	-	-	-	-	
Other grants and transfers						
Total Payments	1,825,000,000	-	1,825,000,000	1,304,244,654	520,755,346	71%
Surplus/Deficit	-		-	22,638,604	(22,638,604)	

12 Notes to the Financial Statements

1. General Information

The Agency is established by and derives its authority and accountability from the Water Act. The Agency is wholly owned by the Government of Kenya and is domiciled in Kenya. The Agency's principal activity is that it develops and manages water services infrastructure and provides technical support to the County Governments in its area of jurisdiction and to the Cabinet Secretary in charge of Water Services. The Agency hands the completed water services infrastructure over to designated Water Services Providers for operating and day to day managing of water supply and sanitation services.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and with the International Public Sector Accounting Standards (IPSAS).

Guiding note during the transition period:

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS), or the entity has taken advantage of the transitional provisions under IPSAS 33, and therefore these 1st/ 2nd/ 3rd/year financial statements are transitional financial statements and the following elements of the financial statements have not been recognized as the entity has taken advantage of the transition provisions outlined in IPSAS 33. (entity to state the transitional provisions it has applied and the steps being towards full compliance with IPSAS Accrual).

These financial statements were authorized for issue by the accounting officer on 28th August 2025

3. Adoption of New and Revised Standards

i) *New and amended standards and interpretations in issue effective in the year ended 30 June 2025.*

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

Standard	Effective date and impact:
	<i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 46 Measurement	Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value. State the expected impact of the standard to the Entity if relevant

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

Standard	Effective date and impact:
IPSAS 47- Revenue	Applicable 1st January 2026 This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. State the expected impact of the standard to the Entity if relevant
IPSAS 48- Transfer Expenses	Applicable 1st January 2026 The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer

Standard	Effective date and impact:
	expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: - Limited improvements to existing accounting practices for exploration and evaluation expenditures. - Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. - Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <i>State the expected impact of the standard to the Entity if relevant</i>

iii) Early adoption of standards

The Agency did not early – adopt any new or amended standards in the financial year.

4 Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Interest income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Board of Directors on **25th October 2024**. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations of **xxx** on the FY 20XX/20XX budget following the Council/Board's approval. 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 cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page **xx** under section **xxx** of these financial statements.

c) Property, plant and equipment

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

d) Leases

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

e) Intangible assets

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

f) Research and development costs

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

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

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

g) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

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

through net assets/ equity unless an entity has made an irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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



Financial liabilities

Classification

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

h) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Inventories (Continued)

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

i) Provisions

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

Contingent liabilities

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

Contingent assets

The *Entity* does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the *Entity* in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

j) Nature and purpose of reserves

The *Entity* creates and maintains reserves in terms of specific requirements. (*Entity to state the reserves maintained and appropriate policies adopted*).

k) Changes in accounting policies and estimates

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

l) Employee benefits

Retirement benefit plans

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

m) Foreign currency transactions

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

different from those at which they were initially reported are recognized in surplus or deficit in the period.

n) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

o) Related parties

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

p) Service concession arrangements

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

q) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

r) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025

5 Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx.

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.

(Include provisions applicable for your organization e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).

6 Revenue Transfers

Description	2024/2025
	KShs
Unconditional Transfers	
GoK Counter Part funding	211,218,504
Transfers from Development partners	
<i>Grants from development partner s</i>	30,926,523
Total Unconditional Transfers (a)	242,145,027
Conditional Transfers	
GoK Counter Part funding	-
Loans Transfers from Development partner 2	1,084,738,231
<i>Other conditional transfers (specify)</i>	-
Total Conditional Transfers (b)	1,084,738,231
Total Transfers for the Year (a + b)	1,326,883,258

a)details of Revenue Transfer

(i) GOK Counterpart Funding

	FY 2024/2025
	Kshs
Counterpart funding through Ministry of Water, Sanitation and Irrigation	
Counterpart funds	211,218,504
Adjustments Counterpart funds	-
Total	211,218,504

(ii) Grants from development partner

Name of Donor	Date received	Amount in loan currency	Amount in loan currency
Loan from external development partner		UA FY 2024/2025	Kshs FY 2024/2025
Africa Development Bank	30/06/2025	216,269	30,926,523
Total		216,269	30,926,523

(iii) Loans Transfers from external Development partner

Description	Balance b/f	Amount in loan currency	Amount received as direct payment
Loan from external development partner		UA FY 2024/2025	2024/2025 Kshs
Africa Development Bank	30/06/2025	7,585,582	1,084,738,231
Total		7,585,582	1,084,738,231

7 Miscellaneous Revenue

There were no miscellaneous receipts during the year.

8 Employee Cost

There was no employee cost during the year

9 Use of Goods and Services

De scription	FY 2024/25
c	<u>Kshs</u>
Utilities, supplies and services	1,146,279
Bank charges	
Communication, supplies and services	9,138,171
Domestic travel and subsistence	85,127,604
Foreign travel and subsistence	-
Fuel and lubricants	3,915,494
General office supplies	
Stationery, Printing, advertising, and information supplies	4,362,032
Office rent	
Training payments	2,461,907
Hospitality supplies and services	3,475,560
Insurance costs	1,340,761
Specialized materials and services	
Other operating payments(specify)	29,556,688
Routine maintenance – vehicles and other transport equipment	3,743,134
Routine maintenance- other assets	
Total	144,267,630

10 Depreciation & Amortization expense

There was no depreciation charge during the year

11 Transfer to other Government Entities

There was no transfers out during the year

12 Other Transfers/Subsidies/Grants

There was no subsidy/grants transfers out during the year

13 Certified Works

(a) Non-Financial Assets made by third party

S/NO	Contractor	Project Name	TOTALS
			2024/2025
1	Suhufi Agencies ltd in JV with Bloomerg	Kabarnet Town Last Mile Connectivity	-
2	Weihai Construction Company Ltd	Chepareria Town Sewerage Project	39,926,018.78
3	Sinohydro Construction Limited	Olkalou Town Water Supply & Sanitation Project	-
4	Sinohydro Construction Limited	Narok Town Sewerage Project	-
5	Weihai Construction Company Ltd	Kapenguria Town Sewerage Project	219,622,393.89
6	Zhongmei Engineering Group Limited	Kiptogot-Kolongolo Water Supply Project	60,910,035.53
7	Zhongmei Engineering Group Limited	Malaba Town Water Supply project	-
8	China Railway No 10 Engineering Group	Eldoret Town Last Mile Connectivity	117,483,578.58
9	Stecol Corporation	Malaba Town Sewerage Project (Lot 2)	20,183,501.76
10	Machiri Ltd	Kipkaren Dam water Supply Project	-
11	Shanxi Geological Engineering Exploration	Siaya & Bondo Towns Water Supply Project	-
12	Nanchang Foreign Engineering Co Kenya Ltd	Oyugis Water Supply and Sewerage Project	28,838,585.57
13	China State Construction Engineering Co Ltd	Kilgoris-Lolgorian Water Supply Project	61,986,287.74
14	China Railway No 10 Engineering Group	Bomet-Mulot Water Supply & Sewerage Project	66,607,369.39
15	Jiangxi Transportation Engineering Ltd	Kendu Bay Water Supply & Sanitation Project	80,193,929.62
16	China Railway No 10 Engineering Group	Nandi Hills Water Supply and Sewerage Project	51,811,292.62
17	Zhongmei Engineering Group Limited	Ugunja-Ukwala-Sega water supply Project	-

S/NO	Contractor	Project Name	TOTALS
			2024/2025
18	Riang International Group Limited	Keroka Town Water Supply Project	24,699,709.25
19	Shanxi Geological Engineering Exploration	Migori-Isebania Town Water Supply Project	36,238,659.90
20	Toddy Engineering Limited	Kakamega Town Last Mile Connectivity Project	18,527,740.37
	Sub Totals		827,029,103

(b) Goods & services made by third party

S/No	Supplier of Good and Services	Consultant/Supplier	TOTALS
			2024/2025
1	Consultancy Services for Olkalou Town Sewerage Project	Scet Tunise	7,083,953
2	Consultancy for Kapenguria	Seureca East Africa Kapenguria	23,058,113
3	Consultancy Services for Narok Town Sewerage	Mangat I.B Patel Narok Town	1,857,376
4	Consultancy services for Communication	Sleek Sourcing	16,968,000
5	Consultancy Services for Monitory and Evaluation	Evans Kipchumba Lokapel	6,193,458
6	Consultancy for Kiptogot-Kolongolo Water Supply Project	Sgl Studio Galli ingeneria	7,849,535
7	Consultancy services for Kipkarren Dam	Seureca East Africa kipkaren	-
8	Consultancy Services for Eldoret and Kakamega Towns	Smec Kenya Limited	1,866,643
9	Consultancy for Malaba Lot 1 &2	Saman Corporation	17,782,757
10	Consultancy for Oyugis & Kendu Bay	Howard Humpreys	13,357,940
11	Consultancy for Ugunja Ukwala Segwa Water Supply Project	Seureca East Africa	20,966,031
12	Consultancy for LMC Siaya,Bondo,Isebania & Keroka	CAS Consultant	-
13	Supply of Lab Equipments for LVSSB	Nariana Enterprises Limited	-
14	Consultancy Services for Bomet-Mulot water Supply project.	Howard Humpreys	-
15	Consultancy serices for Amaya Dam	Beta Studio	-
16	Consultancy for Eldama Ravine	Korean Engineering Consulting	-
17	Consultancy for Kitale Town sewerage project	Mangat I.B Patel (MIBP) LTD	-
18	Kapsabet,Nambale Webuye	Proscel Engenharia	11,324,283
19	Consultancy for Two rivers dam	Runji Consultant	3,126,774
20	Consultancy for Kilgoris Lolgorian and Nandi Hills	Gibb Africa	18,011,356

S/No	Supplier of Good and Services	Consultant/Supplier	TOTALS
			2024/2025
21	Enterprise Resource Planning (ERP)	Impax Business Solution	3,290,664
22	Supply of Non-Revenue Water Equipment LVNWWDA	Kinetics Engineering Ltd	-
23	Consultancy for Business Plan	Eliud and Associates	31,269,000
24	Consultancy for Bergei Dam Water Supply	CAS Consultant	27,799,750
25	Supply of Non-Revenue Water Equipment CRVWWDA	Kinetics Engineering Ltd	42,601,724
26	Consultant for Training for Agency and wsp	North Rift Valley water works dev agency	9,830,192
27	Supply of Lab Equipments for CRVWWDA	Nariana Enterprises Limited	9,123,652
28	Supply of Non-Revenue Water Equipment LVSWWDA	Kinetics Engineering Ltd	9,349,900
29	Consultancy services for mumias-Kimilili	Smec Kenya Limited	5,924,550
TOTALS			288,635,651
Non-Financial Assets & Goods & services made by third party (a+b)			1,115,664,754

14 Gains/Loss on sale of Assets

There was no sale of assets made during the year

15 gain/Loss on Foreign exchange transactions

There was no gain/loss on foreign exchange made during the year

16 impairment loss

There was no impairment loss during the year

17 Cash and Cash Equivalents

Description	2024/2025	1st July 2024
Cash in Bank	25,530,451	24,619,187
Cash on hand	-	-
Total Cash and Cash Equivalents	25,530,451	24,619,187

The bank balances and bank reconciliation as at 30th June 2024 Ksh 24,619,187 and ending at Ksh 25,530,451.

Project Bank Account

Details	A/c No	2024/2025	1st July 2024
KCB AFDB Account	1116841347	25,530,451	24,619,187
Total bank account balances		25,530,451	24,619,187

18 Receivables-(Advance payments)

S/No	Contractor	Project	Advance Payment	Repayment of Advance	Advance Payment Balance 2024/2025	Balance 1 st July 2024
1	Sinohydro Corporation Ltd	Narok Town sewerage project	295,556,065	295,556,065	-	-
2	Zhongmei Engineering Group Ltd	Ugunja-Ukwala-Sega WSP	209,371,747	209,371,747	-	-
3	Sinohydro Corporation Ltd	Olkalou Town WSP	117,987,438	117,987,438	-	-
4	Jianxi Transportation Engineering	Kendu-Bay WSP	116,194,717	116,194,717	-	-
5	Nanchang Municipal Engineering group	Oyugis WSP	121,764,509	121,764,509	-	-
6	Zhongmei Engineering Group Ltd	Kiptogot-Kolongolo WSP	240,008,615	240,008,615	-	-
7	Shanxi Geological engineering	Migori-Isebania Towns LMC	55,410,597	55,410,597	-	-
8	Riang International group	Keroka Town LMC	22,861,999	22,861,999	-	-
9	Weihai construction group -	Chepareria Town Sewerage	43,419,240	43,419,240	-	-
10	Suhufi Agencies ltd in JV with Bloomerg	Kabarnet Town LMC	22,666,284	22,666,284	-	-
11	Zhongmei Engineering Group Ltd	Malaba Town WSP	130,867,384	130,867,384	-	-
12	China States Corporation Ltd	Kilgoris-Lolgorian WSP	103,236,470	103,236,470	-	47,851,880
13	China Railway No.10 Corporation Ltd	Bomet-Mulot WSP	356,652,162	30,036,375	326,615,787	356,652,162
14	Stecol Corporation-lot II	Malaba Town Sewerage	61,391,269	61,391,269	-	-
15	China Railway No.10 Corporation	Eldoret Town LMC	35,689,196	35,689,196	-	6,859,987
16	Wei Construction group ltd-	Kapenguria Town Sewerage	96,422,027	96,422,027	-	57,286,499
17	Machiri Ltd	Kipkaren Dam WSP	118,575,869	26,351,696	92,224,173	92,224,173
18	China Railway No 10- Coproration Ltd	Nandi Hills WSP	56,174,241	56,174,241	-	-
19	Siaya Bondo Shanxi	Siaya-Bondo Towns LMC	53,062,403	53,062,403	-	-
20	Toddy Engineering Co Ltd	Kakamega Town LMC	-	-	-	-
	Sub Totals		2,257,312,232	1,838,472,272	418,839,960	560,874,701

Ageing analysis for receivables

	2024/2025 Ksh	% of the Total	1st July 2024 Kshs	% of the Total
Under one year	-	-	-	-
1-2 years	418,839,960	100	560,874,701	100
Total	418,839,960		560,874,701	

19 Inventories

There were no inventories during the year.

20 Prepayments

There were no other prepayments made during the period other than the advance payments disclosed in note 18 above.

21 Property Plant and Equipment

Cost	Motor vehicles Kshs	Furniture and fittings Kshs	ICT Equipment Kshs	Other Assets (specify) Kshs	Capital Work in progress Kshs	Total Kshs
Depreciation rate	X%	X%	X%	X%		
As At 1 July 2024					13,791,403,750	13,791,403,750
Additions made during the year					1,304,244,654	1,304,244,654
Disposals					-	-
Additions-payables donor					314,876,974	314,876,974
Additions-payables GOK					20,523,740	20,523,740
Additions-retentions					489,570,857	489,570,857
Cash/Bank balance Adjustment					(25,530,451)	(25,530,451)
Receivable-Advance Adjustments					(418,839,960)	(418,839,960)
Sub Total					1,684,845,814	1,684,845,814
Total As at 30th June 2025					15,476,249,564	15,476,249,564
Depreciation And Impairment						
As at 1 July 2025						-
Depreciation charge for the year						-
Impairment loss						-
Transfers/ Adjustments						-
As At 30th June 2025						-
Net Book Values						
As at 1st July 2024					13,791,403,750	13,791,403,750
As at 30th June 2025	-	-	-	-	15,476,249,564	15,476,249,564

Adjustments Opening Statement 1st July 2024

	Notes	Balance as at 30th June 2024 Kshs	Adjustments Kshs	Opening Statement 1st July 2024 Kshs
Assets				
Current Assets				
Cash and Cash equivalents				-
Receivables-Contractor's advance payment			-	-
Total Current Assets		-		-
				-
Non-Current Assets				-
Property, Plant and Equipment-WIP			14,376,897,638	14,376,897,638
Intangible Assets				-
Total Non- Current Assets				14,376,897,638
Total Assets (A)		-		14,376,897,638
				-
Liabilities				-
Current Liabilities				-
Trade and Other Payables			449,975,282	693,600,028
Retention			629,645,348	599,043,676
Loan			12,333,369,747	12,333,369,747
Total Current Liabilities(B)				13,626,013,451
Net Assets(A-B)		-	-	750,884,187
Represented By:				
Accumulated Surplus		-		750,884,187
Capital Fund				12,333,369,747
Net Assets		-		14,376,897,638

Note: The property plant & equipment-WIP amount of Ksh 14,376,897,638 is supported by the movement schedule shown in the next page.

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Accumulated surplus as at 30th June 2024		(74,716,582)
Add		-
PPE WIP		14,451,614,220
Receivable-Contractors advance payment		-
		-
Total assets		14,451,614,220
Less		
Retention		599,043,676
Trade and other payables		693,600,028
loan		12,333,369,747
Total liabilities		(13,626,013,451)
Accumulated surplus as at 1st July 2024		750,884,187

Note: The Ksh 74,716,582 represents a borrowing from other Gok funds 2023/24 as the funds had been received in July 2024(FY 2024/25)

WIP (Property Plant & Equipment) Movement Schedule		
The opening balance Cash Basis		12,004,633,304
Add back Payables opening balance 1 st July 2023		433,366,650
Payables Land 1 st July 2023		16,608,632
Retentions opening balance 1 st July 2023		629,645,348
Balance 1 st July 2023		13,084,253,934
Add Payables third party 30 th June 2024		674,615,396
Payables Counterpart Land 30 th June 2024		18,984,632
Retentions-deposits third party 30 th June 2024		599,043,676
		1,292,643,704
1st July 2024		14,376,897,638

22 Intangible Assets

There was no intangible assets during the year

23 Trade and Other Payables

(a) third party pending bills

	Supplier of Goods & Services	Supplier of Goods and Services	Date Contracted	Opening Balance	Additions for the year	Payments for the year	Outstanding Balance 30th June 2025	IPC No
				2023/2024 (Ksh)	(Ksh)	2024/25 (Ksh)	(Ksh)	
NO				A	B	C	D	
	Projects	Construction of Civil Works			-		-	
1	Narok Town Sewerage	Sinohydro Corporation	12/20/2018	-	-	-	-	
2	Kabarnet Town LMC	Suhufi Agencies Jv Bloomerg	2/25/2021	-	-	-	-	
3	Malaba Water Supply Project (LOT I)	Zhongmei Engineering Group Ltd	03/09/2020	-	47,562,923	-	47,562,923	IPC 10
4	Chepaperia Sewerage Project	Wei Construction group ltd	5/15/2020	39,926,018	1	39,926,019	-	IPC 5
5	Siaya Bondo Town LMC	Shanxi Geological	09/11/2020	-	-	-	-	-
6	Kilgoris-Lolgorian sewerage & WSP	China states Corporation	7/30/2020	-	97,659,647	61,986,288	35,673,359	IPC 10
7	Olkalou Sewerage Project	Sinohydro- Olkalou	5/15/2020	-	-	-	-	IPC 9
8	Kiptogot-Kolongolo Water Supply	Zhongmei Engineering Group Ltd	11/15/2018		60,910,036	60,910,036	-	IPC 12
9	Bomet-Mulot Sewerage & WSP	China Railway No.10 Co Ltd	01/03/2022	38,604,221	32,476,854	66,607,369	4,473,706	IPC 9
10	Kipkaren Dam water supply	Machiri Company Ltd	0	176,214,436	- 176,214,436	-	-	IPC 10
11	Malaba Sewerage Project (LOT II)	Stecol Corporation	11/04/2021	20,183,293	15,348,004	20,183,502	15,347,795	IPC 9

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	Supplier of Goods & Services	Supplier of Goods and Services	Date Contracted	Opening Balance 2023/2024 (Ksh)	Additions for the year (Ksh)	Payments for the year 2024/25 (Ksh)	Outstanding Balance 30th June 2025 (Ksh)	IPC No
NO				A	B	C	D	
12	Eldoret Town Last Mile Connectivity	China Railway No.10 Co Ltd	11/20/2020	22,714,830	94,768,749	117,483,579	-	IPC 12
13	Keroka Water Supply LMC	Riang International	9/17/2020	-	24,699,710	24,699,710	-	IPC 5
14	Ugunja-Ukwala- Sega WSP	Zhongmei Engineering Group Ltd	08/07/2018	-	-	-	-	IPC 10
15	Oyugis Town WSP	Nanchang Municipal Co Ltd	9/13/2018	32,484,682	38,004,469	28,838,585	41,650,566	IPC 12
16	Kakamega LMC	Toddy Civil Engineering	10/04/2021	-	18,527,740	18,527,740	-	IPC 3
17	Kendu Bay Town WSP	Jianxi transportation eng Ltd	16/10/2018	25,973,296	87,478,560	80,193,930	33,257,926	IPC 14
18	Nandi Hills Town WSP	China railway 10	28/07/2020	32,626,851	38,828,645	51,811,292	19,644,204	IPC 14
19	Migori-Isebania Towns LMC	Shanxi Geological	13/12/2018	8,394,138	27,844,522	36,238,660	-	IPC 6
20	Kapenguria Town Sewerage Project	Wei Construction group ltd	15/05/2020	76,950,044	167,231,229	219,622,394	24,558,879	IPC 9
Sub Totals				474,071,809	575,126,652	827,029,103	222,169,358	
	Services/Goods	Supplier of Services						-
1	Consultancy for Malaba Lot 1 &2	Saman Corporation	14/09/2017	17,782,757	-	17,782,757	-	IPC 9
2	Mumias -Kimilili Towns Consultancy	SMEC Corporation	20/02/2019	5,924,550	-	5,924,550	-	-
3	Supply for NRW for LVNWWDA	Kinetics Engineering Ltd	4/22/2022	-	-	-	-	IPC 1

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	Supplier of Goods & Services	Supplier of Goods and Services	Date Contracted	Opening Balance		Additions for the year (Ksh)	Payments for the year 2024/25 (Ksh)	Outstanding Balance 30th June 2025 (Ksh)	IPC No
				2023/2024 (Ksh)	A				
NO					A	B	C	D	
4	Kiptogot-Kolongolo WSP Consultancy	SGI Studio Galli	09/11/2017	-	-	8,968,590	7,849,536	1,119,054	IPC 10
5	Consultant for Kipkarren Dam	Seureca East Africa-Kipkarren	09/05/2017	-	-	4,642,240	0	4,642,240	-
6	Consultancy for Monitory and Evaluation	Evans Lokapel	04/06/2021	4,250,538		1,942,920	6,193,458	-	IPC 4
7	Consultancy for Ugunja Ukwala sega WSP	Seureca East Africa-Ugunja	10/27/2017	-	-	20,966,031	20,966,031	-	-
8	Consultancy for Kapenguria Town Sewerage	Seureca East Africa-Kapenguria	07/10/2018	7,628,554		15,429,559	23,058,113	-	IPC 12
9	Consultancy for Olkalou Town Sewerage	SCET Tunisie	07/09/2018	-	-	7,083,953	7,083,953	-	IPC 10
10	Enterprise Resource Planning (ERP)	Impax Business Solution Ltd	2/20/2020	-	-	3,290,664	3,290,664	-	IPC 4
11	Consultancy for LMC Siaya,Bondo, & Keroka	Cas Consultant	2/20/2019	-	-	-	-	-	IPC 7
12	Consultancy for Kilgoris/Lolgoria &Nandi Hill	Gibb Africa	09/05/2017	18,011,356		-	18,011,356	-	IPC 11
13	Supply of Lab Equipments for CRV	Nariana Enterprises Limited	25/03/2021	9,123,651		2,816,099	9,123,652	2,816,098	IPC 1
14	Consultancy serices for Amaya Dam	Beta Studio	9/13/2018	-	-	-	-	-	IPC 5

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	Supplier of Goods & Services	Supplier of Goods and Services	Date Contracted	Opening Balance 2023/2024 (Ksh)	Additions for the year (Ksh)	Payments for the year 2024/25 (Ksh)	Outstanding Balance 30th June 2025 (Ksh)	IPC No
NO				A	B	C	D	
15	Consultancy for Eldama Ravine	Korean Engineering Consulting	02/07/2018	-	-	-	-	IPC 4
16	Kapsabet, Nambale Webuye	Proscel Engenharia JV Kiri	03/10/2018	11,324,282	-	11,324,282	-	IPC 5
17	Consultancy for Two rivers dam	Runji Consultant	18/04/2019	3,126,774	-	3,126,774	-	IPC 5
18	Consultancy for kitale town sewerage	Mangat I.P	15/05/2020	-	-	-	-	IPC 5
19	Consultancy for Bomet-Mulot WSP	Howard Humpreys	05/09/2017	-	11,620,045	-	11,620,045	IPC 7
20	Consultancy for Oyugis & kendu bay WPS	Howard Humpreys-Oyugis	09/05/2017	13,357,940	10,686,351	13,357,940	10,686,351	IPC 10
21	Consultancy Services for communication	Sleek sourcing	27/09/2021	-	16,968,000	16,968,000	-	IPC 3
22	Consultancy for Kabarnet town sewerage	Mangat I.P	14/09/2017	1,857,376	-	1,857,376	-	IPC 13
23	Consultancy Eldoret Town LMC	SMEC Corporation	12/03/2019	1,866,643	-	1,866,643	-	IPC 13
24	Supply for NRW for CRVWWDA	Kinetics engineering Ltd	22/04/2022	42,601,724	-	42,601,724	-	IPC 1
25	Consultancy for Business Plan	Eliud & Associates	31/05/2023	26,057,500	5,211,500	31,269,000	-	IPC 6
26	Consultancy for Training	NRVWWDA	04/08/2022	9,830,192	-	9,830,192	-	IPC 1
27	Consultancy for Bergei Dam	CAS Consultant	21/06/2018	27,799,750	-	27,799,750	-	IPC 5

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	Supplier of Goods & Services	Supplier of Goods and Services	Date Contracted	Opening Balance	Additions for the year (Ksh)	Payments for the year 2024/25 (Ksh)	Outstanding Balance 30th June 2025 (Ksh)	IPC No
				2023/2024 (Ksh)				
NO				A	B	C	D	
28	Supply for Non-Revenue for LVSWWDA	Kinetics Engineering Ltd	22/04/2022	-	51,194,728	9,349,900	41,844,828	IPC 1
29	Supply of Billing Software & Hardware	Smart People Africa Ltd	12/05/2022	-	19,976,000	-	19,976,000	IPC 1
	SUB TOTALS			200,543,587	180,796,680	288,635,651	92,704,616	-
	TOTALS			674,615,396	755,923,332	1,115,664,754	314,873,974	-

(b) GOK counterpart funding for land Compensation

No		Outstanding Balance	Original Amount (Ksh)	Amount Paid To-Date (Ksh)	Outstanding Balance
	PAYEE	2,024 (Ksh)			2025 (Ksh)
1	Theresia Nkunini Kapario	120,000	-	-	120,000
2	Peter Kipkemai Ngasura	1,391,247	-	-	1,391,247
3	Ngeno Hillary Kipkirui	132,600	-	-	132,600
4	David Kiplangat Chepkwony	75,000	-	-	75,000
5	Fredric Omondi Opundo	165,000	-	-	165,000
6	Eunice Juma Obiero/Erick Otieno Odhiambo	105,000	-	-	105,000
7	Milicent Akinyi Otieno	105,000	-	-	105,000
8	Joseph Lemaiyan ole Masage	75,000	-	-	75,000
9	Hezron Plimo Sortum	4,845,000	-	-	4,845,000
10	Geoffrey Pkutat Sortum	4,335,000	-	-	4,335,000
11	Charles Murage	1,199,385	-	1,199,385	-
12	Mathathi Cattle Dip	2,261,400	-	2,261,400	-

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No		Outstanding Balance	Original Amount (Ksh)	Amount Paid To-Date (Ksh)	Outstanding Balance
	PAYEE	2,024 (Ksh)			2025 (Ksh)
13	Daniel Irungu Christina	200,000	-	200,000	-
14	Mary Kimingi	420,000	-	420,000	-
15	Mary Wanjiku Njuguna	1,179,000	-	1,179,000	-
16	Gentamary Amentono	502,500	-	-	-
17	Francis Omwene Juma	138,000	-	-	-
18	Africanus Emoit Barasa	277,500	-	-	-
19	John Ywapale Lopoyetum	540,000	-	-	-
20	Malaba Lot II	918,000	-	-	-
21	ardhi sasa		250,112	250,112.00	-
22	Kapenguria-Makutano sewerage Land Compensation	-	1,278,770	1,278,770.00	-
23	Nderitu Komu & Company Advocate	-	1,546,842	1,546,842.00	-
24	Land Compensation Bomet-Mulot Water Supply Project.	-	2,651,666	2,651,666.00	-
25	Land Compensation Bomet-Mulot Water Supply Project.	-	3,016,177	3,016,176.80	-
26	Land copmensation for Eldoret-Town LMC Project	-	3,322,000	3,322,000.00	-
27	Land Compensation Ol Kalou town sewerage	-	5,755,958	5,755,958.25	-
28	Land Compensation Ol Kalou town sewerage	-	704,220	704,220.00	-
29	Cornelius Kiprono Kibichy	-	500,000	-	500,000.00
30	Joseph Kimeli Kiptoo	-	2,510,000	-	2,510,000.00
31	Jane Anyango	-	700,000	-	700,000.00
32	Loice Obukwa Shianda	-	500,000	-	500,000.00
33	Ibrahim Odhiambo Adero	-	1,180,000	-	1,180,000.00
34	Nancy Wairimu Njoroge	-	500,000	-	500,000.00
35	Kazu Farms & Alliend Ltd	-	4,000,000	-	4,000,000.00
36	Thomas Echibai Omunyin	-	62,000	-	62,000.00
37	Mary Angela Tukei	-	437,800	-	437,800.00

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No		Outstanding Balance	Original Amount (Ksh)	Amount Paid To-Date (Ksh)	Outstanding Balance
	PAYEE	2,024 (Ksh)			2025 (Ksh)
38	Dominic Plimo	-	493,200	-	493,200.00
39	Daniel Murio	-	752,000	-	752,000.00
40	Grace Wamaitha Nyuthe	-	447,500	-	447,500.00
41	Zipporah Njambi Njoroge	-	391,000	-	391,000.00
42	Jacob Musto Loreng	-	96,000	-	96,000.00
43	Dickson Limo Munyokwang	-	832,000	-	832,000.00
44	Samuel Pтуру Lokwadow	-	856,400	-	856,400.00
45	Abraham Kakeman Tolepo	-	207,120	-	207,120.00
46	George Musto Losiwany	-	660,120	-	660,120.00
47	Moses Lochomil	-	818,300	-	818,300.00
48	Joel Pkemoi Mnagei	-	280,200	-	280,200.00
49	Alfred Pkodus Lomaduny	-	206,000	-	206,000.00
50	Andrew Powon	-	232,000	-	232,000.00
51	Reuben Kanyamus Limareng	-	566,000	-	566,000.00
52	Geoffrey Isaboke Orina	-	260,000	-	260,000.00
53	Clement Kapkomor Napetot	-	285,500	-	285,500.00
54	Zephania and Beth wainaina JA	-	355,600	-	355,600.00
55	Joyce Chepkoech Charles	-	211,250	-	211,250.00
56	Elizabeth Cheptum Limasia	-	211,250	-	211,250.00
57	Damaris Chematui	-	211,250	-	211,250.00
58	Emily Chebet Lomachar	-	211,250	-	211,250.00
59	Richard Lopong Mwareng	-	292,000	-	292,000.00
60	Chepsoigh Limareng	-	229,600	-	229,600.00
61	William Kmoi Toywa	-	361,900	-	361,900.00
62	Alexander Pkiach	-	91,000	-	91,000.00

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No		Outstanding Balance	Original Amount (Ksh)	Amount Paid To-Date (Ksh)	Outstanding Balance
	PAYEE	2,024 (Ksh)			2025 (Ksh)
63	Michael Maklap Mnagei	-	272,000	-	272,000.00
64	Chemoriot Nuringelel	-	306,500	-	306,500.00
	TOTALS	18,984,632	39,052,485	23,785,530	20,526,740

Ageing Analysis Trade and other payables

	Ageing analysis:	2024/2025 Ksh	% of the Total	1 st July 2024 Kshs	% of the Total
GOK Counterpart land compensation	Under one year	15,455,842	5	16,608,632	2
GOK Counterpart land compensation	1-2 years	5,070,898	2	2,376,000	0
Third Party pending bills	Over 3 years	314,873,974	94	674,071,809	97
	Total	335,400,714		693,056,441	

24 Third Party Deposits (Retentions)

S/No	Contractor		TOTALS	TOTALS
			2024/2025	1 st July 2024
1	Suhufi Agencies-	Kabarnet Lmc	2,833,286	-
2	Wei Construction group ltd	Kapenguria	60,242,043	30,043,417
3	Wei Construction group ltd	Chepararia	-	18,258,618
4	Shanxi	Migori	13,641,953	24,773,160
5	Shanxi	SIBO	25,179,671	25,179,671
6	Toddy Civil Engineering Co. Ltd	Kakamenga LMC	6,473,811	4,415,174
7	Zhongmei Engineering Group Ltd	Kiptogot-Kolongolo	-	59,988,723
8	China Railway No.10	Eldoret LMC	29,567,790	28,829,209
9	Riang International	Keroka LMC	5,700,016	9,439,112
10	Nanchang Municipal	Oyugis	29,828,768	28,310,947
11	Sinohydro	Olkalou	29,266,963	58,533,925
12	Jiangxi Transportation	Kendu bay	25,827,014	51,946,592
13	Machiri Ltd	Kipkaren Dam	51,384,235	51,384,235
14	China Railway No.10	Nandi Hills	27,610,804	21,854,089
15	Zhongmei Engineering Group Ltd	Ugunja-ukwala	47,133,825	47,133,825
16	Zhongmei Engineering Group Ltd	Malaba lot 1	32,716,847	32,716,847
17	Stecol Corporation	Malaba lot 2	15,347,795	30,158,289
18	China Railway no 10	Bomet-Mulot	61,006,918	50,268,725
19	China State Construction Engineering	Kilgoris-Lolgorian	25,809,118	25,809,118
	Sub Totals		489,570,857	599,043,676

Ageing Analysis third Party Deposits

	2024/2025 Ksh	% of the Total	1 st July 2024 Kshs	% of the Total
Under one year	-	-	-	-
Over 3 years	489,570,857	100	599,043,676	100
Total	489,570,857		599,043,676	

25 Deferred Income

a) goods & services

S/No	Supplier of Good and Services	Consultant/Supplier	TOTALS
			2024/2025
1	Consultancy Services for Olkalou Town Sewerage Project	Scet Tunise	7,083,953
2	Consultancy for Kapenguria	Seureca East Africa Kapenguria	23,058,113
3	Consultancy Services for Narok Town Sewerage	Mangat I.B Patel Narok Town	1,857,376
4	Consultancy services for Communication	Sleek Sourcing	16,968,000
5	Consultancy Services for Monitory and Evaluation	Evans Kipchumba Lokapel	6,193,458
6	Consultancy for Kiptogot-Kolongolo Water Supply Project	SgI Studio Galli ingeneria	7,849,535
7	Consultancy services for Kipkarren Dam	Seureca East Africa kipkaren	-
8	Consultancy Services for Eldoret and Kakamega Towns	Smec Kenya Limited	1,866,643
9	Consultancy for Malaba Lot 1 &2	Saman Corporation	17,782,757
10	Consultancy for Oyugis & Kendu Bay	Howard Humphreys	13,357,940
11	Consultancy for Ugunja Ukwala Sega Water Supply Project	Seureca East Africa	20,966,032
12	Consultancy for LMC Siaya,Bondo,Isebania & Keroka	CAS Consultant	-
13	Supply of Lab Equipments for LVSSB	Nariana Enterprises Limited	-
14	Consultancy Services for Bomet-Mulot water Supply project.	Howard Humphreys	-
15	Consultancy serices for Amaya Dam	Beta Studio	-
16	Consultancy for Eldama Ravine	Korean Engineering Consulting	-
17	Consultancy for Kitale Town sewerage project	Mangat I.B Patel (MIBP) LTD	-
18	Kapsabet,Nambale Webuye	Proscel Engenharia	11,324,283
20	Consultancy for Kilgoris Lolgorian and Nandi Hills	Gibb Africa	18,011,356
21	Enterprise Resource Planning (ERP)	Impax Business Solution	3,290,664
22	Supply of Non-Revenue Water Equipment LVNWWDA	Kinetics Engineering Ltd	-
23	Consultancy for Business Plan	Eliud and Associates	31,269,000
25	Supply of Non-Revenue Water Equipment CRVWWDA	Kinetics Engineering Ltd	42,601,724
26	Consultant for Training for Agency and wsp	North Rift Valley water works dev agency	9,830,192

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S/No	Supplier of Good and Services	Consultant/Supplier	TOTALS
			2024/2025
27	Supply of Lab Equipments for CRVWWDA	Nariana Enterprises Limited	9,123,652
28	Supply of Non-Revenue Water Equipment LVSWWDA	Kinetics Engineering Ltd	9,349,900
29	Consultancy services for mumias-Kimilili sewerage	Smec Kenya Limited	5,924,550
TOTALS			257,709,128

b) Payments for works

S/NO	Contractor	Project Name	TOTALS
			2024/2025
1	Suhufi Agencies ltd in JV with Bloomerg	Kabarnet Town Last Mile Connectivity	-
2	Weihai Construction Company Ltd	Chepareria Town Sewerage Project	39,926,018.78
3	Sinohydro Construction Limited	Olkalou Town Water Supply & Sanitation Project	-
4	Sinohydro Construction Limited	Narok Town Sewerage Project	-
5	Weihai Construction Company Ltd	Kapenguria Town Sewerage Project	219,622,393.89
6	Zhongmei Engineering Group Limited	Kiptogot-Kolongolo Water Supply Project	60,910,035.53
7	Zhongmei Engineering Group Limited	Malaba Town Water Supply project	-
8	China Railway No 10 Engineering Group	Eldoret Town Last Mile Connectivity	117,483,578.58
9	Stecol Corporation	Malaba Town Sewerage Project (Lot 2)	20,183,501.76
10	Machiri Ltd	Kipkaren Dam water Supply Project	-
11	Shanxi Geological Engineering Exploration	Siaya & Bondo Towns Water Supply Project	-
12	Nanchang Foreign Engineering Co Kenya Ltd	Oyugis Water Supply and Sewerage Project	28,838,585.57
13	China State Construction Engineering Co Ltd	Kilgoris-Lolgorian Water Supply Project	61,986,287.74
14	China Railway No 10 Engineering Group	Bomet-Mulot Water Supply & Sewerage Project	66,607,369.39
15	Jiangxi Transportation EGINEERING Ltd	Kendu Bay Water Supply & Sanitation Project	80,193,929.62
16	China Railway No 10 Engineering Group	Nandi Hills Water Supply and Sewerage Project	51,811,292.62
17	Zhongmei Engineering Group Limited	Ugunja-Ukwala-Sega water supply Project	-

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S/NO	Contractor	Project Name	TOTALS
			2024/2025
18	Riang International Group Limited	Keroka Town Water Supply Project	24,699,709.25
19	Shanxi Geological Engineering Exploration	Migori-Isebania Town Water Supply Project	36,238,659.90
20	Toddy Engineering Limited	Kakamega Town Last Mile Connectivity Project	18,527,740.37
	Sub Totals		827,029,103
	Grand Total (a)+(b)		1,084,738,231

26 Cash Generated From Operations

Description	Insert Current FY
	Kshs
Surplus/Deficit for the year	22,638,604
Adjusted for:	
Depreciation	-
Non-cash grants received	303,910,051
Non-cash Loans received	-
Impairment	-
Gains and losses on disposal of assets	
Working capital adjustments	326,548,655
Increase in inventory	-
Increase in receivables-payments made in advance	142,034,741
Increase in deferred income	-
Increase in payables	(358,199,314)
Increase retentions	(109,472,819)
Net cash flow from operating activities	911,263

27 Special Deposit Accounts

The program has no special account, thus no special deposit balances and no movement schedule prepared during the year.

28 Related Party Disclosures

Government of Kenya

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

Other related parties

- i. The Ministry of Water Sanitation & Irrigation
- ii. County Governments
- iii. Other State Corporations & Semi-Autonomous Government Agency
- iv. Key Management

v. Board of Directors

29 Events after the Reporting Period

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

30 Ultimate and Holding Entity

The is a State Corporation under the Ministry of Water Irrigation its ultimate parent is the Government of Kenya.

31 Currency

The Financial Statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

13 Annexes

Annex 1 Prior Year Auditor's Recommendations

Ref No.	Issue/Observations from Auditor	Management comments	Status:	Time frame:
1.	Budgetary Control and performance. The statement of comparison of budget and actual amounts reflect final receipts budget and actual on comparable basis amounts of Kshs 2,622,000,000 and Kshs 1,671,981,681 resulting to an under-funding of Kshs 950,018,319 or 36% of the budget. Further the Project spent an amount of Kshs 1,746,698,267 against the actual receipts of Kshs 1,671,981,681 resulting to an over-utilization of Kshs 74,716,586. The under-utilization affected the planned activities of the Project and may have negatively affected service delivery to the public over spending above the approved budget results to unauthorized expenditure.	a) The Agency carried out a financial planning and had forecasted that the Kshs 2,622,000,000 was to be utilized. However, as the year closed there was unpaid IPCs of 674,615,396 for civil works, supply of goods and services. A further Kshs 18,984,632 for land whose transfer of ownership documents stand at various stages of processing at the lands offices. During the period under review there was no progress in Kipkaren project as Bomet-Mulot was just picking up progress. b) The Overspending of Kshs 74,716,587 was as a result of delay in receipt of planned Gok counterpart funds that was received in July 2024. The Kshs 74,716,587 were monies used for land compensations for projects site handover and other operational activities that are projects based ahead of the nearing close of the program date of 30th December 2025.	Resolved	
2.	Low Absorption of Projects Funding. The Program was advance loans and grants for duration of five years with effect from 9 January 2017 to 31 December, 2021 but subsequently extended to 31 December 2025. Out of the total donor commitment of Kshs 15,953,306,157 an amount of Kshs 11,248,073,683 or 71% has been disbursed and out of the Gok counterpart funding of Kshs 2,073,227,699 only 36% has been issued thereby resulting to delayed Project implementation and higher payment of interest and commitment fee on undrawn loan balances.	a) The reported physical progress is 87% against 71% funds disbursements. The remaining 23% is expected to be finalized within the projected approved time extension of 30th December 2025. b) The agency is putting together a justification in order to seek for extension of the loan repayment and interest from the National Treasury in line with the program new time extension of 30th December 2025 to consider a date after construction is completed.	Resolved	

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Ref No.	Issue/Observations from Auditor	Management comments	Status:	Time frame:
3.	Failure to Settle Pending Bills. Note 18 and 19 to the financial statement on other important disclosures and Annex 4a and 4c to the financial statement reflects pending accounts payable and land compensation balance of Kshs 674,615,396 and Kshs 18,984,632 respectively as at 30 June, 2024. The balance of Kshs 674,615,396 includes amounts of Kshs 474,071,809 and Kshs 200,543,587 for construction of works and for supply of goods and services respectively. Review of documents and schedules provided for audit in support of land compensation revealed that there is a long delay in compensating of persons affected by the project (PAPS) Failure to clear pending bills in the year to which they relate distorts the budget of the following year as they constitute a first charge on that budget.	a) The Agency carried out a financial planning and had forecasted that the Kshs 2,622,000,000 was to be utilized. However, as the year closed there was unpaid IPCs of 674,615,396 for civil works, supply of goods and services. A further Kshs 18,984,632 for land whose transfer of ownership documents stand at various stages of processing at the lands offices. A budget is prepared every year against project milestones and does not distort the overall program budget	Resolved	Dec 2022
4.	Unresolved Prior Year Matters. In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Control, Risk Management and Governance. However, Management had not resolved the issues as at 30 June 2024.	The Agency has not resolved the outstanding issues as it has not been invited through the MWIS to present the 2022/2023 Report by the parliamentary Accounts Committee (PAC). However, some issues have been addressed from recurring in the current Financial Statements.	Resolved	
5.	Lack of Project Designated Bank Account. The statement of financial assets reflects a Nil Kshs 74,716,586 bank balance. However, as reported in the previous year, the Program does not maintain a designated bank account and its activities funded by GOK are undertaken through the implementing Agency (Central Rift Valley Water Works Development Agency) bank account. This is contrary to clause 12(j) and (h) of the subsidiary loan agreement between the government of Kenya and the agency which provides that a local and foreign currency bank account shall be opened for the purpose of receiving the portion of loan	The project has a designated bank account but all the Gok funding have been channeled through the Agency development account. The funding however has been inadequate to cover all the program expenses necessitating internal borrowing.	Resolved	

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Ref No.	Issue/Observations from Auditor	Management comments	Status:	Time frame:
	from the government and development partners. In the circumstances, Management was in breach of the law and further it was not possible to confirm the Nil bank balance.			
6.	Delay Project Implementation. Review of records provides on six (6) projects revealed the following matters affecting successful implementation of the projects as show below.	The issues that were not foreseen and affected project completion include i) Delays in approval of master list in processing of specific exemption requests by the National Treasury for tax exemption leading to delay in contractor commencement of works and hence projects overall delay. ii) Delay in site handover to the contractor due to lengthy process of land acquisition and overcoming social-cultural issues in some of the communities who are beneficiaries. iii) Insufficient budgetary and budget cuts of Gok counterpart funds as compared to cost escalations in property prices in cases where parcels to be compensated are in urban set ups. The management conducts monthly site meetings of all projects that ensure timelines are achieved and challenges if any are addresses adequately and timely. All the above projects are scheduled to be completed within the estimated time of completion and each issue are as explained below.	Resolved	
	a)Kapenguria Town Sewerage Project b) Eldoret Town Last Mile Connectivity c) Kipkaren Dam Water Supply Projects d) Kakamega Town Last Mile Connectivity Project e) Kilgoris-Lolgorian Water Supply Projects	Two projects, Kapenguria- Makutano and Chepareria were awarded to the same contractor and were planned to be executed concurrently according to the contract documents. The Kapenguria-Makutano projects experienced challenges ranging from cultural issues to land matters. The contractor was given a go ahead to commence the Chepareria project while sorting out issues on Kapenguria-Makutano project. The Chepareria project was completed and final inspection carried out in July 2023. Execution of works commenced later	Resolved	
		The Eldoret LMC contract estimated time of completion of 30 th June 2024 was extended to 20 th December 2024. This the contractor expects to complete the remainder 10% of the works as the project shall have a Defect Liability Period (DLP) of 12 months to 30 th December 2025 when the program shall be closed out.	Resolved	
		The process of donor approval for identification of a new contractor is ongoing for the stalled projects. The projects remains at 62% complete.	Resolved	

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Ref No.	Issue/Observations from Auditor	Management comments	Status:	Time frame:
		The remaining 18% is expected to be completed once the client concludes the matter on wayleaves by KeNNHA and thin the intern time extension to 31 st December 2024.	Resolved	
		The projects contract estimated time to completion is 30 th December 2024. The contractor is expected to complete the remainder 6% of the works as the project shall have a Defect Liability Period(DLP) of 12 months to 30 th December when the program shall be closed out,	Resolved	
	f) Bomet-Mulot Water Supply & Sewerage Projects	The project had contract challenges that affected the duration by 6 months, The issue was address and works commenced and are going with the time extension to 7 th July 2025 and the project is expected to be completed within the Defects Liability Period (DLP) as the program closes in 30 th December 2025.	Resolved	
7.	Stalled Implementation of the Bomet-Longisa-Mulot Project. Audit verification exercise on 16 October, 2024 revealed that the project implementation status of Bomet-Longisa-Mulot project was at 43% progress of work indicating the Project may not be completed within the latest extended period of 30 June, 2025. Further, other works including the construction of a new Run-off River intake at River Nyagores in Mau Forest has not commenced. The construction of approximately 5.3 km long, DN600/500 PN16 steel raw water gravity main from the proposed intake works to the proposed Masese water treatment works site not completed. In the circumstances, the Project may not obtain value for money and the expected benefits from the projects to the residents may not be realized.	This project had not stalled, however it had challenges that had the project overall time delayed for six months. This has since resolved and the project is expected to be completed within the time extension to 30 th June 2025 and the Defects Liability Period (DLP) up to 30 th December 2025.	Resolved	
	Delay in Programme Funding. The Programme was advanced loans and grants for the period of five years effective from 9 January, 2017 to 31 December, 2021 but subsequently extended to December, 2025. However, out of the total donor commitment total loan balance of Kshs 15,953,306,157 only Kshs. 10,893,485,555 (or 60%) has been disbursed leaving a balance of Kshs 4,589,868,139 undrawn. Equally, out of the total Government of Kenya counterpart funding balance of Kshs 2,073,227,699 and Kshs. 756,599,620 (or 27%) leaving undrawn balance of	The report physical progress is 87% against 71% funds disbursements. The remaining 13% is expected to be finalized within the projected approved time extension of 30 th December 2025. The agency is putting extra effort to fast tract all outstanding issues in order that all the projects are completed under the program within the approved time extension of 30 th December 2025.	Resolved	

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Ref No.	Issue/Observations from Auditor	Management comments	Status:	Time frame:
	Kshs 1,316,668,079. In the circumstances, the delay in funding will negatively affect the implementation and overall achievement of the Program objectives considering the limited period remaining before its closure. The project may not be able to withdraw and absorb the remaining funding within the remaining period.			

Remarks

The Agency has not been invited to present its Audit Report 2023/24, the above appendix has therefore not been completed



CPA Douglas Kaibos Murei

Chief Executive Officer



Eng. Joseph M Salee

Program Coordinator

Annex 2 – Reconciliation of Inter-entity transfers

Breakdown Transfers from State Department of Water & Irrigation			
	Bank Statement Date	Kshs	Kshs
Counterpart funding through Ministry of Water, Sanitation and Irrigation			
Counterpart funds	5/7/2024	71,250,000	2023/2025
	25/9/2024	20.416,667	2024/2025
	11/10/2024	20.416,667	2024/2025
	20/11/2024	20.416,667	2024/2025
	22/11/2024	20.416,667	2024/2025
	15/1/2025	20.416,667	2024/2025
	3/5/2025	37885169	2024/2025
Total		211,218,504	



Eng Joseph M Salee
Program Coordinator



CPA Grace J Bowen
Ag. GM-Finance
 ICPAK 6840

Annex 3–Fixed Assets Register

Asset class	Opening Cost	Donations in form of assets	*Purchases/ Additions in the Year	Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	Closing Cost
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)+(c)+(-)d
Land	475,311,236	-	64,839,000	-	-	540,150,236
Buildings and structures	150,884,945	-	-	-	-	150,884,945
Transport equipment	317,500,906	-	-	-	-	317,500,906
Office equipment, furniture and fittings	17,944,243	-	-	-	-	17,944,243
ICT Equipment,	24,604,016	-	620,000	-	-	25,224,016
Other Machinery and Equipment	15,983,242	-	-	-	-	15,983,242
Heritage and cultural assets	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-
Infrastructure assets roads, rails	-	-	-	-	-	-
Work in Progress	12,789,175,171	-	1,619,386,814	-	-	14,408,561,985
Total	13,791,403,760	-	1,684,845,814	-	-	15,476,249,574

Asset class	Opening Cost	Donations in form of assets	*Purchases/ Additions in the Year	Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	Closing Cost
	2023/2024	2024/2025	2024/2025	2024/2025	2024/2025	2024/2025
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)+(c)+(-)d
Land	475,311,236	-	64,839,000	-	-	540,150,236
Buildings and structures	150,884,945	-	-	-	-	150,884,945
Transport equipment	317,500,906	-	-	-	-	317,500,906
Office equipment, furniture and fittings	17,944,243	-	-	-	-	17,944,243
ICT Equipment,	24,604,016	-	620,000	-	-	25,224,016
Other Machinery and Equipment	15,983,242	-	-	-	-	15,983,242
Heritage and cultural assets	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-
Infrastructure assets roads, rails	-	-	-	-	-	-
Work in Progress	12,789,175,161	-	1,619,386,824	-	-	14,408,561,985
Total	13,791,403,750	-	1,684,845,824	-	-	15,476,249,574

Annex 4 Other Support Documents

- i.** Signed Confirmation from beneficiaries in transfer to other Government entities
- ii.** Bank Reconciliation statements as at June 2025
- iii.** Board of Survey Report
- iv.** Special Deposit Account(s) reconciliation Statement(s)

14 Appendices

Appendix 1

KENDU BAY WATER SUPPLY AND SANITATION PROJECT

Asset class	Opening Cost	Donations in form of assets	*Purchases/ Additions in the Year	Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	Ksh
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)+(c)+(-)d
Land	19,383,140	-	-	-	-	19,383,140
Buildings and structures	23,378,432	-	-	-	-	23,378,432
Transport equipment	11,982,430	-	-	-	-	11,982,430
Office equipment, furniture and fittings	3,896,663	-	-	-	-	3,896,663
Other Machinery and Equipment	913,850	-	-	-	-	-
Work in Progress	659,438,218	-	106,020,944	-	-	765,459,162
ICT equipment	1,113,419	-	-	-	-	1,113,419
Total	720,106,152	-	106,020,944	-	-	825,213,246

Appendix 2

KIPKARREN DAM WATER SUPPLY AND ASSOCIATED PIPELINE

Asset class	Opening Cost	Donations in form of assets	*Purchases / Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	(Kshs)	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	19,698,750	-		-	-	19,698,750
Transport equipment	34,216,700	-		-	-	34,216,700
Office equipment, furniture and fittings	530,653	-	-	-	-	530,653
ICT Equipment,	525,503	-	-	-	-	525,503
Other Machinery and Equipment	-	-	-	-	-	-
Work in Progress	1,098,437,667	-	-	-	-	1,098,437,667
Total	1,153,409,273	-	-	-	-	1,153,409,273

Appendix 3

UGUNJA-UKWALA -SEGA WATER SUPPLY AND SANITATION PROJECT

Asset class	Opening Cost	Donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	11,858,500	-	-	-	-	11,858,500
Buildings and structures	-	-	-	-	-	-
Transport equipment	29,717,013	-	-	-	-	29,717,013
Office equipment, furniture and fittings	3,546,006	-	-	-	-	3,546,006
ICT Equipment,	3,465,299	-	-	-	-	3,465,299
Other Machinery and Equipment	-	-	-	-	-	-
Work in Progress	1,240,394,172	-	-	-	-	1,240,394,172
Total	1,288,980,990	-	-	-	-	1,288,980,990

Appendix 4

NAROK TOWN SEWERAGE PROJECT

Asset class	Opening Cost	Donations in form of assets	*Purchases /Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	Closing Cost
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25 (Kshs)
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	34,255,090	-	-	-	-	34,255,090
Buildings and structures	10,646,286	-	-	-	-	10,646,286
Transport equipment	12,636,445	-	-	-	-	12,636,445
Office equipment, furniture and fittings	-	-	-	-	-	-
ICT Equipment,	-	-	-	-	-	-
Other Machinery and Equipment	-	-	-	-	-	-
Work in Progress	1,265,234,358	-	-	-	-	1,265,234,358
Total	1,322,772,179	-	-	-	-	1,322,772,179

Appendix 5

OYUGIS WATER SUPPLY

Asset class	Opening Cost	Donations in form of assets	*Purchases/ Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	(Kshs)	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	9,057,806	-	-	-	-	9,057,806
Buildings and structures	-	-	-	-	-	-
Transport equipment	34,156,159	-	-	-	-	34,156,159
Office equipment, furniture and fittings	4,317,990	-	-	-	-	4,317,990
ICT Equipment,	1,748,869	-	-	-	-	1,748,869
Other Machinery and Equipment	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-
Work in Progress	659,015,160	-	28,838,586	-	-	687,853,746
Total	708,295,984	-	28,838,586	-	-	737,134,570

Appendix 6

KIPTOGOT- KOLONGOLO WATER SUPPLY PROJECT

Asset class	Opening Cost	Donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	(Kshs)	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	3,314,733	-	-	-	-	3,314,733
Buildings and structures	15,149,753	-	-	-	-	15,149,753
Transport equipment	14,343,706	-	-	-	-	14,343,706
Office equipment, furniture and fittings	1,012,730	-	-	-	-	1,012,730
ICT Equipment,	1,281,930	-	-	-	-	1,281,930
Other Machinery and Equipment	1,972,000	-	-	-	-	1,972,000
Work in Progress	1,703,382,361	-	60,910,036	-	-	1,764,292,397
Total	1,740,457,213	-	60,910,036	-	-	1,801,367,249

Appendix 7

OLKALOU SEWERAGE

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	Kshs	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	87,326,915	-	13,266,795	-	-	100,593,710
Buildings and structures	-	-	-	-	-	-
Transport equipment	10,427,200	-		-	-	10,427,200
Office equipment, furniture and fittings	298,894	-	-	-	-	298,894
ICT Equipment,	1,412,000	-		-	-	1,412,000
Other Machinery and Equipment	-	-	-	-	-	-
Work in Progress	708,240,815	-	29,266,963	-	-	737,507,778
Total	807,705,824	-	42,533,758	-	-	850,239,582

Appendix 8

CHEPARERIA SEWERAGE PROJECT

Asset class	Opening Cost	donations in form of assets Ksh	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	29,692,257	-	-	-	-	29,692,257
Buildings and structures	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-
Office equipment, furniture and fittings	-	-	-	-	-	-
ICT Equipment,	-	-	-	-	-	-
Other Machinery and Equipment	-	-	-	-	-	-
Work in Progress	357,208,242	-	39,926,019	-	-	397,134,261
Total	386,900,499	-	39,926,019	-	-	426,826,518

Appendix 9

NANDI HILLS WATER SUPPLY AND SANITATION PROJECT

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	3,359,650	-		-	-	3,359,650
Buildings and structures	39,666,557	-		-	-	39,666,557
Transport equipment	15,480,000	-	-	-	-	15,480,000
Office equipment, furniture and fittings	267,465	-		-	-	267,465
Other Machinery and Equipment	1,643,080	-	-	-	-	1,643,080
ICT Equipment,	1,850,000	-	620,000	-	-	2,470,000
Intangible assets	-	-	-	-	-	-
Work in Progress	248,664,234	-	51,191,293	-	-	299,855,527
Total	310,930,986	-	51,811,293	-	-	362,742,279

Appendix 10

MALABA WATER SUPPLY & SANITATION PROJECT-LOT 1

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	12,105,500	-	-	-	-	12,105,500
Buildings and structures	16,300,000	-		-	-	16,300,000
Transport equipment	11,468,704	-		-	-	11,468,704
Office equipment, furniture and fittings	229,150	-		-	-	229,150
ICT Equipment,	683,960	-		-	-	683,960
Other Machinery and Equipment	3,539,568		-			3,539,568
Intangible assets	-	-	-	-	-	-
Work in Progress	801,731,456	-		-	-	801,731,456
Total	846,058,338	-	-	-	-	846,058,338

Appendix 11

MALABA SEWERAGE PROJECT-LOT II

Asset class	Opening Cost	donations in form of assets Ksh	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)		(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(d)+(-)d
Land	63,893,147	-	-	-	-	63,893,147
Buildings and structures	32,004,244	-		-	-	32,004,244
Transport equipment	3,947,230	-	-	-	-	3,947,230
Office equipment, furniture and fittings	255,200	-	-	-	-	255,200
ICT Equipment,	375,100	-		-	-	375,100
Intangible assets	-	-	-	-	-	-
Work in Progress	455,024,601	-	35,531,297	-	-	490,555,898
Total	555,499,522	-	35,531,297	-	-	591,030,818

Appendix 12

KAPENGURIA AND MAKUTANO SEWERAGE PROJECT

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	96,463,125	-	12,165,622	-	-	108,628,747
Buildings and structures	7,462,315	-		-	-	7,462,315
Transport equipment	-	-	-	-	-	-
Office equipment, furniture and fittings	674,974	-		-	-	674,974
ICT Equipment,	311,999	-		-	-	311,999
Intangible assets	-	-	-	-	-	-
Work in Progress	662,080,020	-	279,864,437	-	-	941,944,457
Total	766,992,433	-	292,030,059	-	-	1,059,022,492

Appendix 13

ELDORET SEWERAGE PROJECT LAST MILE CONNECTIVITY

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	32,646,500	-	13,212,000	-	-	45,858,500
Buildings and structures	-	-	-	-	-	-
Transport equipment	16,704,450	-	-	-	-	16,704,450
Office equipment, furniture and fittings	512,060	-	-	-	-	512,060
ICT Equipment,	1,523,920	-	-	-	-	1,523,920
Intangible assets	-	-	-	-	-	-
Work in Progress	506,076,297	-	117,483,579	-	-	623,559,876
Total	557,463,227	-	130,695,579	-	-	688,158,806

Appendix 14

KABARNET WATER SUPPLY LAST MILE CONNECTIVITY

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	-	-	-	-	-	-
Buildings and structures	-	-	-	-	-	-
Transport equipment	3,257,100	-	-	-	-	3,257,100
Office equipment, furniture and fittings	286,645	-	-	-	-	286,645
Intangible assets	12,153,755	-	-	-	-	12,153,755
Work in Progress	153,100,575	-	2,833,286	-	-	155,933,861
Total	168,798,075	-	2,833,286	-	-	171,631,361

Appendix 15

MIGORI TOWN LAST MILE CONNECTIVITY WATER SUPPLY

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	-	-	-	-	-	-
Buildings and structures	-	-	-	-	-	-
Transport equipment	9,369,200	-	-	-	-	9,369,200
Office equipment, furniture and fittings	-	-	-	-	-	-
ICT Equipment,	102,000	-	-	-	-	102,000
Other Machinery and Equipment	444,000	-	-	-	-	444,000
Intangible assets	-	-	-	-	-	-
Work in Progress	298,188,038	-	49,880,613	-	-	348,068,651
Total	308,103,238	-	49,880,613	-	-	357,983,851

Appendix 16

SIAYA -BONDO TOWN LAST MILE CONNECTIVITY WATER SUPPLY

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	-	-	-	-	-	-
Buildings and structures	-	-	-	-	-	-
Transport equipment	9,730,500	-	-	-	-	9,730,500
Office equipment, furniture and fittings	-	-	-	-	-	-
ICT Equipment,	102,000	-	-	-	-	102,000
Other Machinery Equipment	956,000	-	-	-	-	956,000
Intangible assets	-	-	-	-	-	-
Work in Progress	311,071,775	-	-	-	-	311,071,775
Total	321,860,275	-	-	-	-	321,860,275

Appendix 17

KEROKA TOWN LAST MILE CONNECTIVITY WATER SUPPLY

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	-	-	-	-	-	-
Buildings and structures	94,951,382	-	-	-	-	94,951,382
Transport equipment	5,185,600	-	-	-	-	5,185,600
Office equipment, furniture and fittings	-	-	-	-	-	-
ICT Equipment,	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-
Work in Progress	104,278,352	-	30,399,725	-	-	134,678,077
Total	204,415,334	-	30,399,725	-	-	234,815,059

Appendix 18

KILGORIS AND LOLGORIAN WATER SUPPLY AND SANITATION PROJECT

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	4,661,850	-	-	-	-	4,661,850
Buildings and structures	-	-	-	-	-	-
Transport equipment	11,725,613	-	-	-	-	11,725,613
Office equipment, furniture and fittings	501,000	-	-	-	-	501,000
ICT Equipment,	-	-	-	-	-	-
Other Machinery and Equipment	1,676,000	-	-	-	-	1,676,000
Intangible assets	-	-	-	-	-	-
Work in Progress	452,038,780	-	61,986,288	-	-	514,025,068
Total	470,603,243	-	61,986,288	-	-	532,589,531

Appendix 19

BOMET WATER SUPPLY AND SANITATION PROJECT

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	43,000,285	-	5,667,843	-	-	48,668,128
Buildings and structures	-	-	-	-	-	-
Transport equipment	34,900,560	-	-	-	-	34,900,560
Office equipment, furniture and fittings	1,336,348	-	-	-	-	1,336,348
ICT Equipment,	1,363,490	-	-	-	-	1,363,490
Intangible assets	-	-	-	-	-	-
Work in Progress	1,015,207,940	-	66,607,369	-	-	1,081,815,309
Total	1,095,808,623	-	72,275,212	-	-	1,168,083,835

Appendix 20

LAKE VICTORIA SOUTH WATER WORKS DEVELOPMENT AGENCY-ENGINEER

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	-	-	-	-	-	-
Buildings and structures	-	-	-	-	-	-
Transport equipment	43,066,696	-	-	-	-	43,066,696
Office equipment, furniture and fittings	-	-	-	-	-	-
ICT Equipment,	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-
Work in Progress	-	-	-	-	-	-
Total	43,066,696	-	-	-	-	43,066,696

Appendix 21

KAKAMEGA SEWERAGE PROJECT LAST MILE CONNECTIVITY

Asset class	Opening Cost	donations in form of assets	*Purchases/Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	Kshs	(Kshs)
	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land	-	-	-	-	-	-
Buildings and structures	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-
Office equipment, furniture and fittings	-	-	-	-	-	-
ICT Equipment,	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-
Work in Progress	90,362,100	-	25,001,551	-	-	115,363,651
Total	90,362,100	-	25,001,551	-	-	115,363,651