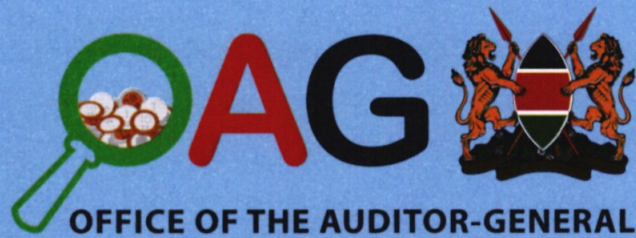
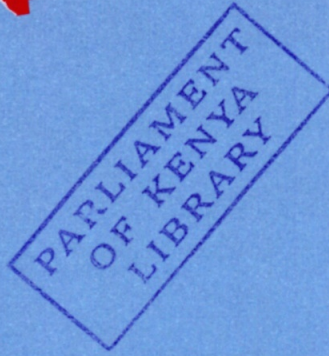


REPUBLIC OF KENYA



Enhancing Accountability



THE NATIONAL ASSEMBLY PAPERS LAID	
REPORT:	05 DEC 2024
	DAY: Thursday
TABLED BY:	Hon. Kimani Ichungwah (leader of the Majority Party)
OF TABLE:	Anastacia

THE AUDITOR-GENERAL

ON

**KENYA NAIROBI SOUTHERN BYPASS ROAD
PROJECT (LOAN AGREEMENT NO. CHINA
EXIMBANK PBC NO. (2011) 32 TOTAL NO.
(183) NO.14203030520112115528)**

**FOR THE YEAR ENDED
30 JUNE, 2024**

KENYA NATIONAL HIGHWAYS AUTHORITY



MINISTRY OF ROADS & TRANSPORT



Kenya National Highways Authority

Quality Highways, Better Connections

PROJECT NAME – NAIROBI SOUTHERN BYPASS ROAD PROJECT

IMPLEMENTING ENTITY – KENYA NATIONAL HIGHWAYS AUTHORITY

**PROJECT LOAN NO: –CHINA EXIMBANK PBC NO. (2011) 32 TOTAL NO. (183)
NO. 1420303052011211528**

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2024**

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

NAIROBI SOUTHERN BYPASS ROAD PROJECT

Annual Report and Financial Statements for the financial year ended June 30, 2024

NAIROBI SOUTHERN BYPASS ROAD PROJECT

Annual Report and Financial Statements for the financial year ended June 30, 2024

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NAIROBI SOUTHERN BYPASS ROAD PROJECT
Annual Report and Financial Statements for the financial year ended June 30, 2024

1 Acronyms and Definition of Terms

CBD	Central Business District
CBK	Central Bank of Kenya
CPA	Certified Public Accountant
EIA	Environmental Impact Assessment
ENG	Engineer
ESIA	Environmental Social Impact Assessment
ESMP	Environment and Social Management Plan
EXIM	Export – Import
FY	Financial Year
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
KeNHA	Kenya National Highways Authority
Kshs.	Kenya Shillings
MoRT	Ministry of Roads and Transport
NEMA	National Environment Management Authority
TNT	National Treasury
PAPs	Project Affected Persons
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
SDG	Sustainable Development Goals
UA	Unit of Account

NAIROBI SOUTHERN BYPASS ROAD PROJECT

Annual Report and Financial Statements for the financial year ended June 30, 2024

2 Project Information and Overall Performance

i. Name and registered office

Project Name	Nairobi Southern Bypass Road Project
Project Objectives	The loan contributed the improvement of accessibility, affordability and reliability of the transport infrastructure system to promote economic growth and socio-economic development in Kenya.
Project Registered Office and Physical Location:	The project headquarters offices are at Barabara Plaza, Jomo Kenyatta International Airport, Nairobi, Off Mazao Road (Opposite KCAA Headquarters)
Project Address	Barabara Plaza, Jomo Kenyatta International Airport (JKIA) Off Mazao Road Nairobi Kenya P.O. Box 49712-00100 Nairobi
Contacts:	Telephone: 020-8013842; Email dg@kenha.co.ke; Website www.kenha.co.ke

ii. Project Information

Project Start Date:	1st December, 2011
Project End Date:	30 th June, 2016
Project Management:	Eng. Henry Gakuru – Director, Development Eng. Paul Omondi – Project Engineer.
Project Sponsor:	Export/Import Bank of China Government of Kenya

iii. Project Overview

Line Ministry/State Department of the project	The project was under the supervision of the State Department of Roads on behalf of Ministry of Roads & Transport.
Project number	N/A
Strategic goals of the Project	The project strategic goals were to: - (i) Increase efficiency of road transport along the

NAIROBI SOUTHERN BYPASS ROAD PROJECT

Annual Report and Financial Statements for the financial year ended June 30, 2024

	<p>Nairobi and Central Region and neighbouring countries to facilitate trade and regional integration.</p> <p>(ii) Promote private sector participation in the management, financing and maintenance of roads assets.</p> <p>(iii) Reduce transit time and costs incurred in cross-border movement</p>																			
Achievement of strategic goals	Implementation of the project in timely, efficient and effective manner																			
Other important background information of the project	<p>PROJECT COMPONENTS AND COSTS - LOAN</p> <table border="1" data-bbox="561 645 1401 976"> <thead> <tr> <th rowspan="3"></th> <th colspan="2">Million USD</th> </tr> <tr> <th>Foreign Exchange Cost</th> <th>Total Cost</th> </tr> <tr> <th>USD</th> <th>(USD)</th> </tr> </thead> <tbody> <tr> <td>A. Civil Works</td> <td></td> <td></td> </tr> <tr> <td>Export – Import Bank of China</td> <td>183,600,000</td> <td>183,600,000</td> </tr> <tr> <td>Government of Kenya</td> <td>77,495,369</td> <td>77,495,369</td> </tr> <tr> <td>TOTAL</td> <td>261,095,369</td> <td>261,095,369</td> </tr> </tbody> </table> <p>Contract No. KeNHA/Works/01/2010-2011 – China Roads & Bridges Corporation</p> <p>The project was financed by the Peoples’ Republic of China through the Export – Import Bank of China at 85% on Civil Works Construction inclusive of supervision works consultancy while 15% is financed by the Government of Kenya.</p> <p>PROJECT BACKGROUND:-</p> <p>China Road and Bridge Corporation (K) on the basis of their preliminary design, were contracted in November 2010 by the Government of Kenya through the implementing agency, Kenya National Highways Authority, KeNHA to carry out design and construction of the Nairobi Southern Bypass Road. The works were carried out through EPC Contract (FIDIC 1999) and consist of the construction of dual carriageway with length of 28.6 kilometres with 12 kilometre slip roads and 8.5 kilometre service roads in design and an extra 8 kilometre service roads.</p> <p>LOCATION AND EXTENT OF WORKS</p> <p>The proposed new dual carriageway is a Class A International Trunk Road, approximetly 28.6 kms long, situated in the city of Nairobi and in Kikuyu sub-county of Kiambu county.</p> <p>The project road started at the junction of Mombasa Road where an interchange was constructed at SK 0+ 397.500 and ends at SK 28+600 linking with the Kabete Limiru Road (A104) at Kikuyu town. The road crosses the Nairobi National</p>		Million USD		Foreign Exchange Cost	Total Cost	USD	(USD)	A. Civil Works			Export – Import Bank of China	183,600,000	183,600,000	Government of Kenya	77,495,369	77,495,369	TOTAL	261,095,369	261,095,369
	Million USD																			
	Foreign Exchange Cost		Total Cost																	
	USD	(USD)																		
A. Civil Works																				
Export – Import Bank of China	183,600,000	183,600,000																		
Government of Kenya	77,495,369	77,495,369																		
TOTAL	261,095,369	261,095,369																		

NAIROBI SOUTHERN BYPASS ROAD PROJECT

Annual Report and Financial Statements for the financial year ended June 30, 2024

	Park then goes through Langata Road (C58), Ngong Road (C60), Motoine River, Dagoretti Road (C63), Thogotho Road (D11) thereafter passes over to Ondiri River and Railway Line towards Kikuyu town
--	---

iv. Bankers

Co-operative Bank of Kenya Ltd
Upper Hill Branch, Nairobi

National Bank of Kenya Ltd
Hill Branch, Nairobi

v. Independent Auditor

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

vi. Roles and Responsibilities

No.	Names	Title designation	Key qualification	Responsibilities
1	Eng Henry Gakuru	Director Development	Registered Civil Eng.	Oversight
2	Eng.Paul. Omondi	Deputy Director, Development	Registered Civil Eng.	Project Co-Ordinator
3	Mr Walter Nyatwanga	Deputy Director, Environment & Social	Environmental & Social Specialist	Safeguard Specialist
4	CPA Chanje Kera	Deputy Director, Finance & Accounts	CPA (K)	Financial Specialist
5	Mr Richard Kilel	Assistant Director, Supply Chain Services	Registered KISM	Procurement Specialist

NAIROBI SOUTHERN BYPASS ROAD PROJECT

Annual Report and Financial Statements for the financial year ended June 30, 2024

Project information and overall performance (continued)

vii. Funding summary

The project was for a duration of three years with an approved budget of USD 183,600,000 equivalent to Kshs. 14,622,050,880 at an exchange rate of 79.6408 by the donor component and amount of Ksh. 7,111,098,730 by GoK as highlighted in the table below:

A. Source of Funds

Source of funds	Donor Commitments		Amount received to date (30 th June 2024)		Undrawn balance to date (30 th June 2024)	
	USD	Kshs	USD	Kshs	USD	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Loan					*	
China Exim Bank	183,600,000	14,622,050,880	183,598,870	14,621,960,879	1,130	90,001
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
(ii) Counterpart Funds	7,111,098,730	7,111,098,730	7,111,098,730	7,111,098,730	-	-
Total		21,733,149,610		21,733,059,609		90,001

*The undrawn amount of USD 1,130 was the difference between the donor commitment amount and the total amount claimed through Interim Payments Certificates by the completion of the project.

B. Application of Funds

Application of funds	Amount received to date- (30 th June 2024)		Cumulative Amount paid to date-(30 th June 2024)		Unutilised balance to date	
	USD	Kshs	USD	Kshs	USD	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
i) Loan						
China Exim Bank	183,598,870	14,621,960,879	183,598,870	14,621,960,879	-	-
(ii) Counterpart Funds						
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Government of Kenya	7,111,098,730	7,111,098,730	7,111,098,730	7,111,098,730	-	-
Total		21,733,059,609		21,733,059,609	-	-

NAIROBI SOUTHERN BYPASS ROAD PROJECT*Annual Report and Financial Statements for the financial year ended June 30, 2024***Project information and overall performance (continued)****viii. Summary of Overall Project Performance:**

i. Budget performance against actual amounts for current year and for comparative data: -

	2023/2024			Cumulative		
	Budget	Actual	%	Budget	Actual	%
Counterpart Funds - Gok	609,500	609,500	100%	7,382,554,405	7,111,098,730	96%
Loan from External Development Partners	-	-	-	26,795,859,760	14,621,960,879	55%
Total	609,500	609,500	100%	34,178,414,165	21,733,059,609	64%

ii. Physical progress based on outputs, outcome and impacts since project commencement.

The project was successfully completed and taken over by the employer.

iii. Absorption rate for each year since the commencement of the project.

FY	Budget	Actual	%
2023/24	609,500	609,500	100%
2022/23	-	-	-
2021/22	-	-	-
2020/21	-	-	-
2019/20	300,000,000	298,706,897	100%
2018/19	350,000,000	141,402,338	40%
2017/18	510,625,000	498,586,799	98%
2016/17	3,000,000,000	2,649,248,104	88%
2015/16	5,085,137,191	4,177,681,563	82%
2014/15	4,059,493,615	3,983,458,555	98%
2013/14	8,196,689,099	3,315,062,446	40%
2012/13	6,827,929,880	2,282,355,996	33%
2011/12	5,847,929,880	4,385,947,411	75%
TOTAL	34,178,414,165	21,733,059,609	64%

Comment on value-for-money achievements.

- The authority (KeNHA) had put in place adequate checks & balances on appointment of the works supervision consultant who oversaw the project implementation on daily basis in consultation and subsequent approvals from the employer and the bank.
- In addition to works supervision, the consultant undertook design review prior to the commencement of roads construction works to reduce conflict during the project implementation.
- Regular auditing of the project by Internal Auditors, External Auditors and Quality Assurance Departments.
- Monthly site meetings that involve the employer, the consultant and the contractor.

ix. Summary of Project compliance: -

There were no significant cases reported of non-compliance with applicable laws and regulations, and essential external financing agreements/covenants.

NAIROBI SOUTHERN BYPASS ROAD PROJECT

Annual Report and Financial Statements for the financial year ended June 30, 2024

3 Statement of Performance against Project's Predetermined Objectives

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, the Accounting Officer include a statement of the project's performance against predetermined objectives at the end of each financial year.

The key development objectives of the project are to:

- a) Provide an alternative route along the Northern Corridor directly from Ole Sereni to Kikuyu hence avoiding heavy traffic at the city centre.
- b) Reduce transit time for food and passengers transversing between Mombasa and Kisumu/Malaba on the Northern Corridor.

Progress on attainment of Strategic development objectives

To implement and cascade the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Objective	Outcome	Indicator	Performance
Provide an alternative route along the Northern Corridor directly from Ole Sereni to Kikuyu hence avoiding heavy traffic at the city centre.	Reduced traffic congestion in CBD.	30% reduction of traffic congestion in Nairobi CBD.	The total of 48 km of dual carriageway is 100% completed and in use by public.
Reduce transit time for food and passengers transversing between Mombasa and Kisumu/Malaba on the Northern Corridor.	Increased efficiency in Transportation through traffic along the Northern Corridor.	Reduced travel time from Ole Sereni to Kikuyu from 2hrs through the city to 30 minutes through the Bypass	The total of 48 km of dual carriageway is 100% completed and in use by public.

NAIROBI SOUTHERN BYPASS ROAD PROJECT

Annual Report and Financial Statements for the financial year ended June 30, 2024

4 Environmental and Sustainability reporting

Nairobi Southern Bypass Project exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy. Below is a brief highlight of our activities that drive towards sustainability.

i. Sustainability strategy and profile

Sustainable Development Goals (SDGs) 2015-2030 provides a plan of action for the people and their prosperity. Five out of the seventeen goals are pertinent to management of projects being undertaken by the Authority. These are being addressed through the following initiatives;

- a) *Good health and well-being (SDG 3)*: The Authority strives to undertake Road Safety Audits to identify accident black spots, implement intervention measures and provide road safety education to reduce accidents;
- b) *Gender Equality (SDG 5)*: The Authority encourages mainstreaming of gender equality in project and programmes by incorporating compliance to one third gender rule in procurement and recruitment;
- c) *Industry, innovation and infrastructure (SDG 9)*: The Authority develops quality, reliable, sustainable and resilient infrastructure including regional and trans-border infrastructure to support economic development and human wellbeing with a focus on affordable and equitable access for all;
- d) *Sustainable cities and communities (SDG 11)*: The Authority endeavours to extend the paved road network to hitherto underserved areas in the region to improve nationwide access to high speed and all – weather connectivity; and
- e) *Climate action (SDG 13)*: The Authority endeavours to combat negative impacts of road development through environmental mitigation, climate change measures and compliance with National Environment Management Authority (NEMA) requirements in all development projects

ii. Environmental performance

The Authority is working towards ensuring environmental sustainability in projects by undertaking tree planting exercises, implementation of road beautification programs, enforce reinstatement of quarries and borrow pits after construction works, undertakes regular Environmental Impact Assessment (EIA) Audits, carries out M&E on Environment and Social Management Plan (ESMPs) as well as Environmental Social Impact Assessment (ESIA) on projects.

NAIROBI SOUTHERN BYPASS ROAD PROJECT

Annual Report and Financial Statements for the financial year ended June 30, 2024

Environmental And Sustainability Reporting (Continued)

iii. Employee welfare

In all its staff appointments, the Authority takes deliberate actions to embrace Equal Employment Opportunity policies, gender mainstreaming, addresses concerns around Persons Living with Disabilities (PWDs) and takes affirmative action in line with prevailing Government Policy guidelines. The Authority prioritizes training to develop technical capacity of staff in the fields of Value Engineering, Project Financing, Project, Contract Management, Performance Based Maintenance and Safety.

iv. Market place practices

The Authority strives to ensure responsible competition practices through undertaking annual governance audits in projects, monitoring the implementation of policies and further promotes ethical conduct in projects. The Authority equally sensitizes staff on corruption and integrity.

The Authority undertakes to be actively involved in the negotiations during budget sector hearings in order to increase budgetary allocations for projects thus honouring contracts by paying its liabilities on time.

v. Community Engagements

During the implementation of the Project, the Authority is committed to remaining a responsible corporate citizen by being accountable for its actions through engaging in Public Participation. The Project's goal in terms of community engagement is to ensure that the projects foster long-term relationships with stakeholders and communities around the project. The aim is not just to build roads that foster development but to ensure collaboration with the local communities to achieve sustainable development. The project staff is also encouraged to give back to society by participating in the Authority's corporate social responsibility projects.

To enhance social safeguards in projects, the Authority undertakes Resettlement Action Plan (RAP) studies and implements its recommendations, carries out Social Impact Assessments (SIA), undertakes gender mainstreaming and conduct stakeholders' forum to sensitize the public in several cross-cutting issues.

Some of the CSR carried out by the project are Construction of Bulbul access roads around government veterinary land quarry, improvement of roads within Langata Women's Prison and rehabilitation of Langata Barracks main access road. However, no CSR was done in the current financial year given the project was completed.

NAIROBI SOUTHERN BYPASS ROAD PROJECT

Annual Report and Financial Statements for the financial year ended June 30, 2024

5 Statement of Project Management responsibilities

The Director General, KeNHA and the Project Management are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the project for and as at the end of the financial year ended on June 30, 2024. This responsibility includes (i) Maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the project; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the project; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Director General, KeNHA and the Project Management, 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 the International Public Sector Accounting Standards.

The Director General, KeNHA and Project Management are of the opinion that the Project financial statements give a true and fair view of the state of the Project's transactions during the financial year ended June, 30, 2024 and the Project's financial position as at that date.

The Director General, KeNHA and the Project Implementation Team Leader further confirm that 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 on the adequacy of the systems of internal financial control.

The Director General, KeNHA and the Project Implementation Team Leader confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year under audit are used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project financial statements

The project financial statements were approved by the Director General, KeNHA and Project Management for Nairobi Southern bypass on 10 SEP 2024 and signed by them.



Eng. Kungu Ndungu, MBS
Director General



Eng. Henry Gakuru
Director, Development



CPA Chanje Kera
Deputy Director (F&A)
ICPAK Member No: 8279

REPUBLIC OF KENYA



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Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KENYA NAIROBI SOUTHERN BYPASS ROAD PROJECT (LOAN AGREEMENT NO. CHINA EXIMBANK PBC NO. (2011) 32 TOTAL NO. (183) NO.14203030520112115528) FOR THE YEAR ENDED 30 JUNE, 2024 – KENYA NATIONAL HIGHWAYS AUTHORITY

PREAMBLE

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

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

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

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Kenya Nairobi Southern Bypass Project set out on pages 1 to 16, which comprise the statement of financial assets and

Report of the Auditor-General on Kenya Nairobi Southern Bypass Project (Loan No. China EximBank PBC No. (2011) 32 Total No. (183) No. 14203030520112115528) for the year ended 30 June, 2024 – Kenya National Highways Authority

liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Kenya Nairobi Southern Bypass Project as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Loan Agreement No. China Eximbank PBC No. (2011) 32 Total No. (183) No.14203030520112115528 between the Government of the Republic of Kenya and the Export – Import Bank of China.

Basis for Opinion

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

Emphasis of Matter

1. Long Outstanding Pending Accounts Payables

Note 8 on other important disclosures and Annex 4 reflects pending accounts payables balance of Kshs.3,623,386,920 in respect of construction of roads and acquisition of land. However, the statement of comparison of budget and actual amounts reflects final budgeted receipts of Kshs.609,500 resulting to inadequate budgetary provisions for the settlement of the pending accounts payables. Management did not provide details of the measures put in place to settle the pending bills. The Project is at risk of incurring additional costs in form of interest and penalties for failure to settle Project costs as and when the amounts fall due.

2. Lack of Project Closure Report

Paragraph 2(ii) on Project Information in the financial statements indicates that the Project start date was 1 December, 2011 and Project end date was 30 June, 2016. Further, Paragraph 2(vii) on Funding Summary indicates that the Project had an approved budget of USD 183,600,000 equivalent of Kshs.14,622,050,880 to be financed by China Exim Bank while an amount of Kshs.7,111,098,730 was to be financed as counterpart fundings by the Government of Kenya.

In addition, Paragraph 2(viii) on Summary of Overall Project Performance on physical progress based on outputs, outcomes and impacts showed that the Project was successfully completed and taken over by the employer. However, the Project closure report was not provided for audit. Management did not provide an explanation for the failure to close the Project, over eight (8) years after the completion date.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Although Management had indicated the issues as resolved as at 30 June, 2024, no evidence was provided to support the position.

Other Information

Conclusion

The Management is responsible for the other information set out on page iii to xi which comprise of Project information and Overall Performance, Statement of Performance Against 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.

Basis for Conclusion

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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the matter on Basis for Conclusion on Lawfulness and

Report of the Auditor-General on Kenya Nairobi Southern Bypass Project (Loan No. China EximBank PBC No. (2011) 32 Total No. (183) No. 1420303052011211528) for the year ended 30 June, 2024 – Kenya National Highways Authority

Effectiveness in Use of Public Resources, 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

Wasteful Expenditure

The Project incurred nugatory expenditure amounting to Kshs.756, 062,674 being claim for contract prolongation as a result of right of access to site, an expenditure that would otherwise been avoided.

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

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

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

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and 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 (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall 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 applicable basis of accounting unless Management is aware of the intention to terminate the Project or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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 INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires 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 IFPP 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 also 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

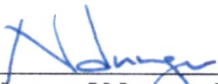
Nairobi


13 November, 2024


7 Statement of Receipts and Payments for the year ended 30th June 2024

		Receipts and payments controlled by the entity	Payments made by third parties	Total	Receipts and payments controlled by the entity	Payments made by third parties	Total	
		Kshs.	Kshs.	Kshs	Kshs.	Kshs.	Kshs	Kshs.
RECEIPTS								
Transfer from Government entities	1	609,500	-	609,500	-	-	-	7,111,098,730
Loan from external Development Partners	2	-	-	-	-	-	-	14,621,960,879
TOTAL RECEIPTS		609,500	-	609,500	-	-	-	21,733,059,609
PAYMENTS								
Purchase of Goods & Services	3	-	-	-	-	-	-	101,584,623
Acquisition of non-financial assets	4	609,500	-	609,500	-	-	-	21,631,474,986
TOTAL PAYMENTS		609,500	-	609,500	-	-	-	21,733,059,609
SURPLUS/DEFICIT FOR THE YEAR		-	-	-	-	-	-	-

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


Eng. Kungu Ndungu, MBS
 Director General


Eng. Henry Gakuru
 Director, Development


CPA Chanje Kera
 Deputy Director (F&A)
 ICPAK Member No: 8279


NAIROBI SOUTHERN BYPASS ROAD PROJECT


Annual Report and Financial Statements for the financial year ended June 30, 2024

8 Statement of Financial Assets and Liabilities as at 30th June 2024

	Note	2023-2024	2023-2023
		Kshs.	Kshs.
Financial Assets			
Cash and Cash Equivalents		-	-
Total Financial Assets (A)		-	-
Financial Liabilities			
Third part Deposits and Retention		-	-
Total Financial Liabilities (B)			
Net Financial Assets (A-B)		-	-
Represented By			
Fund Balance B/fwd		-	-
Cash and Cash Equivalent b/fwd		-	-
Surplus for the Year		-	-
Net Financial Assets		-	-

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 10 SEP 2024 and signed by:


Eng. Kungu Ndungu, MBS
Director General


Eng. Henry Gakuru
Director, Development


CPA Chanje Kera
Deputy Director (F&A)
ICPAK Member No: 8279

NAIROBI SOUTHERN BYPASS ROAD PROJECT**Annual Report and Financial Statements for the financial year ended June 30, 2024****9 Statement of Cash flows for the year ended 30th June 2024**

Description	Notes	2023/24 Kshs.	2022/23 Kshs.
Cashflow from operating activities			
Receipts			
Transfers from Government entities	1	609,500	-
Total Receipts		609,500	-
Payments			
Purchase of goods and services	3		
Total Payments			
Net receipts/(payments)			
Adjustments during the year			
Prior year adjustments		-	-
		-	-
Net cash flow from operating activities		609,500	-
Cashflow From Investing Activities			
Acquisition of road assets	4	(609,500)	-
Net cash flows from Investing Activities		(609,500)	-
Cashflow From Borrowing Activities			
Proceeds from Foreign Borrowings		-	-
Net cash flow from financing activities		-	-
Net Increase In Cash And Cash Equivalent		-	-
Cash and cash equivalent at Beginning of the year		-	-
Cash and cash equivalent at End of the year		-	-

NAIROBI SOUTHERN BYPASS ROAD PROJECT**Annual Report and Financial Statements for the financial year ended June 30, 2024****10 Statement of Comparison of Budget and Actual Amounts for Year Ended 30th June 2024**

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Variance	% Var
	a	b	c=a+b	d	e=c-d	f=d/c %
		Kshs	Kshs	Kshs		
Receipts						
Transfers from Government entities	-	609,500	609,500	609,500	-	-
Total Receipts	-	609,500	609,500	609,500	-	-
Payments						
Acquisition of non-financial assets	-	-	-	-	-	-
Total Payments	-	609,500	609,500	609,500	-	-
Surplus or Deficit	-	-	-	-	-	-

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

11 Significant Accounting Policies

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

a. Statement of compliance and basis of preparation

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

The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

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

b. Reporting entity

The financial statements are for the Nairobi Southern Bypass Road Project under Kenya National Highways Authority. The financial statements are for reporting for Nairobi Southern Bypass Road Project as required by Section 81 of the PFM Act 2012.

c. Reporting currency

The financial statements are presented in Kenya Shillings (Kshs), the project's functional and reporting currency. All values are rounded to the nearest Kenya Shilling.

d. Recognition of receipts

The Project recognises all receipts from the various sources when an event occurs and the related cash is received.

i. Transfers from the Exchequer

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

ii. External Assistance

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

Significant Accounting Policies (Continued)

iii. Other receipts

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

iv. Donations and grants

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

v. Proceeds from borrowing

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

vi. Undrawn external assistance

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

e. Recognition of payments

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

i. Compensation of employees

Salaries, wages, Allowances, and Statutory Contributions for employees are recognized when the compensation is paid.

ii. Use of goods and services

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

Significant Accounting Policies (Continued)

iii. Interest on borrowing

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

iv. Repayment of borrowing (principal amount)

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

v. Acquisition of fixed assets

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

f. In-kind donations

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

g. Cash and cash equivalents

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

Significant Accounting Policies (Continued)

h. Restriction on cash

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

i. Imprests and Advances

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

j. Contingent Liabilities

A contingent liability is:

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

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

Significant Accounting Policies (Continued)

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

Section 89 (2) (i) of the PFM Act requires the National Government to report on the payments made, or losses incurred, by the county government to meet contingent liabilities as a result of loans during the financial year, including payments made in respect of loan write-offs or waiver of interest on loans

k. Contingent Assets

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

l. Pending bills

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

Significant Accounting Policies (Continued)

m. Budget

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

A high-level assessment of the Project's actual performance against the comparable budget for the financial year/period under review has been included in an annex to these financial statements.

n. Third party payments

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

o. Exchange rate differences

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

p. Comparative figures

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

Significant Accounting Policies (Continued)

q. Subsequent events

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

r. Prior periods adjustment

Prior period adjustments relate to errors and other adjustments noted arising from previous year(s). There were no prior year adjustments as at June, 30,2024.

12 Notes to the Financial Statements

1. Receipts from Government Entities

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

Description	2023/24	2022/23	Cumulative
	Kshs	Kshs	to-date
<i>Counterpart Funding through Ministry of Roads & Transport</i>			
Counterpart funds Quarter 1	609,500	-	1,173,310,561
Counterpart funds Quarter 2	-	-	2,897,533,365
Counterpart funds Quarter 3	-	-	1,530,449,316
Counterpart funds Quarter 4	-	-	1,509,805,488
TOTAL (See Annex 3)	609,500	-	7,111,098,730

2. Proceeds from Domestic and Foreign Grants

During the 12 months to 30 June 2024, we received no funding from development partners in form of loans since the project was completed. The financing agreement lapsed in the FY ending 30th June 2016. However, cumulatively an amount of **Kshs.14,621,960,879** has been utilised.

3. Purchase of Goods and Services

Description	FY 2023/24			FY 2022/23	Cumulative to-date
	Payments made in cash	Payments made by third parties	Total Payments	Total Payments	
	Kshs	Kshs	Kshs	Kshs	Kshs
Domestic travel and subsistence	-	-	-	-	11,580,070
Advertising and services	-	-	-	-	55,520,961
Other operating expenses-Bush clearing	-	-	-	-	34,483,592
Total	-	-	-	-	101,584,623

Notes to the Financial Statements (Continued)

4. Acquisition of Non-Financial Assets

Description	FY 2023/24			FY 2022/23	Cumulative
	Payments made in cash	Payments made by third parties	Total Payments	Total Payments	
	Kshs	Kshs	Kshs	Kshs	
Construction of roads	-	-	-	-	19,451,531,448
Acquisition of land	609,500	-	609,500	-	2,179,943,538
Total	609,500	-	609,500	-	21,631,474,986

5. Cash and Cash Equivalents

Description	2023/24	2022/23
	Kshs.	Kshs
Bank account	-	-
Total	-	-

5 A Bank Accounts

Description	2023/24	2022/23
	Kshs.	Kshs
Co-operative Bank of Kenya [A/c No 01141160979900]	-	-
Total	-	-

Notes to the Financial Statements (Continued)

6. Prior year adjustment

There were no prior year adjustment as at 30th June, 2024.

7. Accounts Payables-Retention

Description	FY 2023/24	FY 2022/23
	Kshs	Kshs
Retention controlled by the entity	-	-
Retention controlled by the Third parties	-	-
Total	-	-

Other Important Disclosures

8. Pending Accounts Payable (Annex 4)

Description	Balance b/f FY 2023/24	Additions for the period	Paid during the year	Balance c/f FY 2023/24
Description	Kshs	Kshs	Kshs	Kshs
Construction of Roads	1,148,676,920	-	-	1,148,676,920
Acquisition of Land	2,474,710,000	609,500	609,500	2,474,710,000
Total	3,623,386,920	609,500	609,500	3,623,386,920

i. External Assistance

During the 12 months to 30 June 2024, we received no external assistance as the project is substantially complete and taken over by the employer and the Financing Agreement has lapsed. (30th June, 2023-NIL)

13 Annexes


Annex 1-Prior Year Auditor- General’s Recommendations


Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	<p>Basis for Conclusion</p> <p>Long Outstanding Pending Bills</p> <p>Annex 4v to the financial statements reflect pending bills payable in respect of road contractors and acquisition of land amounting to Kshs.3,623,386,920. Management explained that accumulation of pending bills was due to low Government of Kenya (GoK) development budget ceilings. However, during the year under review, Management did not budget any amount for payment of the outstanding pending bills. This is in contravention to Regulations 23(1) (a) and (b) of the Public Finance Management (National Government) Regulations, 2015 which states that the accounting officers shall, in</p>	<p>We agree with the observation that the Project had a pending bill amounting to Kshs.3,623,386,920 as at 30 June, 2023. This situation arose due to:</p> <p>a) The Exhaustion and subsequent lapse of Development Partner financing prior to completion of all the project components</p> <p>b) Inadequate GoK counterpart budgetary provisions in the current as well as prior financial years.</p>	Not Resolved	Ongoing

NAIROBI SOUTHERN BYPASS ROAD PROJECT

Annual Report and Financial Statements for the financial year ended June 30, 2024

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>accordance with Article 226 (2) of the constitution ensure that the management of their departments public finances ensures that sufficient resources have been allocated to a particular program and for ensuring that most effective means of achieving desired program outcomes are used</p> <p>In the circumstances, the Project Management has not initiated effective mechanism to ensure discharge of the outstanding balance and avert probable litigation by creditor and the resultant cost and in liquidated damages.</p>	<p>In order to facilitate settlement of the outstanding bills, the Authority will continue to engage the Parent Ministry and the National Treasury in a bid to facilitate adequate GoK budgetary allocations.</p>		


Eng. Kungu Ndungu, MBS
Director General


Eng. Henry Gakuru
Director, Development

Annex 2 - Variance Explanations - Comparative Budget and Actual amounts for FY 2023-2024

	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comments on Variance (below 90% and over 100%)
	a	b	c=a-b	d=b/a %	
	Kshs	Kshs	Kshs	Kshs	
Receipts					
Transfer from Government entities	609,500	609,500	-	100%	
Total Receipts	609,500	609,500		100%	
			-		
Payments					
Acquisition of non-financial assets	609,500	609,500	-	100%	
Total Payments	609,500	609,500		100%	

Annex 3 – Reconciliation of inter-entity transfers

As at 30th June, 2024, no funds were received in relation to this project since the project is substantially complete and taken over by the employer.

NAIROBI SOUTHERN BYPASS ROAD PROJECT

Annual Report and Financial Statements for the financial year ended June 30, 2024

Annex 4 - Analysis of Pending Bills

Supplier of Goods or Services	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2024	Outstanding Balance 2023	Comments
		a	b	c=a-b		
Land Compensation		Kshs.	Kshs.	Kshs.	Kshs.	
Land Compensation		4,656,014,987	2,181,304,987	2,474,710,000	2,474,710,000	
Sub Totals		4,656,014,987	2,181,304,987	2,474,710,000	2,474,710,000	
Construction of roads						
CHINA ROAD & BRIDGE CORP	05/09/2014	149,042,037	74,459,961	74,582,076	74,582,076	3A
CHINA ROAD & BRIDGE CORP	17/06/2015	68,997,723	-	68,997,724	68,997,724	4B
CHINA ROAD & BRIDGE CORP	08/10/2015	39,733,856	-	39,733,856	39,733,856	5A
CHINA ROAD & BRIDGE CORP	20/02/2016	28,625,263	-	28,625,263	28,625,263	5C
CHINA ROAD & BRIDGE CORP	31/03/2017	142,576,916	-	142,576,916	142,576,916	6D
CHINA ROAD & BRIDGE CORP	24/07/2017	5,444,372	-	5,444,372	5,444,372	6F
CHINA ROAD & BRIDGE CORP	31/05/2018	32,654,039	-	32,654,039	32,654,039	6(H)
CHINA ROAD & BRIDGE CORP	09/02/2023	756,062,674	-	756,062,674	756,062,674	6I
Sub Totals		1,223,136,881	74,459,961	1,148,676,920	1,148,676,920	
Grand Total		5,879,151,868	2,255,764,948	3,623,386,920	3,623,386,920	

NAIROBI SOUTHERN BYPASS ROAD PROJECT*Annual Report and Financial Statements for the financial year ended June 30, 2024***Annex 5 – Summary of Fixed Asset Register**

Asset class	Opening Cost	Purchases/Additions in the Year	Disposals in the Year	Closing Cost
	(KShs)	(KShs)	(KShs)	(KShs)
	2023/24	2023/24	2023/24	2023/24
	(a)	(b)	(c)	(d)= (a)+ (b)-(c)
Construction of Roads	19,451,531,448		-	19,451,531,448
Land	2,179,334,038	609,500	-	2,179,943,538
Total [21,630,865,483	609,500	-	21,631,474,986