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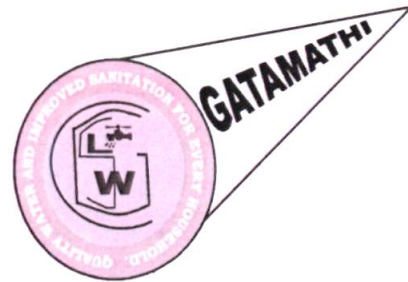
THE AUDITOR-GENERAL

ON

GATAMATHI WATER AND
SANITATION LIMITED

FOR THE YEAR ENDED
30 JUNE, 2025





GATAMATHI WATER AND SANITATION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2025

Prepared in accordance with the International Financial Reporting Standards (IFRS) Accounting Standards



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1. Acronyms and Definition of Key Terms

A: Acronyms

ARGC	Audit Risk & Governance Committee
AWWDA	Athi Water Works Development Agency
CEO	Chief Executive Officer
CWP	Community Water Points
DG	Director General
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
KFS	Kenya Forest Service
MD	Managing Director
NITA	National Industrial Training Authority
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WASCO	Water and Sanitation Companies Organization
WASPA	Water Services Providers Association
WASREB	Water Services Regulatory Board
WRA	Water Regulatory Authority
FKE	Federation of Kenya Employers

B: Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

Gatamathi Water and Sanitation Limited was incorporated as a limited Company by Guarantee on 23rd March, 2006 through The Water Act 2002. The Company currently has nine (9) members of Board of directors.

The company provides water and sanitation services as per conditions set in the licence from WASREB. The area contracted are in Mathioya Sub-County, Rwathia ward in Kangema Sub-County and Gathuki-ini location in Gaturi ward of Kiharu Sub-County.

The supply area covers 314 Km² with a population of 144,000 people. The Company manages Gatango and Mathioya schemes.

Total active connections are 12,338 with an actual served population of 93,600.

GATANGO WATER SUPPLY

The scheme was started in 1968 and became operational in 1972. The source of water is North Mathioya River 3.5 km inside the forest. The level of service was by communal water points (**CWP**). There were 72 in number such CWP's in the whole scheme. The scheme covered Kiru and Kamacharia Wards in Mathioya Sub-County, and some parts of Gaturi ward in Kiharu Sub-County.

At commissioning, the area covered through communal water points was 85.47 km². The Design period was from 1972-1982. Later, the residents opted for individual connections.

By the time the company took over the management of the scheme in May 2006, water was not reaching Kamacharia, Kanjama and Kagumo-ini.

Over the years through rehabilitation and extension of service lines, services have been extended to some parts of Gaturi Ward. The coverage area has been extended to 180KM².

Currently, there are 6,469 active connections serving a population of 39,600

The scheme has a potential to serve the whole of Gaturi ward if the proposed funding by Athi Water Works Development Agency are realized through extension of water mainlines and service lines.

MATHIOYA WATER SUPPLY

The scheme was started as a self-help project in the late 1970's. The source of water is Hembe River, a tributary of Githugi River of North Mathioya River. The Government later took over and engaged Bish & Partners Ilaco Consulting Engineers who came up with a design report. The scheme was commissioned in 1984.

The service level was by individual connections. The area covered was Njumbi and Gitugi locations in Mathioya Sub-County as well as Rwathia location in Kangema Sub-County.

Key Entity Information and Management (continued)

Currently, the total area covered is 134KM² with a population served of 54,000. The total number of active connections is 5,869.

(b) Principal Activities

The principal activity of the company is to manage water facilities so as to provide clean, safe, affordable and portable water as well as sanitation services in the contracted areas.

1.1 VISION

To be the leader in water services provision in rural set-up in Kenya

1.2 MISSION STATEMENT

To provide potable reliable, sustainable and affordable water in the contracted area

1.3 OVERALL GOAL

Quality water and affordable water services

1.4 CORE VALUES

- Quality customer services
- Integrity
- Team work
- Innovation
- Effectiveness
- Efficiency
- Corporate communication

a) Company's Headquarters

Registered Office

Gatamathi Water and Sanitation Limited
Nyakianga next to DO's Office – Mathiyoa
Off Kangema-Othaya Road
P.O. Box 93 -10204

Kiria-ini.

Corporate Headquarters

Gatamathi Water and sanitation Limited
Nyakianga next to DO's Office – Mathiyoa
Off Kangema Othaya Road
P.O. Box 93 -10204

Kiria-ini.

b) Company's Contacts

Telephone: +254718-462695
E-mail: gatamathiwsp@gmail.com
Website: gatamathiwsp.co.ke

c) Corporate bankers

- i. Equity Bank Ltd
Kiria-ini branch
P.O BOX 217-10204
Kiria-ini.
- ii. Family bank Ltd
Kiria-ini branch
P.O BOX 82-10204
Kiria-ini.
- iii. Kenya Commercial Bank Ltd
Kiria-ini branch
P.O BOX 42-10204
Kiria-ini




d) Independent Auditor

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




e) Principal Legal Adviser

- i. The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya
- ii. Ashreen Mathews Associates
Blixen Court, suite 14
Lower plains Road
Karen,
Nairobi, Kenya
info@amassociates.co.ke

3. The Board of Directors details

Ref	Directors	Details
1.	 <i>Hezron Muchiri Maina</i>	<p>Age: 43yrs</p> <p>Academic Qualification: CPA Sec IV, B.com Finance Option Second Upper Division at KCA University</p> <p>Professional: Accountant</p> <p>Experience: 13yrs in Co-operative Movement in employment and 6 years in elected Post.</p> <p>Current Occupation: Businessman</p> <p>Independent Director - Chairman of the Board of Directors.</p>
2.	 <i>Bridget Wairimu Irungu</i>	<p>Age 29yrs</p> <p>Academic Qualification: BA Economics with I.T at Maseno University.</p> <p>Professional: Economist</p> <p>Experience; 6 years</p> <p>Current Occupation: Chief Officer Water, Irrigation, Environment & Climate Change</p>
3.	 <i>Peter Gicheha Kaharo</i>	<p>Age 55 yrs</p> <p>Academic Qualification: CPA(K) Sec VI, MBA(Finance)</p> <p>Professional: Accountant</p> <p>Experience; 21 years</p> <p>Current Occupation: Chief Officer Finance and planning</p>
4.	 <i>Dennis Gathaiya Gioche</i>	<p>Age: 35yrs</p> <p>Academic Qualification: Higher Diploma in Journalism</p> <p>Professional: Radio Journalist</p> <p>Current Occupation: Radio Presenter</p>

5.	 <p><i>Editah Njeri Karuri</i></p>	<p>Age: 41Yrs Academic Qualification: Masters HRM, Pursuing PHD Professional Qualification : Banking Current Occupation: Lecturer, Board Member Mathari Hospital Independent Director: Chairperson of Audit, Risk and Governance Committee</p>
6.	 <p><i>Charles Muchiri Wanjogu</i></p>	<p>Age: 29Yrs Academic Qualification: Diploma Electrical & Electronic Engineering Current Occupation: Businessman Independent Director: Chairperson of Technical Committee</p>
7.	 <p><i>John Macharia Nyumu</i></p>	<p>Age: 30Yrs Academic Qualification: Bsc. Economics and Statistics Professional Qualification : SYB-IYB:-ILO Current Occupation: Trainer and Mentor Entrepreneurship and Finance Independent Director: Chairperson of Finance, HR and Administration Committee</p>
8.	 <p><i>Elizabeth Watiri Irungu</i></p>	<p>Age: 62Yrs Academic Qualification: Kenya Advanced Certificate of Education(KACE) Professional qualification: Master of Arts in Counselling (Psychology) Current Occupation: Counsellor Independent Director</p>

<p>9.</p>	 <p>Ann Wangari Maina</p>	<p>Age: 44Yrs Academic Qualification: Bsc in ICT Current Occupation: Field System Administrator Work experience: 14 yrs K.T.D.A I.C.T manager Independent Director.</p>
<p>10.</p>	 <p>Charles Maina Muriuki</p>	<p>Education – Higher National Diploma- Water Engineering. Executive Master of Business Administration degree Area of responsibility – Implementation of the company’s board policies in line with License conditions from WASREB. Work experience – 19 years’ work experience at Gatamathi Water and sanitation company.</p>
<p>11.</p>	 <p>Richard Gikuhi Kiana</p>	<p>FCS Richard K. Gikuhi: Certified Secretary, member ICPAK. An Accredited Governance Auditor with Master of Business Administration Degree majoring in Strategic Management from Moi University and an Advanced Practical Course in Management of Urban Development from Birmingham University. Managing Partner at Gikuhi Kiana & Company, Certified Secretaries. Over 26 years. Worked with various Water and Sanitation Companies as a Company Secretary and advises in the area of Corporate Governance. His stint at the European Union contributes to his knowledge and experience in working with international organizations.</p>

4. Key Management Team

	Management	Details
	 Charles Maina Muriuki i	<p>Education –Higher National Diploma- Water Engineering. Executive Master of Business Administration degree</p> <p>Area of responsibility – Implementation of the company’s board policies in line with License conditions from WASREB.</p> <p>Work experience – 19 years’ work experience at Gatamathi Water and sanitation company.</p>
	 ii Agnes Waruguru Kaburu	<p>Education – Diploma in Water Technology-KEWI.</p> <p>Diploma Public Relations –KIM</p> <p>Area of responsibility - Operation and Maintenance, Capital works rehabilitation and ensuring good quality water is availed all the time</p> <p>Work experience – 18 years’ work experience at Gatamathi Water and sanitation company</p>
	 Joseph Ngugi Wanyoike iii	<p>Education – Bachelor of Commerce -Management Science.</p> <p>Area of responsibility – Running of company’s commercial department in the following fields: Accounts, Information Communication Technology, Meter reading, billing, Pro-Poor and debt management sections.</p> <p>Work experience – 18 years’ work experience at Gatamathi Water and sanitation company</p>
	 Stanley Wambugu iv Ngunjiri	<p>Education – B.COM - Accounting, CPA(K).</p> <p>Area of responsibility. Objectively assess the company’s risk and the efficacy of its risk management efforts. Ensure that relevant laws and statutes are complied with. Continuous evaluation and improvement of internal controls.</p>

v	 <p><i>FCS.Richard K. Gikuihi ,MBA,MKIM,HSC.</i></p>	<p>FCS Richard K. Gikuihi: Certified Secretary, member ICPAK. An Accredited Governance Auditor with Master of Business Administration Degree majoring in Strategic Management from Moi University and an Advanced Practical Course in Management of Urban Development from Birmingham University.</p> <p>Managing Partner at Gikuihi Kiana & Company, Certified Secretaries. Over 26 years. Worked with various Water and Sanitation Companies as a Company Secretary and advises in the area of Corporate Governance. His stint at the European Union contributes to his knowledge and experience in working with international organizations.</p>
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5. Chairman's Statement

On behalf of the Board of Directors, it gives me great honour and privilege to present to you the Annual report and financial statements for the year ended 30th June 2025. The report outlines the Financial and operational performance of the Company for the period. There was increase in connection from 11,092 connections to 12,338 connections by June 2025. The Company showed a negative growth of Kshs 5,742,707. This was caused by external factors such as WASREB which is charged at 4% of the billing per month and revaluation of asset which increased the depreciation charge. Provision of bad debts has increased from Kshs (4,738,868) to Kshs 2,473,997, WASCO games from Kshs 297,700 to Kshs 1,249,712 among the contributing factors to the loss.

Operating environment

The demand for our services remained high especially in Gaturi where new connections increased from 1,022 in 2024 to 1,363 in 2025. However the company is operating in a very harsh environment due to lack of customer water meters. Some of our customers are served through flat rate connections thus rendering re-selling our water to non-customers or those with dormant connections. This has lead our staff to be very vigilant on our customers because if not checked, water might nor reach to the far end of supply to areas like Nyangiti, Iruri and Gaturi. Lack of meters is also reducing our billing hence affecting our revenue collection and even contributing to negative growth.

As a board, we ensure that we operate in a socially responsible manner which include focusing on operational efficiency, resources conservation and responding to our customers' needs.

Expansion plan

During the year, the Company continued expansion of services to reach people in the lower zones of our supply areas. Through partnership with Athi Water Works Development Agency, we have currently extended Gaturi mainline from Kiambuigi to Kigetui. Let me also inform you of the County initiative in supplying last mile connectivity pipes to all our 5 wards.

Future plans

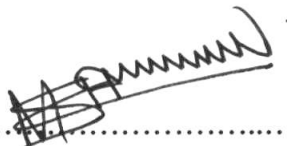
The company is liaising with Athi Water Works Development Agency to procure 3,000 water meters for the company. The County has also ordered for the company 800 water meters for the installing to the flat rate customers. The company will also employ other avenues to get another 1,000 water meters in this financial year. The company will also buy pressure release valves in order to manage the abnormal water pressures caused by the terrain in our supply area.

Conclusion

As the Chairman, I wish to affirm the Board commitment to steer the Company in achieving our mandate. I take this opportunity to thank our development partners without whose support we could not have achieved this much.

Lastly, I would like to appreciate and most sincerely thanks my fellow Directors, the management and entire staff for the dedication they have shown in service provision to our customers. I also wish to note with appreciation the support extended to us by the County Government of Murang'a, Water Services Regulatory Board and both Athi and Tana Water Works Development Agencies among others. It is my hope that the Company will continue improving services to our customers. We hope that the support that you have accorded us throughout will continue.

Thank you and God bless us all.

Sign 

Date 20/08/2025

Hezron Muchiri Maina

CHAIRMAN OF THE BOARD

6. Report of the Managing Director

I take this opportunity to present to you my report on the Company's performance for the period ended 30th June 2025.

INTRODUCTION:

One of the main objectives in the water provision sub-sector is to offer water and sanitation services to the people which are adequate and available all the time. However, we have not been able to do so due to high number of 4,472 customers being served on flat rate and only 7,866 are metered. The result is low billing and customer preferring their water to be disconnected as they can be served by those with flat rate connections.

However, the company is still improving its services as it replaces the old distributions lines with new pipelines across and extending to new areas across all the five wards of Rwathia, Kiru, Gitugi, Kamacharia and Gaturi wards through the last mile connectivity programme. The programme has been is being extended by the County Government and the company.

SPECIFIC GOALS

They are meant to aim the following:

- i) Supply of portable water
- ii) Revival of old connections
- iii) increase of new connections
- iv) Expansion of pipe network to un served areas and improvement of hygiene and sanitation practices

Financial results for the year 2024-2025

The following is a summary of key highlights of financial statements.

a. Turnover

During the year under review the company's sales turnover was Kshs 79.9 Million against Kshs 73.5 Million for the year 2023-2024. The increase in sales turnover was purely as a result of internal growth within the service provision area. This is despite water charges remaining the same and the high number of customers being billed on flat rate of Kshs 500.

b. Expenses

The operating expenses during the year under review were Kshs 86.6 million against Kshs 80.5 million reported in the year 2023-2024.

c. Capital investment

Among the major capital works undertaken during the year under review includes extension of services in Gaturi where last mile connectivity pipes were laid with the assistance of the community.

d. Profit for the year

The company made an operating loss Kshs 5,742,707 compared to loss made of Kshs 4,582,567 made in the year 2023-2024. The loss has been occasioned by a number of factors such as flat rate connections as I had earlier said, increase in water abstraction fees by WRA, provision of bad debts among others.

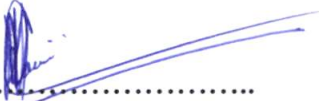
Current Challenges

- i) The Company is faced with low revenue collection than budgeted which is not enough to fund the company's operations budget as well as for expansion to unserved area.
- ii) High Non-Revenue Water of about 55%.
- iii) Low metering ratio of 60%
- iv) Infrastructure damage during road construction leading to huge water losses, high maintenance cost as well as unearned income.
- v) Lack of adequate office space.
- vi) Large accumulated customer bills due to non-payment by some of our customers.
- vii) In ability to settle creditors on time. This is due to funds flow constraint from non-paying customers.

Ways of meeting the goals and overcoming the challenges

The augmentation and expansion of Gatango Water Supply to Gaturi, Mugeka and Gathuki-ini will greatly improve our service delivery. Source for funding to procure customer water meters and pressure management. Continuous improvement of our automation in our operations

Thank you all.

Sign 

Date 25/8/2025

C.M. Muriuki
MANAGING DIRECTOR

7. Statement of Performance against Predetermined Objectives for FY 2024/2025

KEY STRATEGIC AREAS

For improved services provision and sustainability, the Company will continue concentrating on four strategic areas which have been identified as the drivers towards achieving the desired standards of the key performance indicators. The strategic areas are: -

- i) Growth which will be funded by internally generated funds and partnering with external entities where possible.
- ii) Review of human resource management: –Human capital is the driving force for any meaningful success. The Company will continue engaging the employees in a positive manner. The human resources and policy manual will continue being enriched to take on board current trends in the market. The company will also conduct employees’ satisfaction survey and implement the outcome of the survey.
- iii) Embrace customer-oriented culture: - the strategy will create an environment of a good relationship between customers and the company. To get expectations of the customers, customer satisfaction survey will be conducted.
- iv) Adopt and integrate technology to the company’s processes: - the company will embrace the technology to fasten the services to the customers and improve office services in accounting, procurement, customer care, human resource, procurement and improved billing.

STRATEGIC	OBJECTIVE	KPI	ACTIVITIES	ACHIEVEMENTS
Growth and expansion	To increase Company’s customer base.	Coverage	-Extension of mainlines and service lines.	2,044 more households served with water services
Metering	To increase the metering ratio	Metering ratio	Procuring and installation of customer’s meters and pressure management.	Installed 2,137 consumer/individual meters. The company’s metering ratio stands at 60%.
		Revenue collection efficiency	Procurement of motor cycle	None procured during the year under review.

Review of human resource management	Career development	Staff Productivity	Training as per training needs assessment	-I.C.T, Accountant, GIS and Water Quality officers attended various training.
Embrace customer oriented culture	Customer sensitization	Reduction on number of complaints	Customer were engaged through Barazas, Road shows, Radio and SMS.	Increased no of connections, less complains and understanding of Company's operation
Adopt and integrate technologies into company's processes	automation	Non-Revenue Water	Taking customer meters coordinates for both supplies	-Increased billing -Meter reading through phones application. -Bills sent through SMS

8. Corporate Governance Statement

The Company is incorporated as a limited company by guarantee.

i. Appointment of Board members, Process of appointment and removal of directors, The size, diversity, and demographics of the Board, Existence of the board charter

The board of directors is composed of nine (9) members who are elected during annual general meeting as explained below: -

- i. Two (2) members nominated by the County Government of Murang'a one of who shall be the Chief Officer Member in charge of Water affairs and the other in charge of Finance.
- ii. Two (2) members from the business and manufacturing community.
- iii. One (1) local professional nominated by their professional bodies.
- iv. One (1) representative of the Youth.
- v. Three (3) members representing women.

Apart from the two nominees from the County Government, the other seven (7) are determined after successful interview by committee selected by the County Government. To be eligible to be a Board member, one has to meet the qualification criteria as set out in Water Services Regulatory Board guidelines. When Board positions are vacant, they are advertised in the National Newspapers, the candidates apply, and are vetted by the Board selection committee

ii. Roles and functions of the board

The role of the Board is policy formulation and oversight.

iii. Induction, training, and development

The Board members are inducted through training on their roles and responsibilities.

iv. Number of Board meetings held and the attendance to those meetings by members

Board Committees meetings, Full Board meeting and key Board Activities

S/NO	Meeting	No of meeting for the FY 2024/2025
1	Finance, Human Resources & Administration Committee	4
2	Technical Committee	4
3	Audit Risk & Governance Committee	4
4	Special Board meeting	2
5	Full Board meeting	4
6	Stakeholders	17 th June 2025
7	AGM	25 th June 2025

v. **Board remuneration**

The Board's remuneration is fixed at AGM in accordance with benchmarks and guidelines set in the Water Sector by Water Services Regulatory Board(WASREB)

vi. **Terms of Reference of Committees**

In order to enhance corporate governance, the Board has constituted the following committees:

1) Audit , Risk & Governance Committee

The Audit, Risk and Governance Committee is constituted as a standing committee of the Board. The committee has three members. The Chairperson is elected among the three members and must come from the independent Board members.

The head of the Internal Audit function or his designate is be the secretary of the Committee. The Roles, Responsibilities and Duties the Committee is as found in The Public Finance Management Regulations, 2015 which include but are not limited to:

- f) Evaluating whether processes are in place to address key roles responsibilities in relation to risk management.
- g) Evaluating the adequacy of the control environment to provide reasonable assurance that the systems of internal control are of a high standard and functioning as intended.
- h) Performing an independent review of the financial statements to ensure the integrity and transparency of the financial reporting process.
- i) Monitoring the effectiveness of an entity's performance information and compliance with the performance management framework and performance reporting requirements.
- j) Evaluating the quality of the internal audit function, particularly in the areas of planning, monitoring and reporting.
- k) Engaging with external audit and assessing the adequacy of management response to issues identified by audit.
- l) Reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements and promotes a culture committed to lawful and ethical behaviour.

2) Finance, Human Resource and Administration committee

The committee is constituted as a standing committee of the Board.

Among the committees duties include Receiving, considering and making recommendations to the Board on: -

- a) Annual operating and capital budget

- b) Annual management financial statements
- c) Annual Procurement Plan
- d) Revised budgets
- e) Policies related to financial management
- f) Scrutiny of the financial statements
- g) Considering the organization's resources requirements and make recommendations for sourcing options
- h) Ensuring compliance with laws, regulations and international financial reporting standards
- i) Reviewing project financial statements to ensure compliance with donor reporting and financing agreements
- j) Formulation, Review and Monitor Financial policy and procedures to ensure compliance
- k) Setting financial standards of performance in water sector to optimize the cost of production and benchmarking with utility best practices
- l) Monitor financial sustainability of the Company
- m) Monitor effectiveness of the Company's financial systems (billing and revenue collections), policies and procedures
- n) Enhance internal controls to ensure accountability and transparency.
- o) Review and assess the risks and recommend strategies & actions to mitigate them.

3) *Technical committee Committees*

Committee is constituted as a standing committee of the Board. The Committee is authorized by the Board to act within its terms of reference.

Roles and Responsibilities of the committee

- i. Review proposals and plans for infrastructure development and improvement.
- ii. Evaluate and review progress of implementation for infrastructure development programmes.
- iii. Evaluate and review performance of contracted Services Providers performance.
- iv. Evaluate the use of new and appropriate technologies in provision of water services

- v. Review and recommend for approval by the full board infrastructure development.
- vi. Ensure compliance by the Company with the terms and conditions of the License and all ancillary requirements from, Water Services Regulatory Board, Water Resource Management Authority and County Government of Murang'a.
- vii. Ensure compliance by the Company with statutory regulations relating to the Environment and Water Resources Authority.
- viii. Strategies for strengthening and mentoring the operations of small scale water services providers within the County.
- ix. Follow up and review the progress of implementation of performance contract and all technical matters.
- vii. Policy on related party transactions

Under Article 57 of Company's Memorandum and Articles of Association, a Director, employee or their proxies are not eligible to trade and or in any way contract with the company for the provision of goods and services. There is also declaration of interest register for Board undertakings.

9. Management Discussion Analysis

Over the years, the Company has achieved steady growth as evidenced in improvement in the standard service provision indicators which are universal in the sector.

During the financial year 2024/2025, the Company operated under a challenging environment.

This was mainly in:-

- 1) Water flow disruption occasioned by road repairs and upgrading by the County Government and Kenya Rural Roads Boards. This affected flow in Mwangathia zone due to pipe destruction.
- 2) The current Tariff in place only covers 88% of the Company's operational costs leaving no funds for investments.
- 3) Low flows occasioned by the draught hence strict rationing programs.

2.1 ACHIEVEMENTS FOR THE PERIOD WERE:-

S/No.	BUDGETED OBJECTIVES	TARGET	ACHIEVEMENT	REMARKS
1.	Increase Billing from Kshs 71,459,710 to Kshs 81,600,000	81,600,000	79,890,842	The target was 98% achieved
2.	To revive old and new connections	1,500	2,044	This was targeted the new zone created at Gaitheri after completion of the new kihari intake.
3.	Procurement and Installation of customer, master and Zonal meters	1,000	2,137	The company did not have enough funds from internal sources to procure more meters.
4.	Prepare and implement a cost recovery tariff	To have a valid tariff in place	In progress	The Tariff was Gazetted by the Regulator and the new tariff to take effect from July 2025
5.	License application	To have a valid license	achieved	The company was issued with a three year licence

Management Discussion Analysis (continued)

SECTION A

Key Performance indicators (KPI) For the Financial year 2024/2025

Universally, there are set parameters that are used to measure the performance of a Water Services utility for effective management. The Company plans to apply these parameters and set continuous improvement for each indicator. The performance in the parameters for the years 2024/2025 are as summarized next below: -

No.	Objectives	Current status as at 30 th June 2024	Target as at 30 th June 2025	Actual as at 30 th June 2025	Measure
1	Water Quality	99	100	100	%
2	Non-Revenue Water	59	50	55	%
3	Water coverage	57	78	69	%
4	Hours of Service	23	23	23	Hours
5	Staff Productivity	6	5	6	<
6	Revenue Collection Efficiency	100	95	95	%
7	Personnel cost as % of O+M	62	47	61	%
8	O+M Cost Coverage	96	101	100	%
9	Metering Ratio	55	70	60	%

OPERATIONAL AND FINANCIAL PERFORMANCE

The revenue collection refers to all the payments made by the customers to settle the bills for the month. The operational costs includes the re-current expenditures incurred for the period specified

Particulars	2022	2023	2024	2025
Revenue collection	57,113,581	68,178,967	72,152,135	74,747,390
Billing collection	61,669,980	71,488,632	72,784,830	79,890,842
Operational costs	75,550,117	71,814,975	80,572,842	86,613,529
Capital expenditure	5,856,606	3,702,644	3,527,755	10,505,977

Management Discussion Analysis (continued)

SECTION B

Compliance with statutory requirements

The Company complies with most of statutory requirements in terms of remitting. However, due to liquidity constrains, the Company is unable to remit levies, fees and employee entitlements on time.

Currently the company is involved in the following litigation:

Court cases;

- a) Mr Wilson Gikonyo Gacheru-Murang'a civil suit 223 of 2020

SECTION C

Key projects and investment decisions the company is planning/implementing

To increase coverage, the Company plans to lay 150KM of small diameters pipes for last mile connectivity. Further to reduce wastage hence Non Revenue Water, about 3000 customers meter will be installed. This will be through Athi Water Works Development Agency funding. Further funding is expected from the County Government.

SECTION D

Major risks facing the company

Currently, the Company is operating on a tariff that cannot fully cover the cost of operation and finance minor investments. This has led to increased short-term liabilities. A cost recovery tariff was applied from the regulator and Gazetted and will be implemented from the next financial year.

SECTION E

Material arrears in statutory/financial obligations

As at close of the period, the Company had accrued Kshs 6,448,668 as management fees payable to Tana Water Works Development Agency, WASREB Kshs 16,934,870 who is the regulator and Water Management Authority (WRA) Kshs 11,477,630. The employees are further owed Kshs 23,218,016 as accrued gratuity, pension and pension gratuity.

SECTION F

Financial probity and serious governance issues

The Company follows corporate governance guidelines from the regulator and other relevant laws. There are no any governance issues or conflict of interest.

10. Environmental and Sustainability Reporting

To conserve and safeguard the environment, the following activities were carried out to conserve and improve the environment:

- a) Partnered and supported with local conservancy groups in trees planting in the catchment areas.
- b) The company has developed a water safety plan as a guide for implementation of work plan and environmental policy

I. Employee welfare

Gatamathi subscribes to the doctrine of equal opportunity employer. Recruitment is undertaken on the basis of fair competition and merit, representation of Kenya's diverse communities, adequate and equal opportunities to all gender, youth, members of all ethnic groups, persons living with disabilities and minorities. The company policy is to recruit and retain high-qualified staff, with appropriate academic and professional qualifications and experience, and reward them for their efficient productivity. Vacancies in the company are filled competitively from the labour market and internally where relevant competencies exist.

Skills Inventory - The company develops, updates, analyses and maintains the skills inventories for all their staff and share with key stakeholders when need be. The analysis establishes the type and level of skills available, existing skills gaps and recommends appropriate interventions like short-term training and seminars.

The company recognizes its corporate responsibility under the Occupational Safety and Health Act of 2007. In fulfilling this responsibility, the company undertakes to observe Occupational safety and Health standards well beyond the minimum statutory requirement. The company adopts all reasonable and proactive measures to:

- a. Create a safe working environment;
- b. Uphold environmentally friendly practices;
- c. Provide appropriate training and awareness to its employees;
- d. Take responsibility for Occupational Health Safety and Environment of the work place;
- e. Continuously monitor Occupational Health, Safety and Environment through regular inspection and Audits

a) Responsible supply chain and supplier relations

The Company complies with Public Procurement and Asset Disposal Act 2016 and its regulations. Opportunities are given to potential supplies through tendering and quotations that are open to the public. Tenders /quotations are evaluated and feedback is given to the tenderers. Contracts are entered into and the suppliers are paid for goods delivered and services rendered.

b) Responsible marketing and advertisement

When marketing its services to potential and existing customers, the Company endeavour to fulfil the promises as per the service charter in place.

c) Product stewardship

The Company ensures that the customers are aware of their rights for services through regular communications in public Barazas.

The company ensured purchase of goods which are environmentally friendly. This is by use of products that can be recycled or disposed to avoid environmental pollution and ensured the products are good to human health.

As Gatamathi Water and sanitation Community, we believe that we have a responsibility to our stake holder as well as to the communities in which we work and live . Our commitment is to build a deeply ingrained sense of social responsibility among our stake holder and the recognition that our company exists and grow strongly by helping to advance local communities well being and strive to improve the individual lives around the area of jurisdiction.

At Gatamathi we understand that we have a responsibility to our society and have made Corporate Social Responsibility an integral part of our business culture. To underline our deep commitment to making a difference in people's live we are guided by a policy where the company commits a budgetary allocation towards Corporate Social Responsibility initiatives which focuses on key areas such as environment, Health, Education and sporting activities, and support to vulnerable groups.

As a company some of the Corporate Social Responsibility initiative that we have extended to the communities during the year under review include

1. Education – Currently we have partnered with technical institutions offering water related courses to offer students opportunities for attachment and internship program.
2. Vulnerable groups- the company makes contribution to the communities by assisting the elderly and needy persons with roof harvesting initiative where we donate tanks and install water connections. Further the company through the propoor initiative as guided by the local administration has assisted in offseting water bills to the vulnerable families within the supply area. Also Ngutu landslide victims were provided with a tank and a water connection.
3. Youth & Sports – in our commitment to support the communities we advance our efforts in contributing to sporting activities in the area of jurisdiction particularly we are involved in providing clean and bottled water during public events.

4. Environment- towards protecting the eco system in our jurisdiction we partnered with other government agencies towards tree planting initiatives in the area where the company procures seedlings as well as participating in environmental conservation..

11. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the company's affairs.

i) Principal activities

The principal activities of the company continue to be provision of water services.

ii) Results

The results of the company for the year ended June 30, 2025, are set out on page 1 to 5.

iii) Dividends

The company has not declared dividends for the year ended 2025. This is because the company is limited by guarantee hence any surplus should be ploughed back to the company to be used as capital expenditure. For the year under review the company made a loss of Kshs 5,742,707.

iv) Directors

The members of the Board of Directors who served during the year are shown on page xi.

v) Auditors

The Auditor-General is responsible for the statutory audit of the Gatamathi water and sanitation limited in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board



Name: Charles Maina Muriuki

Secretary to the Board

12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act 2012 and Company's Act 2015 require the Directors to prepare financial statements in respect of that company's, which give a true and fair view of the state of affairs of the company at the end of the financial year/period and the operating results of the company's for that year/period. The Directors are also required to ensure that the company keeps proper accounting records which disclose with reasonable accuracy the financial position of the company. The Directors are also responsible for safeguarding the assets of the company.

The Directors are responsible for the preparation and presentation of the company's financial statements, which give a true and fair view of the state of affairs of the company's for and as at the end of the financial year ended on June 30, 2025. This responsibility includes:

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

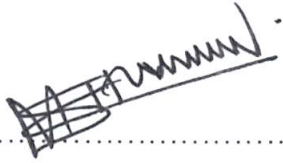
The Directors accept responsibility for the company financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the Public Finance Management Act 2012, Water Act 2016 and Companies Act 2015. The Directors are of the opinion that the company financial statements give a true and fair view of the state of company transactions during the financial year ended June 30, 2025, and of the company financial position as at that date. The Directors further confirms the completeness of the accounting records maintained for the company, which have been relied upon in the preparation of the company financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Directors have assessed the entity's ability to continue as a going concern.

Nothing has come to the attention of the Directors to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The company's financial statements were approved by the Board on 20/2/2025 2025 and signed on its behalf by:



.....
Hezron Muchiri Maina

Chairperson of the Board



.....
Charles Maina Muriuki

Accounting Officer

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON GATAMATHI WATER AND SANITATION LIMITED FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Gatamathi Water and Sanitation Limited set out on pages 1 to 33, which comprise of the statement of financial position as

at 30 June, 2025 and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Gatamathi Water and Sanitation Limited as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standard (IFRS) and comply with the Water Act, 2016 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Presentation and Disclosures of Statement of Comparison of Budget and Actual Amount

- i. The statement of comparison of budget and actual amount omits budget carryovers from the previous year of Kshs.2,136,946 relating to opening balance of cash and cash equivalents which ought to be included under the column for budget adjustments.
- ii. The statement of comparison of budget and actual amounts on budget reconciliation reflect reconciliation between opening balance of Kshs.2,136,946 and closing balance of Kshs.3,877,916 of cash and cash equivalent instead disclosing the reconciliation between actual amount of deficit of Kshs.5,369,762 as per the statement of comparison of budget and actual amount and the closing cash and cash equivalent balance of Kshs.3,877,916 contrary to the requirement of financial reporting template issued by the Public Sector Accounting Standard Board.

In the circumstances, the accuracy and completeness of balances and disclosures in the financial statement could not be confirmed.

2. Undisclosed Property, Plant and Equipment

The statement of financial position reflects net balance of Kshs.28,193,208 in respect of property, plant and equipment as disclosed in Note 17 of the financial statement. The Company has invested in the water infrastructure assets which include tangible and intangible components used to supply and manage water and sanitation services, such as, pipes, treatment plants and reservoirs however, the values of the assets has not been determined and disclosed in the financial statement.

Further, the Company is situated and operates at the land offices of the former Government of Kenya Water Supply Department used by the former district water officers

which include building and fixtures constructed on pooled Government land with other Ministries. There was no evidence of transfer of assets as envisaged in Water Act, 2002 (revised 2016) and values of the assets have not been disclosed in the financial statement.

In the circumstances, the accuracy and completeness of property, plant and equipment balances of Kshs.28,193,208 could not be confirmed.

3. Long outstanding Trade and Other Receivables

The statement of financial position reflects a Net balance of Kshs.40,716,948 for trade and other receivables as disclosed in Note 15 to the financial statements. The Note further, reflects kshs.63,378,080 as gross trade receivable, out of which impairment allowance of Kshs.22,661,132 was provided for during the year which is an increase of Kshs.2,473,997 from the prior year audited financial statement amount of kshs.20,187,135. However, the increase was not supported by specific lists of customers declared doubtful during the year.

In addition, gross balance of trade and other receivables includes an amount of Kshs.36,452,270 in respect of dormant accounts composed of Kshs.22,662,132 and Kshs.13,791,137.50 for individual and institutions accounts respectively out of which outstanding debts amounting Kshs.17,059,125 had been dormant for more than five (5) years representing 47% of the total dormant accounts. In addition, the Company does not have a policy in place to guide on the criteria for the provision of bad and doubtful debts.

In the circumstances, the completeness and recoverability of trade and other receivables balance could not be confirmed.

4. Long Outstanding Trade and Other Payables

The statement of financial position reflects Kshs.74,426,556 in respect of trade and other payables as disclosed in Note 18 to the financial statement. However, the balance includes an amount of Ksh.32,003,419 which has been outstanding for three (3) years.

In the circumstances, the ability of the Company to settle debts is doubtful and the accuracy and completeness of trade and other payables could not be confirmed.

5. Unaccounted for Refundable Customer Deposits

The statement of financial position reflects Kshs.13,012,840 in respect of refundable customer deposits as disclosed in Note 18b to the financial statements. However, the deposit bank account statement reflects Kshs.3,016,393 resulting to unsupported and unaccounted refundable customer deposit balance of Kshs.9,996,447.

In the circumstances, the validity, accuracy and completeness of refundable customer deposits balance could not be confirmed.

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

Material Uncertainty Related to Going Concern

The statement of profit or loss and other comprehensive income reflects a loss of Kshs.5,742,707 and a prior year loss of Kshs.4,582,567. Further, the current liabilities of Kshs.88,143,656 exceeded the current assets of Kshs.62,276,745 resulting to a negative working capital of Kshs.25,866,911. The negative liquidity position is an indication of the existence of a material uncertainty on the Company’s ability to continue as a going concern which Management has not disclosed.

In the circumstances, the Company may not be able to meet its current obligations as and when they fall due and may depend on the support from the County Government and creditors.

My Opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effects of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Audit Matters

In the prior year’s audit report, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the Company in 2024/2025 revealed that the following matters remained unresolved.

No	Financial Year	Audit Issue
1	2023/2024	Unmetered Connections
2	2023/2024	Trade and Other Receivables Balance
3	2023/2024	Long Outstanding Payables
4	2023/2024	Unaccounted for Refundable Deposit and Prepayments
5	2023/2024	Going Concern of the Company

6	2023/2024	Non-Remittance of Statutory Duties
7	2023/2024	Non- Remittance of Water Service Levy
8	2023/2024	Exceeding Industrial Benchmark on Personnel Expenses
9	2023/2024	Non-Compliance with Law on Staff Ethnic Diversity
10	2023/2024	Non-Compliance with the Principles of Equal Opportunity for All
11	2023/2024	Non-Revenue Water (NRW)

Other Information

The Management are responsible for the Other Information set out on page iii to xxx which comprise of Key Entity Information and Management, Board of Directors profiles, Key Management Team profiles, Chairman's Statement, Report of the Managing Director, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Statement of Director's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Gatamathi Water and Sanitation Limited 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. Failure to Submit Quarterly Report and Financial Statements

The Company has to date not submitted quarterly report and financial statement for the period ended 30 September, 2024, 31 December, 2024 and 31 March, 2025 and

30 June, 2025 to the Auditor General contrary to Section 166 of the Public Finance Management Act, 2012.

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

2. High Non-Revenue Water.

During the financial year under review, the Company produced 3,209,000 cubic meters (M3) of water in which 1,510,385 (M3) was billed to customers. The balance of 1,698,615.00 cubic Meters (M3) water which is fifty-three (53%) percent represented Non-Revenue Water. The Unaccounted Water percentage of 53% is 28% above the allowable loss of 25% by the Water Service Regulatory Board (WASREB) guidelines. The high level of Non-Revenue Water may have contributed negatively on the profitability of the Company.

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

3. Unmetered Connections

Review of Company records revealed that the Company had a total of 12,339 active connections. A further analysis of active connections revealed that a total of eight thousand, nine hundred fifty-three (8,953) connections were metered and three thousand, three hundred eighty-six (3,386) were un-metered translating to twenty seven percent (27%) of the total connection in breach of part 14.3 (a) of WASREB License on the conditions of the license which requires all connections to be metered.

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

4. Non- Compliance with Industrial Benchmark on Personnel Expenses

The statement of profit or loss and other comprehensive income and as disclosed in Note 9 to the financial statements reflects Kshs.47,592,044 in respect to staff costs. The staff costs constituted fifty-five percent (55%) of the total operational and maintenance costs of Kshs.86,613,529 of the Company for the year under review contrary to Section 3.9 (9) of WASREB corporate Governance Guidelines that provides that the staff costs should not exceed 35% of the total revenue as per the Company's size.

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

5. Non-compliance with the Public Procurement Capacity Building Levy Order

During the year under review, the Company procured and paid for various goods and services. However, Management did not deduct and remit public procurement capacity building levy at the rate of 0.03% of the contract sums before paying the suppliers contrary to section 3(1) of The Levy Order, 2023.

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

6. Non-compliance With National Cohesion and Integration Act on Ethnicity

Review of the personnel records maintained by the Company revealed that the Company had sixty (60) employees on permanent and pensionable, three (3) on contract and one (1) intern all from the dominant ethnic group representing 100% of total employees from a single ethnic group contrary to section 7(2) of the National Cohesion and Integration Act, 2008.

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

Basis for Conclusion

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, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Lack of Risk Management Policy

Review of Company records and inquiry from Management revealed that Management had not prepared and adopted a Risk Management Policy useful for providing a framework to identify, assess, and mitigate potential threats, thereby safeguarding assets, employees, and reputation. In the absence of the policy, the Company may not be responsive against potential losses or threats to its continued operation.

In the circumstances, the effectiveness of risk assessment, response and mitigation of risks could not be confirmed.

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 the Companies Act, 2015, I report, based on my audit, that except for the matter described in the Basis for Qualified Opinion, I confirm 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 company, so far as appears from the examination of those records; and,
- iii. The Company's financial statements are in agreement with the accounting records and returns.

Basis for Conclusion

The Company Act, 2015 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 Company 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 the Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

The Board of Directors is responsible for overseeing the Company's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to 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

28 November, 2025

14. Statement of Profit or Loss & Other Comprehensive Income for the Year Ended 30 June 2025

	Notes	2025 FY	2024 FY
		Kshs	Kshs
Revenue			
Operating revenue	6	79,890,842	72,784,830
Grant Income	7	979,980	2,473,425
Other income	8	-	732,020
Total revenue		80,870,822	75,990,275
Expenses			
Staff costs	9	47,592,044	47,165,435
General and Operations Expenses	10	25,047,550	17,989,460
Board Expenses	11	2,853,158	2,620,539
Repairs and maintenance expenses	13	6,572,460	8,989,828
Depreciation and amortization expense	12	4,548,317	3,807,580
Total expenses		86,613,529	80,572,842
Surplus/ (deficit) before tax		(5,742,707)	(4,582,567)
Surplus/(deficit) for the period/year		(5,742,707)	(4,582,567)
Net Surplus for the year		(5,742,707)	(4,582,567)
Attributable to:			
Surplus/(deficit) attributable to minority interest		(5,742,707)	(4,582,567)

The notes set out on pages 6 to 25 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:



Name: Charles Maina Muriuki

Accounting Officer

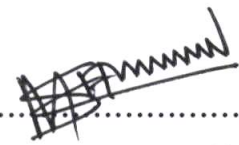
Date: 24/11/2025



Name: Priscillah Njeri Wambui

Head of Accounts

ICPAK M/No: 20056
Date: 24/11/2025



Name: Hezron Muchiri Maina

Chairman of the Board

Date: 24/11/2025

15. Statement of Financial Position as at 30 June 2025

	Notes	2024-2025	2023-2024
		FY	FY
		Kshs	Kshs
Assets			
Non-Current Assets			
Property, Plant and Equipment	17	28,193,208	25,919,573
Intangible assets	18	-	-
Total Non- Current Assets		28,193,208	25,919,573
Current Assets			
Inventories	16	17,681,881	18,258,169
Trade and receivables	15	40,716,948	40,132,140
Bank and Cash balances	14	3,877,916	2,136,946
Total Current Assets		62,276,745	60,527,255
Total Assets		90,469,953	86,446,826
Equity and Liabilities			
Capital and Reserves			
Revaluation reserves		3,094,897	-
Retained earnings		(66,013,363)	(60,270,658)
Government grants		65,244,763	65,244,763
Capital and Reserves		2,326,297	4,974,105
Liabilities			
Current Liabilities			
Trade and Other Payables	19	74,426,556	69,164,225
Refundable Customer Deposits	20	13,012,840	11,651,450
Payment received in advance	21	704,260	657,046
Total Current Liabilities		88,143,656	81,472,721
Total Equity and Liabilities		90,469,953	86,446,826


The financial statements set out on pages 1 to 5 were signed on behalf of the Board of Directors

by:


.....

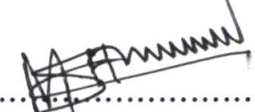
Name: Charles Maina Muriuki
Accounting Officer

Date: 24/11/2025


.....

Name: Priscillah Njeri Wambui
Head of Accounts

ICPAK M/No:20056
Date: 24/11/2025


.....

Name: Hezron Muchiri Maina
Chairman of the Board

Date: 24/11/2025

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

Description	Retained earnings	Government Grants	Revaluation reserves	Total
	Kshs	Kshs	Kshs	Kshs
As at July 1, 2023	(55,788,891)	65,244,763	-	9,455,872
Prior year adjustments	100,800	-	-	100,800
Deficit for the year	(4,582,567)	-	-	(4,582,567)
As at June 30, 2024	(60,270,658)	65,244,763	-	4,974,105
As at July 1, 2024	(60,270,658)	65,244,763	-	4,974,105
Deficit for the year	(5,742,707)	-	-	(5,742,707)
Gain on revaluation	-	-	3,094,897	3,094,897
As at June 30, 2025	(66,013,365)	65,244,763	3,094,897	2,326,297

Note:

1. The gain in revaluation was as a result of motor vehicles and motor cycles valuation at the end of the year.

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

Particulars	Notes	2023-2024	2022-2023
		FY	FY
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Operating receipts	23	76,832,036	74,231,816
Grant income	7	979,980	2,473,425
Other income	8	-	732,020
Refundable customer deposits	20(a)	1,401,450	1,063,200
Total receipts		79,213,466	78,500,461
Payments			
General and operating expenses	24	16,687,719	7,750,553
Staff costs	9	47,592,044	47,165,435
Board Expenses	11	2,853,158	2,620,539
Repairs and maintenance	13	6,572,460	8,989,828
Refund of customer deposits	20(b)	40,060	97,895
Total payments		73,745,441	66,624,250
Net cash flows from/(used in) operating activities	22	5,468,025	11,876,211
Cash flows from investing activities			
Purchase of PPE and Intangible assets	17	(3,727,055)	(10,505,977)
Net cash flows from/(used in) investing activities		(3,727,055)	(10,505,977)
Net increase/(decrease) in cash & Cash equivalents		1,740,970	1,370,234
Cash and cash equivalents at 1 July 2023	14	2,136,946	766,712
Cash and cash equivalents at 30 June 2024	14	3,877,916	2,136,946

18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025

Descriptions	Original budget		Adjustments		Final budget		Actual on comparable basis		Performance difference		% of utilization
	Kshs	a	Kshs	b	Kshs	C=(a+b)	Kshs	d	Kshs	e=(c-d)	
Revenue											
Operating revenue	84,000,000		-		84,000,000		77,740,842		(3,859,158)		95
Grants	980,000		-		980,000		979,980		(20)		100
Other Income	100,000		-		100,000		-		(100,000)		0
Total Income	85,080,000				85,080,000		80,870,822		(4,209,178)		95
Recurrent Expenditure											
Staff costs	46,490,000		130,000		46,620,000		47,592,044		972,044		102
Board expenses	2,700,000		100,000		2,800,000		2,853,158		53,158		102
General and operations expenses	22,894,000		770,000		23,664,000		25,047,550		1,383,550		106
Repairs and Maintenance expenses	7,450,000		(1,000,000)		6,450,000		6,572,460		122,460		102
Depreciation and amortization expenses	2,500,000		-		2,500,000		4,548,317		2,048,317		182
Total Expenditure	82,034,000		-		82,034,000		86,613,529		4,579,529		106
Capital Expenditure	7,146,000		-		7,146,000		3,727,055		(3,418,945)		52
TOTAL EXPENDITURE	89,180,000		-		88,780,000		90,340,584		1,160,584		101
Surplus / (deficit) for the period	(4,100,000)		-		(4,100,000)		(9,469,762)		(5,369,762)		231

BUDGET NOTES

1. The increase in employees cost was occasioned by introduction of housing levy and increase in N.S.S.F rate by the government.
2. There was increase in board of directors from seven (7) to nine (9) who were appointed by the county government of Murang'a.
3. The increase in depreciation was as a result of increase in motor vehicles after the valuation.
4. The increase in the general and operations expenses was occasioned by the increase in provisions for bad debts.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Opening cash and cash equivalent	2,136,946
	Actual Deficit Amounts as per the statement of Budget	(9,496,762)
1	Increase in receivables	4,566,916
2	Increase in payables	6,670,936
	Closing cash and cash equivalent	3,877,916

19. Notes to the Financial Statements

1. General Information

Gatamathi water and sanitation Company Ltd is established by and derives its authority and accountability from Water Act 2002. The Entity is wholly owned by the County government of Murang'a and is domiciled in Kenya. The Entity's principal activity is providing water service.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Company. *The* financial statements have been prepared in accordance with the Public Finance Management Act 2012, Water Act 2016 and Company's 2015, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

Title	Description	Effective Date
Amendments to IAS 1 titled Classification of Liabilities as Current or Non-current (issued in January 2020, amended in October 2022)	The amendments, applicable to annual periods beginning on or after 1st January 2024, clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period	The amendments are effective for annual periods beginning on or after January 1, 2024. Earlier application is permitted.
Amendment to IFRS 16 titled Lease Liability in a Sale and Leaseback	The amendment, applicable to annual periods beginning on or after 1st January 2024, requires a seller-lessee to subsequently measure lease liabilities	The amendments are effective for annual periods beginning on or after

Title	Description	Effective Date
(issued in September 2022)	arising from a leaseback in a way that it does not recognise any amount of the gain or loss.	January 1, 2024. Earlier application is permitted.
Amendments to the Classification and Measurement of Financial Instruments Amendments to IFRS 9 and IFRS 7	The amendments specify: <ol style="list-style-type: none"> i. when a financial liability settled using an electronic payment system can be deemed to be discharged before the settlement date. ii. how to assess the contractual cash flow characteristics of financial assets with contingent features when the nature of the contingent event does not relate directly to changes in basic lending risks and costs; and iii. new or amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs. 	1 January 2026

(The Directors have assessed the applicable standards and amendments. Based on their assessment of impact of application of the above, they do not expect that there will be a significant impact on the company's financial statements.)

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

Title	Description	Effective Date
IFRS 18 Presentation and Disclosure in Financial statements	The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.	The new standard is effective for annual periods beginning on or after January 1, 2027. Earlier application is permitted.
IFRS 19 Subsidiaries without Public Accountability	IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued in May 2024. IFRS 19 permits some subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. These entities apply the requirements in other IFRS Accounting Standards except for their disclosure requirements. Instead, these entities apply the requirements in IFRS 19	An entity may elect to apply this Standard for reporting periods beginning on or after 1 January 2027. Earlier application is permitted.

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

ii. Early adoption of standards

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

a. Revenue recognition

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

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

b. In-kind contributions

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

c. Property, plant and equipment

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

Certain categories of property, plant and equipment are subsequently carried at re-valued amounts, being their fair value at the date of re-valuation less any subsequent accumulated depreciation and impairment losses. Where re-measurement at re-valued amounts is desired,

all items in an asset category are re-valued through periodic valuations carried out by independent external valuers.

Increases in the carrying amounts of assets arising from re-valuation are credited to other comprehensive income. Decreases that offset previous increases in the carrying amount of

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

the same asset are charged against the revaluation reserve account; all other decreases are charged to profit or loss in the income statement.

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

d. Depreciation and impairment of property, plant and equipment

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

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

ITEM	RATES
Fixtures	12.5 %
Property, Plant and machinery	12.5 %
Motor vehicles, including motor cycles	25%
Computers and related equipment	12.5%
Office equipment, furniture and fittings	12.5%
Intangible assets	33.3%

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

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

All other leases are treated as operating leases and the leased assets are recognised in the statement of financial position to the extent of prepaid lease rentals at the end of the year. Payments made under operating leases are recognised in profit or loss on a straight-line basis

over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

e. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

f. Inventories

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

g. Trade and other receivables

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

h. Taxation

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted as at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

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

i. 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 Equity Bank, Family

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

Bank, Kenya commercial bank and M-Pesa account 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.

j. Trade and other payables

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

k. Retirement benefit obligations

The company contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The company's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs.200.00 per employee per month. Also employees are under registered pension scheme where the company contributes 15% of the basic pay plus house allowance to the scheme.

l. Provision for staff leave pay

Employees' entitlements to annual leave are recognised as they accrue. A maximum of fifteen days as Leave days will be carried forward and taken as per the Company's Human Resources and Policy Manual

m. Comparative figures

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

n. Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the company financial statements in conformity with IFRS 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.

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

Estimates and assumptions.

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

Useful lives and residual value

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

- a) The condition of the asset based on the assessment of experts employed by the Entity.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace 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 9. 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.

Notes to the Financial Statements (Continued)

6. Operating Revenue

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
Billing - Water sales	77,740,842	70,711,180
- New connections	2,150,000	2,073,650
Total	79,890,842	72,784,830

7. Grant Income

Description	2024-2025	2023-2024
	FY	FY
	KShs	KShs
Operational Grant		
County government of Murang'a	979,980	973,425
Total Operational Grants	979,980	973,425
Operational Grants from other agencies		
KERRA	-	1,500,000
Total	979,980	2,473,425

The operational grant is the salary received from the seconded employee by the county government and the operational grants from other agencies was the money given for re-routing and relocation of main line from the road reserves due to construction of the road.

8. Other Income

Description	2023-2024	2022-2023
	FY	FY
	Kshs	Kshs
Other income	-	732,020
Total	-	732,020

9. Staff Costs

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
Salaries and allowances of permanent employees	34,774,400	35,888,918
Wages of temporary employees	2,132,300	2,022,465
Compulsory national health insurance schemes	914,541	790,350
Compulsory national social security schemes	1,543,640	1,106,366
Other pension contributions: Company contribution	3,388,113	3,272,349
: N.S.S.F	1,509,173	1,058,474
: Standard chartered	72,000	72,000

Leave allowance and gratuity	2,512,504	2,410,951
Staff welfare	70,000	100,000
House levy	675,373	443,562
Total	47,592,044	47,165,435
The average number of employees during the year	67	66

The increase was attributed by introduction of housing levy 1.5% and N.S.S.F of 2.75% of the gross salary.

10. General and operations expenses

Description	2024-2025 FY	2023-2024 FY
	Kshs	Kshs
Electricity	128,786	112,706
Water	7,300	10,035
Professional services	211,355	188,920
Subscription	87,100	94,725
Advertising	482,760	292,235
Audit fees	310,000	304,000
Conferences and delegations	952,928	425,000
Fuel and oils	3,338,063	3,883,462
Insurance	548,330	552,922
Legal services	547,000	1,177,000
Licenses and permits	-	354,240
Chemicals	234,543	497,884
Water purification cost	80,000	20,000
Postage	717,534	843,465
Printing and Stationery	312,210	596,315
Security cost	1,137,985	804,627
Skills development levies – N.I.T.A Levy	44,050	88,550
Telecommunication	461,900	241,650
Training	1,299,516	640,112
Travel, Subsistence & Other Allowances*	2,286,124	1,841,288
Bank charges	59,410	72,811
Motivation	197,500	188,328
<u>Other General Expenses</u>		
- Extra A.G.M costs - Public participation	937,720	597,900
- Pro-poor	21,440	222,296
- Hospitality supplies	213,010	133,630
- WRA fees	2,376,000	4,989,600
- WASPA fees	130,000	105,000
- WASREB fees	3,248,377	2,896,307
- WASCO games	1,249,712	296,700
- KFS fees	220,000	220,000
- Staff uniform	331,050	36,620

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
- Provision for bad debts	2,473,997	(4,738,868)
- Customer satisfaction survey	401,850	-
Total	25,047,550	17,989,460

11. Board Expenses

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
Directors' Honoraria	105,000	120,000
Sitting Allowances	2,518,308	1,559,400
Induction and Training	-	769,300
Other Allowances	229,850	171,839
Total	2,853,158	2,620,539

12. Depreciation and Amortization Expense

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
Property, plant and equipment	4,548,317	3,807,580
Total	4,548,317	3,807,580

There was valuation of motor vehicle and motor cycles which was an increment in value. The increase in the P.P.E increased the depreciation.

13. Repairs and Maintenance expenses

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
Computer repairs	787,130	549,920
Fixtures repairs	153,930	112,285
General repairs	85,970	101,215
Motor cycle repairs	422,015	225,440
Motor Vehicle repairs	1,195,728	1,732,126
Consumables – water supply O & M	3,927,687	6,268,842
Total	6,572,460	8,989,828

Notes to the Financial Statements (Continued)

14. Cash and Cash Equivalents

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
Current Account	613,179	1,006,230
Savings Account	3,061,393	1,062,773
Cash at hand	30,191	2,571
M-Pesa account	173,153	65,372
Total	3,877,916	2,136,946

Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	2024-2025	2023-2024
		FY	FY
		Kshs	Kshs
a) Current Account			
Equity Bank Current Account	0050290566304	8,458	45,926
Family Bank Project Account	008000007165	352	352
Family Bank Current Account	008000006833	386,933	899,643
Family Bank Current Account	008000019276	334	334
Kenya Commercial Bank Account	1151559091	217,102	59,975
Sub- Total		613,179	1,006,230
b) On - Call Deposits			
Equity Bank Savings Account	0050190278469	3,061,393	1,062,773
Sub- Total		3,061,393	1,062,773
c) Others			
Imprest		15,700	1,480
Cash In Hand		14,491	1,091
Sub- Total		30,191	2,571
Mobile Money Accounts	991790	173,153	65,372
Grand Total		3,877,916	2,136,946

The increase in cash and cash equivalents is as a result of refund of customer deposits utilised in operations to the customer deposit savings accounts.

Notes to the Financial Statements (Continued)

15. Trade and other receivables

Description	2024-2025		2023-2024	
	FY		FY	
	Kshs		Kshs	
Other debtors	63,378,080		60,319,274	
Less: impairment allowance	(22,661,132)		(20,187,135)	
Total	40,716,948		40,132,140	
Ageing Analysis- Trade and receivables	2024-2025	% of the	2023-2024	% of the
	FY	total	FY	total
Less than 1 year	12,655,616	20%	26,540,481	34%
Between 1-2 years	18,983,424	30%	13,270,240	22%
Over 3 years	31,739,040	50%	20,508,553	44%
Total	63,378,080		60,319,274	%

Description	2024-2025		2023-2024	
	FY		FY	
	Kshs		Kshs	
At the beginning of the year	41,373,994		34,655,216	
Additional provisions during the year	22,661,132		26,187,135	
Less Recovered during the year	(657,046)		(523,077)	
At the end of the year	63,378,080		60,319,274	

16. Inventories

Description	2024-2025		2023-2024	
	FY		FY	
	Kshs		Kshs	
Consumable stores	1,567,130		1,708,579	
Water for distribution – Pipes & Fittings	15,987,374		16,355,298	
Chemicals	127,377		194,292	
Total inventories at the lower of cost and net realizable value	17,681,881		18,258,169	

The decrease in inventory was caused by expansion of service lines in the unserved area for distribution to increase the water coverage area.

Notes to the Financial Statements (Continued)

17. Property, Plant and Equipment

Cost	Land, Building & Fixtures	Motor vehicles	Office equipments	Plant, Property & Equipments	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
As At 1 July 2023 FY	970,731	8,204,540	5,581,807	55,997,342	70,754,420
Additions	-	-	261,270	10,244,707	10,505,977
As at 30 th June 2024	970,731	8,204,540	5,843,077	66,242,049	81,260,397
As at 1 st July 2024	970,731	8,204,540	5,843,077	66,242,049	81,260,397
Additions	76,340	-	122,960	3,527,755	3,727,055
Loss in valuation	-	(4,559,540)	-	-	(4,559,540)
As at 30 th June 2025	1,047,071	3,645,000	5,966,037	69,769,804	80,427,912
Depreciation And Impairment					
At 1 July (2023 FY)	(769,429)	(7,471,069)	(4,443,119)	(38,849,627)	(51,533,244)
Depreciation	(25,163)	(183,368)	(174,996)	(3,424,053)	(3,807,579)
As At 30 th June 2024	(794,592)	(7,654,437)	(4,618,115)	(42,273,680)	(55,340,824)
As At 1 st July 2024	(794,592)	(7,654,437)	(4,618,115)	(42,273,680)	(55,340,824)
Revaluation	-	(7,654,437))	-	-	(7,654,437)
Depreciation	(31,560)	(911,250)	(168,491)	(3,437,016)	(4,548,317)
As at 30 th June 2025	(826,152)	(911,250)	(4,786,606)	(45,710,696)	52,234,704
Net Book Values					
As at 30 th June 2025	220,919	2,733,750	1,179,431	24,059,108	28,193,208
As at 30 th June 2024	176,139	550,103	1,224,962	23,968,573	25,919,573

Notes to the Financial Statements (Continued)

Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Fixtures	1,047,071	826,152	220,919
Plant and Machinery	69,769,804	45,710,696	24,059,108
Motor Vehicles, including Motorcycles	3,645,000	911,250	2,733,750
Office Equipment, Furniture, and Fittings	5,966,037	4,786,606	1,179,431
Total	80,427,912	52,234,704	28,193,208

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

Description	Cost or valuation	Normal annual depreciation charge
Fixtures	1,047,071	12.5%
Plant and Machinery	69,769,804	12.5%
Motor Vehicles, Including Motorcycles	3,645,000	25%
Office Equipment, Furniture, And Fittings	5,966,037	12.5%
Intangible asset	464,000	33.3%
TOTAL	80,891,912	

18. Intangible Assets

Description	2024-2025 FY	2023-2024 FY
	Kshs	Kshs
Cost		
At beginning of the year	464,000	464,000
At end of the year	464,000	464,000
Amortization and impairment		
At beginning of the year	464,000	309,302
Amortization	-	154,698
At end of the year	464,000	464,000
NBV	-	-

The intangible asset consist of billing software which is used in information communication technology on water billing.

Notes to the Financial Statements (Continued)

19. Trade and Other Payables

Description	2024-2025 FY		2023-2024 FY	
	Kshs		Kshs	
CURRENT LIABILITIES				
Trade payables	10,192,276		10,987,678	
Employee payables	23,218,016		23,151,982	
Other payables				
- Levy fees	36,523,168		30,771,841	
- Audit fees	2,203,422		2,007,000	
- Federation of Kenya employers	43,950		-	
- KRA	2,245,724		2,245,724	
Total current liabilities	74,426,556		69,164,225	
Ageing analysis: (Trade and other payables)	2024-2025 FY	% of the Total	2023-2024 FY	% of the Total
Under one year	17,533,969	24%	23,515,837	34%
1-2 years	17,273,635	23%	10,374,634	15%
2-3 years	7,089,963	10%	4,841,495	7%
Over 3 years	32,528,999	44%	30,432,259	44%
Total	74,426,566		69,164,225	

The levies increased by 5,751,327 due to the increase of the fees

20. (a) Refundable Customers Deposits

Description	2024-2025 FY		2023-2024 FY	
	Kshs		Kshs	
Refundable customer deposits	13,012,840		11,651,450	
Ageing analysis:	2024-2025 FY	% of the Total	2023-2024 FY	% of the Total
Under 1 year	1,401,450	11	1,063,200	9%
1-2 years	1,023,140	8	1,439,600	12%
2-3 years	1,439,600	11	927,890	8%
Over 3 years	9,148,650	70	8,220,760	71%
Total refundable deposits	13,012,840		11,651,450	

The increase in customer deposits is as a result of increase in the connections for the year

Notes to the Financial Statements (Continued)

20. (b) Refundable Customer Deposit

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
Opening customer deposit	11,651,450	10,686,145
Add customer deposits for the year	1,401,450	1,063,200
Less Refunds for the year	(40,060)	(97,895)
Closing Customer deposits	13,012,840	11,651,450

21. Payments received in advance

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
Customer advances	704,260	657,046

22. Cash Generated from Operations

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
(Loss) for the year before tax	(5,742,707)	(4,582,567)
Adjusted for:		
Depreciation	4,548,317	3,807,580
Working capital adjustments		
Decrease in inventory	576,289	122,540
Increase in receivables	(584,809)	(3,291,882)
Increase in payables	6,670,935	15,820,540
Net cash flow from operating activities	5,468,025	11,876,211

23. Operating receipts

viii) ix) Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
Opening receivables	60,319,864	61,766,260
Add water sale-billing	79,890,252	72,784,830
Less closing receivables	(63,378,080)	(60,319,274)
Total operating receipt	76,832,036	74,231,816

24. Operating Payments

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
General and Operating expenses		
Opening payables	69,821,271	65,752,981
Purchases	3,050,286	6,766,726
Administration expenses less purchases	18,946,978	16,703,567
Closing payables	(75,130,816)	(81,472,721)
TOTAL PAYMENTS	16,687,719	7,750,553

Notes to the Financial Statements (Continued)

25. Financial Risk Management

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

i) Credit risk

The Entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

Financial Risk Management

ii) Market risk

The company has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an ongoing basis, evaluate and test the design and effectiveness of its internal

accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the

Notes to the Financial Statements (Continued)

Entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The company's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the Entity's exposure to market risks or the way it manages and measures the risk.

iv) Capital Risk Management

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

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
Government grants	65,244,763	65,244,763
Retained Earnings	(66,016,363)	(66,270,656)
Revaluation reserves	3,094,897	-
Total Funds	2,323,297	(1,025,893)
Less: Cash and Bank Balances	(3,877,916)	(2,136,356)
Net Debt/(Excess Cash And Cash Equivalentents)	(1,554,619)	(1,110,463)
Gearing	-1.70	-1.35

26. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the company include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Murang'a County

The company is wholly owned by the county government of Murang'a

Other related parties include:

- i) Murang'a County Government
- ii) Athi Water Works Development Agency

- iii) WASREB
- iv) WRA
- v) Key management.
- vi) Board of directors.
- vii) Water Service Provider

FIXED ASSET MANAGEMENT ISSUES

Public Finance Management regulations 2020 section 139. (1) The Accounting Officer of a national government entity shall take full responsibility and ensure that proper control systems exist for assets and that (a) preventative mechanisms are in place to eliminate theft, security threats, losses, wastage and misuse.

The administration received a total of three (3) motor vehicles and two (2) motor cycles from Athi Water Works Development Agency (A.W.W.D.A) and another five (5) motor cycles from Tana Water Works Development Agency. Since the company has a direct beneficial to the above motor vehicles and motor cycles, it's responsible for providing fuel and oils, insurance and repair services.

All of these fleet is as per the table below:

SECONDED BY	TY PE	REG NUMBER
Athi Water Works Development Agency	Motor Vehicles	KBX 103Z
		KCA 018F
		KDG 967C
	Motor Cycles	KMGA 231C
		KMGA 232C
Tana Water Works Development Agency	Motor Cycles	KBJ 961U
		KBJ 969U
		KBJ 974U
		KBJ 978U
		KBJ 979U

Transactions with related parties

Description	2024-2025	2023-2024
	FY	FY
	Kshs	Kshs
a) Sales to related parties		
Water sales to govt. Agencies	406,475	236,075
Total	406,475	236,075

b) Grants /transfers from the government		
Grants from county government	979,980	973,425
KERRA	-	1,500,000
Total	979,980	2,473,425
c) Expenses incurred on behalf of related party		
Payments of salary for seconded employee	979,980	973,425
Total	979,980	973,425
d) Key management compensation		
Directors' emoluments	2,853,158	2,620,539
Compensation to key management	7,191,960	7,191,960
Total	10,045,118	9,812,499

27. Contingent Liabilities

Description	2024-2025 FY	2023-2024 FY
	Kshs	Kshs
Court Case Gikonyo VS Gatamathi water civil suit 223 of 2020 against the company	1,775,570	1,775,570
Total	1,775,570	1,775,570

Damaged of the land caused by pipe burst, the case was finalized however the company appealed the judgement made.

28. Events after the Reporting Period

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

29. Ultimate And Holding Entity

The company is a wholly owned by the county government of Murang'a

30. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

20. Appendices

Appendix 1: Implementation Status of Auditor-General's Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Ref. No.	Issue/ Observation from Auditors	Management comment	Status (Resolved/ Not Resolved)	Timeframe
1.	Unmetered connections	<p>Billing on flat rates has been a concern on the Company. The best practice is to attain 100% metering ratio. At the close of the financial year, 60% of the customers were metered while 40% were on flat rates. The consumption of flat rate connections cannot be ascertained and the guidelines from the Regulator assumes that the consumption is 12M 3 per month hence the company billed 4,349 connections based on the flat rate tariff.</p> <p>Metering is a capital-intensive investment and currently, the Company cannot fully fund it entirely from internally generated funds.</p> <p>During the period, the Company installed 2,137 meters for new and flat rate customers. The meters were as a result of a successful proposal to Athi Water Works Development Agency.</p> <p>The Company has continued developing such proposals. Further a commercial loan meant to fund metering is being developed.</p> <p>Athi Water Works Development Agency has committed to supply 3000 customer meters through contract AWWDA/GOK/P/MLM/W-10/2024.</p> <p>Further consultation with the county Government to fund metering is ongoing. From internally generated, about 400 meters will be procured.</p>	Not resolved	By June 2026
2.	Trade and other receivables balance	<p>The company's receivables have been accumulating over time which implies that more customers are unable to clear their bills by due date. This persistent accumulation has been compounded by other social, economic and demographic factors. The company is purely a rural set up where majority of its customers relies majorly on farming. With reduced income from tea, coffee and milk produce</p>	Not resolved	June 2026

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	majority of our customers have become unable to settle their bills thus ending up being disconnected. Further in some areas there are good catchment areas where small tributaries and rivers have become alternative source of water to those disconnected thus ending up abandoning the company's connections. To address the issue of receivables the company has embarked on a raft of measures among them raising demand notices to defaulters, structured dormant connection audit as well as sending reminders. The unreconciled balance of Kshs 1,543,470 was as a result of inherited customers from the ministry who are yet to be activated in the system. A reschedule has been prepared entailing the account number, the name of the customer and the amount owed. During the system rehabilitation, the same customers are revived and incorporated in the system once the connections are revived. The company employed a debt management staff and its duties is to revive the dormant connection where a modality of settling the debt in part payments has been introduced to the customer.		
3	Long outstanding payables	resolved	June 2026
4	Unaccounted for refundable deposits and prepayments	Not resolved	2028
5	Un-updated fixed asset register	Resolved	

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6	<p>Going concern of the company</p>	<p>Over the years the company has continued to carry out operation despite reporting losses. The continuous stream of loss making has greatly affected its operations to the extent that its liabilities have continued to escalate as current assets reduce leading to negative working capital. The main reasons as to why the company is making losses are due to impact of the nature of infrastructure that was inherited from the Ministry. The infrastructure inherited was aged and this has led to high maintenance costs as a result of constant repairs. As per the transfer plan as envisaged by Water Act 2002 section 113 (transfer of Services), the Government was supposed to rehabilitated the Water systems before transfer and this did not happen in the Company's case. The Company thus inherited aged infrastructure that had high maintenance cost through constant repairs. Having identified the aged infrastructure as the source of the Company's sustainability challenges, the Company engaged various partners through proposal writing and advocacy for funding and to date, the issue is being addressed through the following: -</p> <p>Murang'a Communities Water Supply Project. Contract No AWSB/MCWSP/GoK/02/2019. The scope includes replacement of some parts of old mainline, branch and service line and extension to customers in the supply area.</p> <p>Gatango Water Supply, Augmentation and Water Quality Improvement Contract No. AWSB/WASSIP-AF/COMP.I/W-27/2016. This is to replace the asbestos pipes in Gatango, improve water quality through construction of a new partial treatment works and extension of services.</p>	Not resolved	2027
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REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
1.	Non-remittance of statutory duties	With the on-going investments in expansion of treatments works, rehabilitation of the old pipelines, laying of new lines in unserved area and metering, the Company's customer base will expand and projected increase revenue will gradually offset the outstanding trade and other payables.	Not resolved	2027
2.	Unbalanced budget	The management noted and rectified the budget. The current budget has been approved by the board.	resolved	
3.	Non-remittance of water service levy	The management has a part payment programme on the remittance of the levies. This is in form of monthly part payment.	Not resolved	2028
4.	Non-renewal of service provision agreement	The company had been issued with a three year operating licence from the regulator (WASREB)	Resolved	
5.	Exceeding industrial benchmark on personnel expenses.	There has been a challenge of high wage bill which is yet to meet the minimum requirements as per the set industrial benchmark. With increased coverage and extension of services to underserved areas, casuals were engaged to lay distribution pipes that were supplied by county Government as well as Athi Water Works Development Agency. These were mostly for last mile connectivity programme. Also, its during the year under review, the collective bargaining agreement came into force whereby staff had their salaries increased. Still, there was engagement of skilled casuals to assist in fieldwork activities and also interns were engaged from various institutions to enable them gain experience. As a way forward, the company intends to off-load the skilled casuals once their contracts are over. Efforts have been put in place to revive the dormant connections and the company has a raft of measures that will curb on illegal connections and also	On going	June 2027

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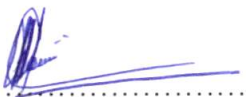
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
		metering those on flat rate with an aim of increasing the billing base.		
6.	staff ethnic diversity	During the inception, the Company inherited employees from the Government whom were wholly from Murang'a District. Overtime, the Company actively endeavours to create diversity in the work force when replacing the transferred employees or those who exit through natural attrition although there has been a challenge in that even after advertisement, the lower cadre vacancies are applied for by the locals. As a way forward, the company aim at achieving the thirty percent ethnic diversity and be compliant with the law. In order for the company to further represent the diversity of the people of Kenya, a deliberate program is in place to recruit qualified people from other communities if and when an opportunity arises.	Not resolved	2028
7.	non-compliance with principles of Equal Opportunity for all	The management has noted non-compliance and any future opportunities which might rise will give preference to people living with disabilities.	Not resolved	2027

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Ref. No.	Issus/ Observation from Auditors	Management comment	Status (Resolved/ Not Resolved)	Timeframe
1.	Non -Revenue Water (NRW) Losses	<p>The company has identified the causes of high Non-Revenue Water as: -</p> <p>Aged infrastructure. Until recently, there has been no major rehabilitation done since commissioning of Gatango scheme in 1971 and Mathioya scheme in 1984. This has led to system loses through aged infrastructure that has outlived useful economic life.</p> <p>Low metering ratio. A total of 60% of the customers were metered while the 40% were on flat rate. The consumption of flat rate connection cannot be ascertained and the guidelines from the regulator assumes a 12m³per month hence the company on average billed 4046customers based on the assumption per month. Above all the company base the production capacity on the design capacity of the intakes since we don't have master meters installed at treatment works.</p> <p style="text-align: center;">Mitigation</p> <p>To reduce the NRW the company has been undertaking the following:-</p> <p>Continuous metering from internally generated funds and support from development partners</p> <p>The process for sourcing funding through a commercial loan is at an advanced stage meant for metering</p> <p>To curb commercial losses the company has embarked on a customer identification and dormant account tracking with an aim to minimize on illegal consumptions.</p> <p>The Company has been engaging the Water Police Unit (WPU) and Critical Infrastructure Police Unit (CIPU) to deal with illegalities such as water theft.</p> <p>On operation and maintenance, the company has developed a policy of gradually phasing out uPVC pipes with HDPE pipes which are less prone to leaks and bursts.</p> <p>On need to establish the courses of frequent burst along the reticulating system, the company continued mapping of the supply area with particular emphasis on pressure maps that will aid in identifying pressure differences in a particular line. These maps will guide the company in establishing areas that will require installation of pressure devices that will reduce frequent bursts.</p> <p>Customer identification survey process is ongoing to ensure all customer are billed.</p>	Not resolved	2028

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2.	Under-Establishment of the internal audit section	The management has noted the under staffing of the internal audit and will fill the gaps to enable the section to carry all the internal audit functions effectively.	Not resolved	June 2026
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Managing director

Date: 20/8/2025

Appendix II: Projects implemented by Gatamathi water and sanitation limited

Projects implemented by the State Corporation/ SAGA Funded by development partners and/ or the Government.

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements. (Yes/No)
Construction of Mathioya last mile water supply project	A.W.W.D.A/G OK/P/MLM/W- 10/2024	A.W.W.D.A		40,313,376	YES	NO
County ward fund		Murang'a county	1	5,000,000	YES	NO

Status of Projects completion

SN	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Construction of Mathioya last mile water supply project	40,313,376	-	-	40,313,376	-	A.W.W.D.A
2	Ward fund	5,000,000	5,000,000	100	5,000,000	5,000,000	Murang'a county

Note

1. The construction of Mathioya last mile water supply project was initiated on April 2024 and by the close of the year preliminary works on-going.
2. The ward fund is a county project. During the year, each ward was allocated funds for last mile connectivity and the scheduled work has been completed.