



OFFICE OF THE AUDITOR-GENERAL

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**REPORT**

THE NATIONAL ASSEMBLY  
PAPERS LAID

OF  
DATE: 23 FEB 2021 DAY: TUESDAY

TABLED

CLERK-AT THE TABLE: Mainah Wanjiku Lom

**THE AUDITOR-GENERAL**

**ON**

**THWAKE MULTI-PURPOSE WATER  
DEVELOPMENT PROGRAM PHASE I  
(AFDB LOAN NO. 2100150029993, NO.  
2000200003351 AND NO. 5050200000501;  
AND AFDB GRANT NO. 2100155025973)**

**FOR THE YEAR ENDED  
30 JUNE, 2020**

**MINISTRY OF WATER,  
SANITATION AND IRRIGATION**



**PROJECT NAME: THWAKE MULTI - PURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**

**IMPLEMENTING ENTITY: MINISTRY OF WATER, SANITATION & IRRIGATION  
P.O BOX 49720 – 00100  
NAIROBI.**

**ADB PROJECT NO: AfDB LOAN 2100150029993, 2000200003351  
AfDB GRANT 2100155025973, AGTF 5050200000501**


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**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
JUNE 30, 2020**

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

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
<b>DATE:</b> 23 FEB 2021	<b>DAY:</b>
<b>TABLED BY:</b>	
<b>CLERK-AT THE-TABLE:</b>	

*THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1*

*Reports and Financial Statements for the Financial Year ended June 30, 2020*

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# **THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**

## **Reports and Financial Statements for the Financial Year ended June 30, 2020**

### **1. PROGRAM INFORMATION AND OVERALL PERFORMANCE**

#### **1.1 Name and registered office**

**Name:** The Program's official name is Thwake Multipurpose Water Development Program, Phase 1. It has a Program Implementation Team (PIT) under the direction of the Program Coordinator.

**Objective:** The key objective of the Program is the construction of the Thwake Dam and its associated works at the confluence of the Athi River and the Thwake River, for the supply of water to the Konza City, hydropower generation, and for irrigation of parts of Kitui and Makueni Counties.

**Address:** The Program implementation operational office is in Wote Town, Makueni. The Ministry has also provided an office in Maji House for coordination purposes.

The address of its office is:

Ministry of Water, Sanitation & Irrigation  
Maji House, Room 233.  
P.O Box 49720 – 00100,  
Nairobi.

**Contacts:** The following are the Program contacts:

Telephone: (254) 720274879

E-mail: [okello@yahoo.com](mailto:okello@yahoo.com)

Website: [www.water.go.ke](http://www.water.go.ke)

#### **1.2 Program Information**

Program Start Date:	The program start date is 01/09/2014
Program End Date:	The program end date is 31/12/2022
Program Coordinator:	The Project Coordinator is Musembi K. Munyao
Program Sponsor:	In the Original Financing Agreement, the program sponsors are the Government of Kenya (GOK) @65% and the African Development Bank (AfDB) @35%. However, the Additional Financing Agreement has changed the ratio to 10.6% and 89.4%, respectively.

## THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1

Reports and Financial Statements for the Financial Year ended June 30, 2020

### 1.3 Program Overview

Line Ministry/State Department of the project	The Program has been under the supervision of the Ministry of Water, Sanitation & Irrigation since July 01 2018. Previously, it was under the Ministry of Agriculture, Livestock, Fisheries and Irrigation – State Department of Irrigation.
Project Number	Grant No. 2100155025973, Loan No. 2100150029993. Loan No. 2000200003351, and AGTF Loan No. 5050200000501
Strategic goals of the project	The strategic goals of the Program are as follows: (i) Regulate the flow of Athi and Thwake rivers downstream for flood mitigation. (ii) Improvement in the productivity and livelihoods of the targeted people.
Achievement of strategic goals	The Program management aims to achieve the goals through the following means: (i) Construction of the 80.5m high dam with 688million cubic meters water storage capacity. (ii) Provision of water for about 674,700 rural people in the water basin. (iii) Generation of hydropower (20MW) to support Kenya's Least Cost Rural Electrification Programme. (iv) Irrigation of land in parts of Makueni and Kitui South.
Other important background information of the project	The Program shall achieve these goals in 4 phases namely: i. Phase I – Thwake Dam Construction, appraised to cost UA 179,290,000 (Equiv. KES 22.87billion). An Additional Financing Agreement of EURO 235,762,579 places the total cost to about KES 42.365billion. ii. Phase II – Water Supply, Sanitation & Waste Water Infrastructure, appraised to cost UA 83,330,000 (Equiv. KES 10.63billion); iii. Phase III – Hydropower Generation, appraised to cost UA 34,060,000 (Equiv. KES 4.35billion); and iv. Phase IV – Irrigation Development, appraised to cost UA 190,320,000 (Equiv. KES 24.3billion). The Program management is currently involved in the implementation of Phase I.
Current situation that the	The Program was formed to intervene in the following areas:

***THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1***

***Reports and Financial Statements for the Financial Year ended June 30, 2020***

project was formed to intervene	(i) Flood mitigation. (ii) Poverty eradication.
Project duration	The Program started on 1st September 2014 and is expected to run until 31st December 2022.

**1.4 Bankers**

The following are the bankers for the current year:

- (i) Central Bank of Kenya, Nairobi.
- (ii) Standard Chartered Bank, London.
- (iii) Equity Bank Ltd, Kitui.

**1.5 Auditors**

The independent auditor of the Program is:

Office of the Auditor General  
Kenya National Audit Office (KENAO)  
Anniversary Towers  
P.O Box 30084 – 00100  
Nairobi.

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**

*Reports and Financial Statements for the Financial Year ended June 30, 2020*

**1.6 Roles and Responsibilities**

<b>Names</b>	<b>Title Designation</b>	<b>Qualifications</b>	<b>Responsibilities</b>
Joseph W. Irungu	Principal Secretary	Executive MBA	As the Accounting Officer is in charge of formulation of policies and coordination of Program resources and stakeholders.
Eng. SAO Alima	Program Manager	B.Sc – Civil Engineering.	In charge of technical matters on the dam construction.
Musembi Munyao	Program Coordinator	B.Sc (Hons) – Geology, M.Sc (Environmental Infm. Systems)	Liaison between the Program Implementation Team (PIT) and the stakeholders. Coordination of the day to day activities of the Program.
CPA Tom Bodo Okello	Finance Management Expert	B. Com, MBA, CPA (K), ACCA.	Management of the finance functions of the Program.
Justus Omina Jumbe	Senior Procurement Expert	MSC (Procurement & Logistics) B. Purchasing & Supplies, CIPS.	Procurement of goods, works and services, and management of the assets.
Rodah Kambua Mwendandu	Gender & Social Development Expert	B.A Gender & Dev., Diploma in International Relations.	Ensuring implementation of RAP and the socio – economic aspects of the Program.
Peter Mbevo Musuva	Senior Monitoring & Evaluation Specialist	M.Sc. – Integrated Watershed Mgt, B.A (Hons.)	Overall monitoring of the physical progress and advising when the actual progress deviates from the planned.
Augustine Kithinzi Makau	Environmental, Health & Safety Specialist	B.Sc (Environment) Diploma – Environmental Mgt.	Ensuring rules and regulations on environmental and safety matters are implemented and operational.
Eng. Shadrack Yego	Program Engineer	B.Sc (Civil Engineering), MIEK.	In charge of the technical quality of the civil works activities.

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**

**Reports and Financial Statements for the Financial Year ended June 30, 2020**

**1.7 Funding Summary**

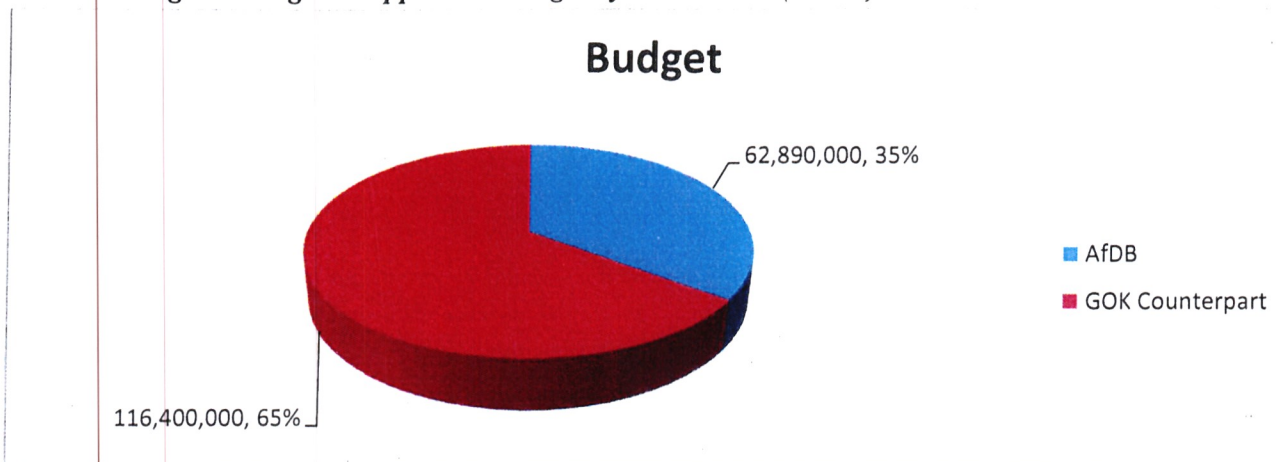
The Program is for duration of eight years from 2014 to 2022. The original Financing Agreement currently in operation has an approved budget of (Unit of Account) UA 179,290,000 equivalent to about Ksh 22,873,970,000. The Additional Financing Agreement approved a budget of EURO 235,762,579. The funds are as highlighted in the table below:

**Table 1: Summary of Funding by Financiers**

Source of funds		Donor Commitment-		Amount received to date – (30 <sup>th</sup> June, 2020)		Undrawn balance to date (30 <sup>th</sup> June, 2020)	
		<i>Donor currency UA</i>	<i>Kshs</i>	<i>Donor currency (UA)</i>	<i>Kshs</i>	<i>Donor currency (UA)</i>	<i>Kshs</i>
		<i>(A)</i>	<i>(A')</i>	<i>(B)</i>	<i>(B')</i>	<i>(A)-(B)</i>	<i>(A')-(B')</i>
<b>A/ ORIGINAL FINANCING ARRANGEMENT</b>							
<b>i.</b>	<b>Grant</b>						
	African Development Bank	1,210,000	154,370,000	856,280	125,282,396	353,720	29,087,604
	<b>(i) Loan</b>						
	African Development Bank	61,680,000	7,869,200,000	53,837,517	7,631,677,338	7,842,483	237,522,662
	<b>Total from African Development Bank</b>	<b>62,890,000</b>	<b>8,023,570,000</b>	<b>54,693,797</b>	<b>7,756,959,734</b>	<b>8,196,203</b>	<b>266,610,266</b>
	<b>(ii) Counterpart funds:</b>						
	Government of Kenya	116,400,000	14,850,400,000	30,192,092	3,839,502,868	86,207,908	11,010,897,132
	<b>Total</b>	<b>179,290,000</b>	<b>22,873,970,000</b>	<b>84,885,889</b>	<b>11,596,462,602</b>	<b>94,404,111</b>	<b>11,277,507,398</b>
<b>B/ ADDITIONAL FINANCING ARRANGEMENT</b>							
		<i>Donor currency EURO</i>	<i>Kshs</i>	<i>Donor currency (EURO)</i>	<i>Kshs</i>	<i>Donor currency (EURO)</i>	<i>Kshs</i>
		<i>(A)</i>	<i>(A')</i>	<i>(B)</i>	<i>(B')</i>	<i>(A)-(B)</i>	<i>(A')-(B')</i>
	AfDB Loan	192,569,766	22,607,865,000	28,906,452	3,297,870,634	163,663,314	19,309,994,366
	AGTF Loan	43,192,813	4,993,100,000	6,862,750	765,103,236	36,330,063	4,227,996,764
	<b>Total</b>	<b>235,762,579</b>	<b>27,600,965,000</b>	<b>35,769,202</b>	<b>4,062,973,870</b>	<b>199,993,377</b>	<b>23,537,991,130</b>
	GOK				403,635,244		
	<b>Total GOK</b>				<b>4,243,138,112</b>		
<b>C/ FUNDING SUMMARY (IN KES)</b>							
			<b>AfDB</b>	<b>GOK</b>	<b>Total</b>		
	AfDB Original Financing		7,756,959,734	3,839,502,868	11,596,462,602		
	AfDB Additional Financing		4,062,973,870	403,635,244	4,466,609,114		
	<b>Total</b>		<b>11,819,933,604</b>	<b>4,243,138,112</b>	<b>16,063,071,716</b>		

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**  
**Reports and Financial Statements for the Financial Year ended June 30, 2020**

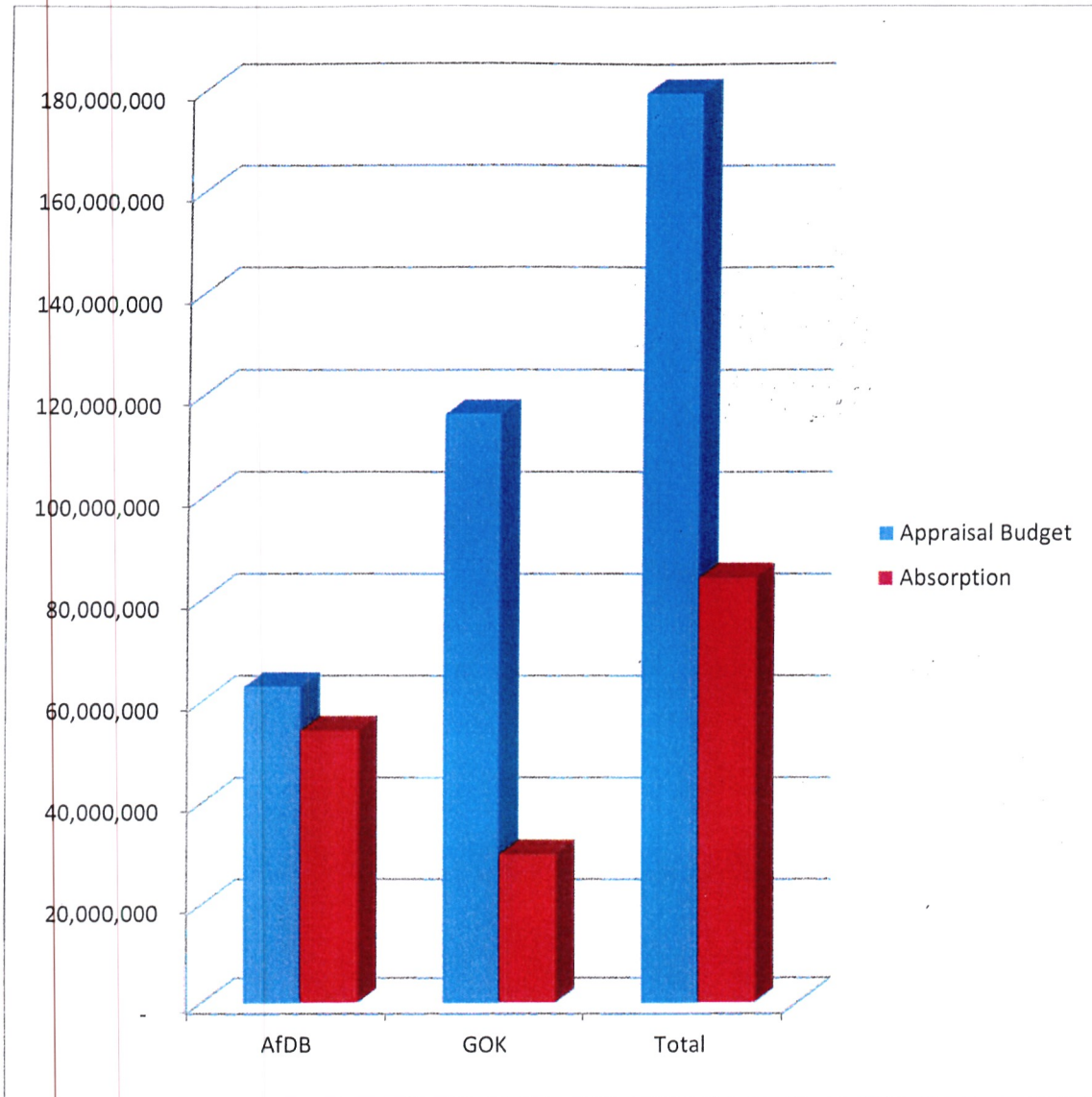
**Table 2: Original Program Appraisal Budget by Financiers (in UA)**



**Table 3: Original Financing Fund Absorption as at June 30, 2020**

	AfDB UA	GOK Counterpart UA	Total UA
Appraisal Budget	62,890,000	116,400,000	179,290,000
Absorption	54,693,797	30,094,700	84,788,497
% Absorption	86.97	25.85	47.29

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**  
**Reports and Financial Statements for the Financial Year ended June 30, 2020**



**1.8 Summary of Overall Project Performance:**

The Program incurred an expenditure of Ksh 4,544,639,867 against a budget of Ksh 5,103,000,000. The actual expenditure is 89% of the total budget. The cumulative expenditure to date is Ksh 16,057,450,861. 89% of the expenditure for the period relates to payment to the contractor involved in the construction of Thwake Dam.

**Physical Progress**

The program involves dam construction which commenced in March 2018 after acquisition of land. The compensation of the Program Affected Persons (PAPs) for the acquisition of 9,158 acres of land is complete. The dam construction as at September 2020 is at 41.56% for the 56 months construction timeframe.

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**

**Reports and Financial Statements for the Financial Year ended June 30, 2020**

**Yearly Absorption Rate**

The absorption rate based on the budget is as provided below:

Year	Budget	Expenditure	% Absorption
	Kshs	Kshs	%
2014/15	200,000,000	15,909,268	08
2015/16	1,470,900,000	904,484,238	61
2016/17	1,014,859,900	791,490,788	78
2017/18	5,061,137,200	4,939,830,867	98
2018/19	5,635,709,000	4,853,262,369	86
2019/20	5,103,000,000	4,552,473,330	89
<b>Total expenditure to date</b>		<b>16,057,450,860</b>	

**Challenges Encountered**

The table below summarises the challenges encountered and recommended way forward:

	Challenges	Recommendation/ Way Forward
1	Delayed finalisation of the land compensation to the Program Affected Persons (PAPs).	The exercise was started in 2014 and was concluded in March 2019 when the final tranche of the compensation price was received from the Exchequer and wired to NLC. Only few cases involving succession matters have not been settled with their amounts being held in a Bank Deposit Account by the NLC. A further 59 acres is required and the acquisition process has been initiated with the NLC.
2.	Lack of a commercial bank account under the Program, for the efficient management of the counterpart funds.	The commercial bank account held in Equity Bank Kitui is strictly for the Bank loan proceeds, as it does not allow commingling of funds. The Ministry has put adequate control measures to ensure only payments approved by the top level management are charged on this account.
3.	Effect of COVID 19 pandemic.	The contractor had to scale down operations by reducing the number of labourers and time at the site. A work schedule was discussed and agreed with the employer to ensure there is a 24 hour work shift.

**1.9 Summary of Project Compliance**

The Program has ensured that all activities carried out are within the laws of the Republic of Kenya and that all regulations and procedures have been followed.

Among the regulations include the report of the Environmental and Social Impact Assessment (ESIA) submitted to National Environmental Management Authority (NEMA), and the involvement of the National Construction Authority (NCA).

In cases of inconsistency between the GOK Regulations and those of the AfDB, the latter have been applied.

It is therefore not expected that the Program will suffer any adverse consequences as a result of non-application of any laws or regulations.

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**

*Reports and Financial Statements for the Financial Year ended June 30, 2020*

**2. STATEMENT OF PERFORMANCE AGAINST PROJECT'S PREDETRMINED OBJECTIVES**

The Program aims at construction of Thwake dam at the confluence of Athi and Thwake rivers. This will be a multipurpose dam to regulate the flow of the rivers downstream for flood mitigation, and improvement of the productivity and livelihoods of the people.

The key development objectives of the Program's plan are:

- a) Construction of 80.5m high dam with 688million cubic meters water storage capacity;
- b) Provision of water for 674,700 rural people in the water basin; and
- c) Generation of hydropower to support Kenya's Least Cost Rural Electrification Program

**Progress on attainment of Strategic development objectives**

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

<b>Project</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Thwake Multipurpose Water Development Program	Construction of 80.5m high dam with 688million cubic meters water storage capacity	Increased work in progress for the dam construction	% dam construction done	In FY 19/20 the dam construction reached 37% work in progress.

### **3. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

Thwake Multipurpose Water Development Program exists to transform livelihoods of the rural people in the counties of Makueni and Kitui. This is its main purpose, the driving force behind every activity carried out. It's what guides the delivery of its strategy, which is founded on the Program's pillars, namely the delivery of quality and durable dam. Below is a brief highlight of the achievements in each pillar:

#### **1. Sustainability strategy and profile**

This is one of the flagship projects of the Vision 2030 being implemented under the Ministry of Water, Sanitation and Irrigation.

There is goodwill from the local community and the political leadership both at the national and county level for the implementation of the project, as the community stands to gain from the provision of water for domestic use and irrigation purposes. The water to be used in the Konza Techno city is expected to be derived from the dam once the construction is complete. Both the GOK and AfDB, who are the financiers of the Program, have made a commitment through additional funds to finance the dam construction and associated activities to completion.

As the dam shall tap the water flows from the two rivers Athi and Thwake which are the main sources of water in the region, the project will have adequate water and therefore the project is sustainable. The dam type proposed for construction is expected to last more than 50 years before major maintenance work can be undertaken.

The quality and durability of the dam under construction is of utmost importance to the implementing agency. To mitigate against any risk of breakage, the Program in the evaluation process identified a construction firm with wide experience in dam construction. It has also engaged a team of eminent dam safety panel of experts of international repute composed of a civil engineer, geologist and a hydrologist. This team periodically visit the site and makes recommendations/ approvals on all major activities before implementation.

#### **2. Environmental performance**

The project has carried out an Environmental and Social Impact Assessment (ESIA) and has received approval of the regulating bodies like NEMA. Regular environmental audits are carried out to ensure the construction meets the safety standards.

#### **3. Employee welfare**

The Program's day to day activities are handled by the Program Implementation Team (PIT) composed of experts from various professional disciplines relevant to the achievement of the set objectives. Currently, the team is composed of seven males and one female.

## ***THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1***

### ***Reports and Financial Statements for the Financial Year ended June 30, 2020***

These individuals were recruited from the job market as consultants following the GOK and AfDB Procurement Regulations.

At the dam construction level, the contractor has created jobs for the local community. More than 100 persons have been employed with the gender balance being put into consideration.

#### **4. Market place practices**

##### *a) Responsible Competition Practice.*

The procurement of goods and services are subjected to the procurement rules and regulations as established by the GOK. AfDB's "No Objection" is always requested for before the procurement process can proceed.

##### *b) Responsible Supply Chain and Supplier Relations-*

The Program ensures that advertisements are carried out in at least two daily newspapers with wide circulation in the country. Notifications are normally sent to both the successful and the unsuccessful firms. The quotations/ tenders are normally opened on time and bidders invited to witness. Payment process is initiated immediately the invoices are received and goods/ services accepted by the Inspection and Acceptance Committee appointed by the implementing agency.

##### *c) Responsible Marketing*

Value for money was achieved in the acquisition of land from the local community through negotiated price and there are no court cases inhibiting the construction of the dam. Proper procedures were followed including valuation by an independent valuer and involving the National Land Commission (NLC) as the Government agency to procure the land on behalf of the implementing agency. The PAPs were involved in the determination of the value for land compensation. The welfare of the land owners was adequately taken into account.

The procurement of the contractor was done using the procurement procedure of both the Government and the AfDB. An evaluation criterion was set and the contractor that met all the requirements and submitted the lowest bid was selected. All the relevant stakeholders were consulted before the award of the contract. A legal opinion was also received from the Attorney General. There is a consultant engaged for the supervision of works to ensure the construction is to the required standards and quality. The consultant is assisted by a team of Dam Safety Panel of Experts to ensure it meets international standards. Monthly progress meetings involving the implementing agency, contractor and supervision consultant are held to review work done.

All procurements during the year have been subjected to set regulations and internal controls before making payments.

#### **5. Community Engagements-**

a) There is a 30% local content in subcontracting some activities of the dam construction with preference to women, youth and the vulnerable. In addition to this is the employment opportunity that shall benefit the locals.

b) The contract involves the construction of two primary schools (one each for Makueni and Kitui counties), a medical facility that upon dam construction completion shall be

***THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM; PHASE 1***

***Reports and Financial Statements for the Financial Year ended June 30, 2020***

handed over to the local community. The contract with the contractor includes a sum of Ksh 50million for the two schools and hospital. Furthermore, there have been engagements to dig some boreholes to provide water for domestic use to the local community in the short term.

- c) The contractor has been servicing the road linking Wote to the site, a distance of 30 kilometres.

## ***THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1***

### ***Reports and Financial Statements for the Financial Year ended June 30, 2020***

#### **4. STATEMENT OF PROGRAM MANAGEMENT RESPONSIBILITIES**

The *Principal Secretary* for the Ministry of Water, Sanitation & Irrigation, and the *Program Manager* for Thwake Multipurpose Water Development Program are responsible for the preparation and presentation of the Program's financial statements, which give a true and fair view of the state of affairs of the Program for and as at the end of the financial year ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Program; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Program; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The *Principal Secretary* for the Ministry of Water, Sanitation & Irrigation and the *Program Manager* for Thwake Multipurpose Water Development Program accept responsibility for the Program's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The *Principal Secretary* for the Ministry of Water, Sanitation & Irrigation, and the *Program Manager* for Thwake Multipurpose Water Development Program are of the opinion that the Program's financial statements give a true and fair view of the state of its transactions during the financial year ended June 30, 2020, and of its financial position as at that date. The *Principal Secretary* for the Ministry of Water, Sanitation & Irrigation and the *Program Manager* for Thwake Multipurpose Water Development Program further confirm the completeness of the accounting records maintained for the Program, which have been relied upon in the preparation of the Program's financial statements as well as the adequacy of the systems of internal financial control.

The *Principal Secretary* for the Ministry of Water, Sanitation & Irrigation, and the *Program Manager* for Thwake Multipurpose Water Development Program confirm that the Program has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Program funds received during the period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**


**Reports and Financial Statements for the Financial Year ended June 30, 2020**

**Approval of the Program Financial Statements**

The Program financial statements were approved by the *Principal Secretary* for the Ministry of Water, Sanitation & Irrigation and the *Program Manager* for Thwake Multipurpose Water Development Program on 02/12/2020, and signed by them.



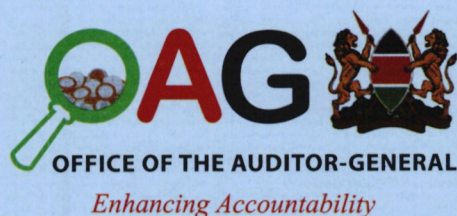
Principal Secretary  
Joseph W. Irungu, CBS



Program Manager  
Eng. SAO Alima

# REPUBLIC OF KENYA

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NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON THWAKE MULTI-PURPOSE WATER DEVELOPMENT PROGRAM PHASE I (AfDB LOAN NO. 2100150029993, NO. 2000200003351 AND NO. 5050200000501; AND AfDB GRANT NO. 2100155025973) FOR THE YEAR ENDED 30 JUNE, 2020 - MINISTRY OF WATER, SANITATION AND IRRIGATION

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### REPORT ON THE FINANCIAL STATEMENTS

#### Opinion

I have audited the accompanying financial statements of Thwake Multi-Purpose Water Development Program Phase I set out on pages 1 to 18, which comprise the statement of financial assets as at 30 June, 2020, statement of receipts and payments, statement of cash flows and the statement of comparative budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Thwake Multi-Purpose Water Development Program Phase I as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with Protocol of Agreement Loan No. 2100150029993, No. 2000200003351 and No. 5050200000501 and AfDB Grant No. 2100155025973, between the Republic of Kenya and the African Development Bank dated 27 January, 2014 and 19 June, 2019, respectively, and the Public Finance Management Act, 2012.

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

#### Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Thwake Multi-Purpose Water Development Program Phase I Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and

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*Report of the Auditor-General on Thwake Multi-Purpose Water Development Program Phase I (AfDB Loan No. 2100150029993, No. 2000200003351 and No. 5050200000501; And AfDB Grant No. 2100155025973) for the year ended 30 June, 2020 - Ministry of Water, Sanitation and Irrigation*

in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Key Audit Matters**

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

### **Other Matter**

#### **1. Funding and Continuity of the Program**

As reported in the previous year, Phase I of the Program, which entails construction of a Dam and associated structures, is currently under implementation. As at 30 June, 2020, approximately 37% of the work had been completed and the programme of work indicated that the Dam will be completed by September, 2022.

The Program is divided into four phases with an estimated cost of Kshs.81.63 billion. Although the African Development Bank (AfDB) and the Government of Kenya (GOK) funding for the first phase of Kshs.42.365 billion has been approved, funding amounting to Kshs.39.845 billion in respect to the remaining three phases is yet to be secured, planned or sought from financiers.

Consequently, it is not clear how the three phases will be financed in the ensuing period towards the Program completion.

#### **2. Water Pollution in Athi River**

The Thwake Multipurpose Dam is expected to draw water from Athi River whose main tributary is Nairobi River. Studies carried out by various agencies indicate that the Nairobi River is heavily polluted with heavy metal and the water is unfit for human consumption. There was no evidence of efforts by the implementing agency to mitigate against the risk and ensure that the river will be free from pollutants and fit for human consumption before the expected completion of the Program in November, 2022.

Consequently, in absence of any mitigation efforts to avert the pollution, the water and the food crops to be grown under irrigation in the proposed dam may not be fit for human consumption and the program's objective may not be achieved.

#### **3. Budgetary Control and Performance**

The statement of comparative budget and actual amounts reflects that the Program received an amount of Kshs.4,550,837,635 or 89% against the approved budget of Kshs.5,103,000,000. However, the project utilized an amount of Kshs.4,552,473,330

against an approved budget of Kshs.5,103,000,000 resulting into under expenditure of Kshs.550,526,670 or 11% of the budget. Management has attributed the under absorption to failure by the National Land Commission to carry out planned land compensation due to delays in valuation.

In the circumstances, the under absorption of the approved budget is an indication that the planned activities may not have been implemented by the project management leading to non-provision of services to the stakeholders.

## REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

### Conclusion

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

### Basis for Conclusion

#### 1. Contract Variation on Motor Vehicles

It was observed that item no. 1A.36 and 1A.37 b of the Bill of Quantities for the construction contract for Thwake Multi-Purpose Dam required the contractor to supply ten (10) Toyota Land Cruisers and fifteen (15) Toyota Hilux for the employer and engineer, at a cost of Kshs.135,817,768. However, review of the interim payment certificate no. 1 revealed that changes in specifications of the vehicles by the employer resulted to an upward cost variation by Kshs.37,604,672, representing a variation of 28% against the allowable 25%. There was no evidence that the changes in specifications were dully approved and no explanation on why the specifications were not included in the tender documents at the bidding stage. The variation was contrary to Section 139(1)(a) of the Public Procurement and Assets Disposal Act, 2015 which provides that an amendment or a variation to a contract resulting from a procurement proceeding is effective only if the variation or amendment has been approved in writing, by the respective tender awarding authority, within a procuring entity.

Consequently, the management is in breach of Law.

#### 2. Non-Construction of Temporary Site Offices

Item No. 1.A/1.30 of the Bill of Quantities for construction contract for the Dam required the contractor to design, construct and furnish temporary site offices for the Employer and Engineer, including air conditioning, office equipment, computers, printers, copiers, computer network, software, among others, all at a cost of

Kshs.22,164,684. Review of Program documents revealed that the contractor provided furniture and other equipment at a cost of Kshs.19,994,419. However, there was no evidence that site offices were constructed as stipulated in the contract. Field verification revealed that the contractor had opted for a lease of building for the Employer and Engineer. There was no evidence that the change was duly approved. In addition, it was not clear whether the balance of Kshs.2,170,265 on the item would cover the lease charges on the property for the construction period.

Consequently, the Program may incur cost overruns, arising from the changes thereby leading to wastage of public resources over the project period.

### **3. Delayed Development of Physical Hydraulic Model**

Item No.1C.3 of the Dam construction contract provided for developing and running a physical hydraulic model as per the specifications at a cost of Kshs.30,000,000. Further, Section S1.38.3(3) of the contract specifications states that the contractor shall be prepared to finance the cost of the hydraulic model immediately upon signing of the contract and issuance of instruction to commence the work by the Engineer. This cost was to be reimbursed to the contractor through the interim payment certificates in accordance with the contract. A review of the Program documents revealed that the contractor was yet to procure the physical hydraulic model test which may cause possible delays in the concrete works for the main spillway. Further, field inspection at the Program's site revealed that the contractor had carried out substantial excavation works on the main spillway yet the design was yet to be tested.

Consequently, delays in development of the hydraulic model may result in delayed Program implementation.

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, except for 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 overall governance, were not effective.

## **Proper Management and Custody of Project Vehicles**

Review of the Program's documents revealed that the Employer and Engineer received twenty-six (26) vehicles from the contractor. However, the Program vehicles which have private number plates, were not branded and did not bear any Program identification. Consequently, these vehicles were exposed to the risk of misuse or loss.

In absence of such specific distinction of the Program's assets from other Departments', the motor vehicles and other Program's assets may be misused or employed to activities other than those designated by the Program.

## **Basis for Conclusion**

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

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

As required by the African Development Fund and the Government of Kenya, except for the matters under Conclusion on Lawfulness and Effectiveness in Use of Public Resources and Effectiveness of Internal Controls, Risk Management and Overall Governance section of my report, I report based on my audit that: -

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

## **Responsibilities of Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the Program's ability to continue to sustain its services, disclosing as applicable, matters

related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Program or to cease operation.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report which includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion on whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution, and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose

all matters in the internal control which might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level, the risk that misstatements caused by error or fraud in amounts which would be material in relation to the financial statements being audited, may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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


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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence which is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions which may cast significant doubt on the Program's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Program to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner which achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Program to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
Nancy Gathungu  
**AUDITOR-GENERAL**

**Nairobi**

**28 December, 2020**

Reports and Financial Statements for the Financial Year ended June 30, 2020


6. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD ENDED JUNE 30, 2020


	Notes	FY 2019/20		FY 2018/19 Restated		Cumulative to Date
		Receipts and payments controlled by the entity Kshs	Receipts and payments made by third parties Kshs	Receipts and Payments controlled by the entity Kshs	Receipts and payments made by third parties Kshs	
<b>RECEIPTS:</b>						
Transfer from Government entities	11.3	439,865,740	-	*754,822,350	-	4,243,138,142
Proceeds from Domestic and Foreign Grants	11.4	-	-	-	26,903,751	125,282,396
Loan from External Development Partners	11.5	38,668,399	4,072,303,496	35,857,990	4,042,847,307	11,694,651,208
<b>Total Receipts</b>		<b>478,534,139</b>	<b>4,072,303,496</b>	<b>790,680,340</b>	<b>4,069,751,058</b>	<b>16,063,071,716</b>
<b>PAYMENTS:</b>						
Compensation of Employees	11.6	37,600,000	-	25,772,126	-	151,800,000
Purchase of Goods & Services	11.7	37,713,314	9,329,626	*79,305,865	54,470,762	501,047,633
Acquisition of Non-Financial Assets	11.8	404,856,520	4,062,973,870	678,433,320	4,015,280,296	15,404,603,228
<b>Total Payments</b>		<b>480,169,834</b>	<b>4,072,303,496</b>	<b>783,511,311</b>	<b>4,069,751,058</b>	<b>16,057,450,861</b>
<b>SURPLUS/ DEFICIT FOR THE PERIOD</b>		<b>(1,635,695)</b>		<b>7,169,029</b>	<b>-</b>	<b>5,620,856</b>


• Figures restated as per note 11.9D.

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

The financial statements were approved on 02/12/2020 and signed by:

  
 Principal Secretary  
 Joseph W. Irungu, CBS  
 Date: 7/12/2020

  
 Program Manager  
 Eng SAO Alima  
 Date: 02/12/2020

  
 Finance Mgt. Expert  
 CPA Tom B. Okello  
 ICPAK No: 4534  
 Date: 02/12/2020

Reports and Financial Statements for the Financial Year ended June 30, 2020



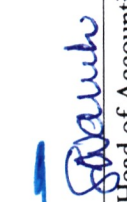

7. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD ENDED JUNE 30, 2020 -BY CATEGORIES

	Notes	FY 2019/20		FY 2018/19 Restated		Cumulative to Date
		Receipts and payments controlled by the entity Kshs	Receipts and payments made by third parties Kshs	Receipts and Payments controlled by the entity Kshs	Receipts and payments made by third parties Kshs	
<b>RECEIPTS:</b>						
Transfer from Government entities	11.3	439,865,740	-	*754,822,350	-	4,243,138,112
Proceeds from Domestic and Foreign Grants	11.4	-	-	-	26,903,751	125,282,396
Loan from External Dev. Partners	11.5	38,668,399	4,072,303,496	35,857,990	4,042,847,307	11,694,651,208
<b>Total Receipts</b>		<b>478,534,139</b>	<b>4,072,303,496</b>	<b>790,680,340</b>	<b>4,069,751,058</b>	<b>16,063,071,716</b>
<b>PAYMENTS:</b>						
Goods		1,528,309	-	1,874,913	-	13,829,562
Works		-	4,062,973,870	-	4,015,280,296	11,457,243,159
Consulting Services		37,600,000	9,329,626	25,772,126	54,470,762	328,912,297
Operational Costs		1,175,785	-	1,041,922	-	14,327,730
GOK Counterpart Payments		439,865,740	-	*754,822,350	-	4,243,138,112
<b>Total Payments</b>		<b>480,169,834</b>	<b>4,072,303,496</b>	<b>783,511,311</b>	<b>4,069,751,058</b>	<b>16,057,450,860</b>
<b>SURPLUS/ DEFICIT FOR THE PERIOD</b>		<b>(1,635,695)</b>	<b>-</b>	<b>7,169,029</b>	<b>-</b>	<b>5,620,856</b>

\*Figures restated as per note 11.9D.

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

The financial statements were approved on 02/12/2020 and signed by:



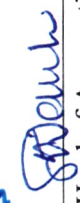

 Principal Secretary Joseph W. Irungu, CBS Date: <u>7/12/2020</u>	 Program Manager Eng. SAO Alima Date: <u>02/12/2020</u>	 Head of Accounting Unit CPA Agnes Waweru ICPAK No: <u>5514</u> Date: <u>02/12/2020</u>	 Finance Mgt. Expert CPA Tom B. Okello ICPAK No: <u>4534</u> Date: <u>02/12/2020</u>
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Reports and Financial Statements for the Financial Year ended June 30, 2020

8. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT JUNE 30, 2020

	Notes	2019/20	2018/19
		Kshs	Kshs
<b>FINANCIAL ASSETS:</b>			
Cash & Cash Equivalents:			
Bank Balances	11.9A	5,620,856	7,256,551
<b>Total Financial Assets</b>		<b>5,620,856</b>	<b>7,256,551</b>
<b>REPRESENTED BY:</b>			
Fund Balance b/fwd	11.9C	7,256,551	87,522
Surplus/ (Deficit) for the year		(1,635,695)	7,169,029
<b>Net Financial Position</b>		<b>5,620,856</b>	<b>7,256,551</b>

The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.  
 The financial statements were approved on 02/12/2020 and signed by:

 Principal Secretary Joseph W. Irungu, CBS Date: <u>7/12/2020</u>	 Program Manager Eng. SAO Alima Date: <u>02/12/2020</u>	 Head of Accounting Unit CPA Agnes Waweru ICPAK No: <u>5514</u> Date: <u>02/12/2020</u>	 Finance Mgt. Expert CPA Tom B. Okello ICPAK No: <u>4534</u> Date: <u>02/12/2020</u>
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Reports and Financial Statements for the Financial Year ended June 30, 2020

9. STATEMENT OF CASHFLOWS FOR THE YEAR ENDED JUNE 30, 2020

	Notes	2019/20 Kshs	2018/19 Restated Kshs
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts for Operating activities:			
Transfers from Government entities	11.3	439,865,740	*754,822,350
Proceeds from Domestic and Foreign Grants		439,865,740	754,822,350
Payments for Operating Expenses:			
Compensation of Employees	11.6	(37,600,000)	(25,772,126)
Purchase of Goods and Services	11.7	(37,713,314)	*(79,305,865)
		(75,313,314)	(105,077,991)
<b>Adjusted for:</b>			
Net cash flows from operating activities		364,552,426	649,744,359
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Non-Financial Assets	11.8	(404,856,520)	(678,433,320)
<b>Net cash flows from Investing Activities</b>		<b>(404,856,520)</b>	<b>(678,433,320)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Loan from external development partners	11.5	38,668,399	35,857,990
<b>Net cash flow from financing activities</b>		<b>38,668,399</b>	<b>35,857,990</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>		<b>(1,635,695)</b>	<b>(7,169,029)</b>
Cash and cash equivalent at BEGINNING of the period		7,256,551	87,522
<b>Cash and cash equivalent at END of the period</b>		<b>5,620,856</b>	<b>7,256,551</b>

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

The financial statements were approved on 02/12/2020 and signed by:

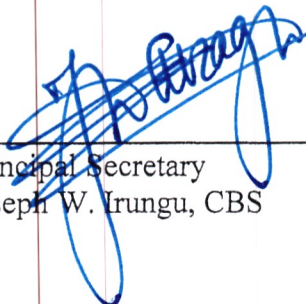
	Principal Secretary		Finance Mgt. Expert
Joseph W. Irungu, CBS	Program Manager	CPA Tom B. Okello	CPA Tom B. Okello
	Eng. SAO Alima	ICPAK No: <u>4534</u>	ICPAK No: <u>4534</u>
Date: <u>7/12/2020</u>	Date: <u>02/12/2020</u>	Date: <u>02/12/2020</u>	Date: <u>02/12/2020</u>


**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**

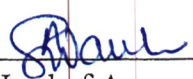
*Reports and Financial Statements for the Financial Year ended June 30, 2020*


**13 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

Reference No. on the External Audit Report	Issue/ Observations from the Auditor	Management Comments	Focal Point person to resolve the issue	Status: (Resolved/ Not Resolved)	Timeframe
1.	Low funding of the Program by the Government of Kenya.	The government has successfully negotiated with the African Development Bank for an additional funding.	PC	Resolved	30/06/2020
2.	Funding of the remaining phases	The focus currently is on Phase 1 with intention to negotiate for future funding once dam construction is substantially complete.	PC	Not resolved	31/12/2022
3.	Signing of contract without adequate funding.	AfDB has made a provision for funding of the civil works contract under the Additional Financing Agreement.	PS	Resolved	30/06/2020

  
Principal Secretary  
Joseph W. Irungu, CBS

  
Program Manager  
Eng. SAO Alima

  
Head of Accounting Unit  
CPA Agnes Waweru  
ICPAK No 5514

  
Finance Mgt. Expert  
CPA Tom B. Okello  
ICPAK No 4534

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**

*Reports and Financial Statements for the Financial Year ended June 30, 2020*

**ANNEX 4: BANK RECONCILIATION STATEMENT AS AT JUNE 30, 2020**

F.O 30				
MINISTRY OF WATER, SANITATION AND IRRIGATION				
THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM - LOAN				
BANK RECONCILIATION STATEMENT AS AT 30/06/2020				
EQUITY BANK A/C '0720262733899			KITUI BRANCH	
		Kshs.	Kshs.	Kshs.
Balance as per Bank Statements				<b>8,911,456.00</b>
Less:				
1. Payments in cashbook not yet recorded in bank statement (Unpresented Cheques)		3,300,000.00		
			<b>3,300,000.00</b>	
2. Receipts in bank statement not yet recorded in cashbook		-		
Add:				
3. Payments in bank statement not yet recorded in cashbook		9,400.00		
4. Receipts in cashbook not yet recorded in bank statement.			<b>9,400.00</b>	
<b>Balance as per the Cashbook.....</b>				<b>5,620,856.00</b>

I certify that I have verified the bank balance in the cashbook with the bank statement and that the above reconciliation is correct.

**Prepared By:**

FME



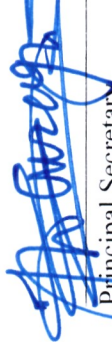
THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE I

Reports and Financial Statements for the Financial Year ended June 30, 2020


10. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS

Receipts/ Payment Item	Original Budget	Adjustments	Final Budget	Actual Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a Kshs	b Kshs	c=a + b Kshs	d Kshs	e= c - d Kshs	f= d/c%
<b>RECEIPTS:</b>						
Transfer from Government Entities	1,798,000,000	(808,000,000)	990,000,000	439,865,740	550,134,260	56
Proceeds from domestic and foreign grants	-	-	-	-	-	-
Proceeds from external borrowing	4,100,000,000	13,000,000	4,113,000,000	4,110,971,895	2,028,105	-
<b>Total Receipts</b>	<b>5,898,000,000</b>	<b>(795,000,000)</b>	<b>5,103,000,000</b>	<b>4,550,837,635</b>	<b>552,162,365</b>	<b>11</b>
<b>PAYMENTS:</b>						
Compensation of Employees	42,000,000	(4,400,000)	37,600,000	37,600,000	-	-
Purchase of goods & services	456,000,000	(290,600,000)	165,400,000	47,042,940	118,357,060	72
Acquisition of Non-Financial Assets	5,400,000,000	(500,000,000)	4,900,000,000	4,467,830,390	432,169,610	9
<b>Total Payments</b>	<b>5,898,000,000</b>	<b>(795,000,000)</b>	<b>5,103,000,000</b>	<b>4,552,473,330</b>	<b>550,526,670</b>	<b>11</b>


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

  
Principal Secretary  
Joseph W. Irungu, CBS


Date: 7/12/2020

  
Program Manager  
Eng. SAO Alima

Date: 02/12/2020

  
Head of Accounting Unit  
CPA Agnes Waweru

Date: 02/12/2020

  
Finance Mgt. Expert  
CPA Tom B. Okello

ICPAK No: 4534  
Date: 02/12/2020

## ***THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1***

*Reports and Financial Statements for the Financial Year ended June 30, 2020*

### **11. NOTES TO THE FINANCIAL STATEMENTS**

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

#### ***11.1 BASIS OF PREPARATION***

##### ***11.1.1 Statement of Compliance and Basis of Preparation***

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

The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board (PSASB) of Kenya.

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

##### ***11.1.2 Reporting Entity***

The financial statements are for the Thwake Multipurpose Water Development Program Phase 1 under National Government of Kenya. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012.

##### ***11.1.3 Reporting currency***

The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Project and all values are rounded to the nearest one shilling.

#### ***11.2 SIGNIFICANT ACCOUNTING POLICIES***

##### **a) Recognition of Receipts**

The Project recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Government. Direct payments are analysed in the financial statements as Receipts and Payments made by third parties, in the case of the Program such receipts and payments are made by the African Development Bank which is the multilateral financier.

##### **• Transfers from the Exchequer**

Transfer from Exchequer has been recognized in the books of accounts when cash was received by the Program. Cash is considered as received when payment is actually credited to the Program Bank Account.

The Program received an Exchequer of Ksh 38,668,399 from the Loan Revenue.

*THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1*

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- **External Assistance**

External assistance is received through grants and loans from the AfDB.

Only Loan was received as both Revenue and Appropriations in Aid (AIA) in the year under review. The actual amount received was Ksh 38,668,399 and Ksh 4,072,303,496 for Revenue and AIA, respectively.

- b) **Recognition of Payments**

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

- **Compensation of employees**

Salaries for the Program employees are recognized in the period when the compensation is actually paid. There were no outstanding payments as at end of the financial period.

- **Use of goods and services**

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

- **Acquisition of Fixed Assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment. The Program did not acquire any asset in a non-exchange transaction, in the year under review.

The fixed assets acquired in the year include the dam construction that is on-going and remittance for purchase of land.

A fixed asset register is maintained by the Program and a summary is available for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

- c) **Cash and cash equivalents**

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

All imprests were surrendered within the financial year thus there was no cash or imprest held at hand at the close of the year.

*THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1*

*Reports and Financial Statements for the Financial Year ended June 30, 2020*

**d) Accounts Receivable**

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

The Program did not have any Accounts Receivable during the year under review as all imprests were surrendered.

**e) Pending Bills**

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

The pending bills as analysed in Annex 2 relate to payments to be made from the GOK Counterpart funds.

**f) Budget**

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis and for the same period as the financial statements. The Program's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Projects are budgeted for under MDAs but receive budgeted funds and account for them separately. These transfers are recognized as inter – entity transfers and are eliminated upon consolidation.

The Program receives only the donor component of funding through the Ministry, as the counterpart funds is paid directly to payees through the Ministry Development Bank account.

A high level assessment of the Program's actual performance against the comparable budget for the financial year under review has been included in Annex 1 to the financial statements.

**g) Third party payments**

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

During the year Kshs 4,072,303,496 being loans and disbursements to consultants and contractor respectively, were received in form of direct payments from AfDB.

*THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1*

*Reports and Financial Statements for the Financial Year ended June 30, 2020*

**h) Comparative Figures**

Where necessary comparative figures for the previous financial year would have been amended or reconfigured to conform to the required changes in financial statement presentation. There were no changes in the financial statement presentation to necessitate any amendments.

**i) Subsequent events**

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2020. The Program is therefore expected to continue with its set operational activities.

**11.3 RECEIPTS FROM THE GOVERNMENT OF KENYA**

During the year under review, a total of Ksh 439,865,740 (Four hundred thirty nine million eight hundred sixty five thousand seven hundred forty only) was paid by the Ministry on behalf of the Program. Major expenditure relates to taxes paid to Kenya Revenue Authority (KRA) in respect of the dam construction.

It is noted that the Program does not receive the GOK Counterpart funds into its Bank accounts as the AfDB does not allow for the commingling of its funds with any funds from other sources.

Therefore the amount of GOK funds used specifically for the Program activities is treated as the receipts from the Government of Kenya.

	2019/20	Restated 2018/19	Previous Years	Cumulative to date
	Kshs	Kshs	Kshs	Kshs
Counterpart funding through Ministry of Water & Sanitation				
Quarter 1	-	-	1,940,000,000	1,940,000,000
Quarter 2	427,547,085	1,838,696	161,588,696	589,135,781
Quarter 3	-	676,312,296	1,578,419,951	1,578,419,951
Quarter 4	12,318,655	76,671,358	123,263,725	135,582,380
<b>Total</b>	<b>439,865,740</b>	<b>*754,822,350</b>	<b>3,803,272,372</b>	<b>4,243,138,112</b>

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**11.4 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS**

The Program did not receive any grants in the period under review. However, there were some payments in 2019/20 to the consultants engaged in the design review and supervision of works as detailed below:

Name of Financier/ Recipient	Date Received	Amounts received in donor currency	Grant s receiv ed in cash	Grants received as direct payment	Total amounts	
					FY 2019/20	FY 2018/19
		USD	Kshs	Kshs	Kshs	Kshs
Grants received from multilateral donors						
AfDB	20/03/2019	262,225	-	-	-	26,903,751
<b>Total</b>			-	-	-	<b>26,903,751</b>

**11.5 LOAN FROM EXTERNAL DEVELOPMENT PARTNERS**

During the year ended June 30 2020, the Program received reimbursements from the Special Account of Ksh 38,668,399 as an exchequer. Other transactions were also made in form of direct payments amounting to Kshs 4,072,303,496. The total amounts paid as Loan was therefore Ksh 4,110,971,895.

Name of Financier	Date Received	Amount in donor currency		Loans received in cash	Loan received as direct payments	Total Amount	
						2019/20	2018/19
		UAC	EURO	Kshs	Kshs	Kshs	Kshs
AfDB – Loan Revenue	Various	286,839		38,668,399	-	38,668,399	35,857,990
AfDB – Loan AIA	Various	66,234	35,769,202	-	4,072,303,496	4,072,303,496	4,042,847,307
<b>Total</b>		<b>353,073</b>	<b>35,769,202</b>	<b>38,668,399</b>	<b>4,072,303,496</b>	<b>4,110,971,895</b>	<b>4,078,705,297</b>

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**

**Reports and Financial Statements for the Financial Year ended June 30, 2020**

The payees for the year are as per the table below:

	Date		Loans received in cash	Loan received as direct payments	TOTAL
		EURO	Kshs	Kshs	Kshs
AfDB – commitment fee directly paid by National Treasury	19/02/2020	107,982.03	-	-	-
AfDB – commitment fee directly paid by National Treasury	19/02/2020	481,424.42	-	-	-
China Gezhouba Group Ltd	18/02/2020	1,508,716.79	-	169,951,682	169,951,682
China Gezhouba Group Ltd	18/02/2020	10,740,997.00	-	1,206,656,940	1,206,656,940
China Gezhouba Group Ltd	07/05/2020	2,378,459.78	-	263,276,399	263,276,399
China Gezhouba Group Ltd	07/05/2020	328,250.08	-	36,114,732	36,114,732
China Gezhouba Group Ltd	02/06/2020	1,052,923.24	-	120,000,000	120,000,000
China Gezhouba Group Ltd	02/06/2020	12,415,680.99	-	1,378,990,710	1,378,990,710
China Gezhouba Group Ltd	30/06/2020	350,674.36	-	42,649,197	42,649,197
China Gezhouba Group Ltd	30/06/2020	649,496.12	-	80,230,973	80,230,973
China Gezhouba Group Ltd	19/02/2020	2,874,351.31	-	322,908,195	322,908,195
China Gezhouba Group Ltd	14/05/2020	557,910.32	-	61,756,192	61,756,192
China Gezhouba Group Ltd	02/06/2020	3,322,506.18	-	369,025,683	369,025,683
China Gezhouba Group Ltd	30/06/2020		-	11,413,167	11,413,167
<b>Total payments in EURO</b>		<b>35,769,202</b>	<b>-</b>	<b>4,062,973,870</b>	<b>4,062,973,870</b>
		UAC	Kshs	Kshs	Kshs
Replenishment to the Special Account	24/10/2019	148,410.23	20,771,009		20,771,009
Replenishment to the Special Account	27/03/2020	138,428.72	17,897,390		17,897,390
Studio Pietrangeli s.r.l	26/06/2020	37,236.00	-	5,247,915	5,247,915
Studio Pietrangeli s.r.l	29/06/2020	28,998.30	-	4,081,711	4,081,711
<b>Total payments in UAC</b>		<b>353,073.25</b>	<b>38,668,399</b>	<b>9,329,626</b>	<b>47,998,025</b>

*THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1*

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11.6 **COMPENSATION OF EMPLOYEES**

		2020/21			2018/19	Cumulative to Date
		Payments made by the entity in cash	Payments made by third parties	Total Payments	Payments made by the entity in cash	
		Kshs	Kshs	Kshs	Kshs	Kshs
Other personnel payments		37,600,000	-	37,600,000	25,772,126	151,800,000
<b>Total</b>		<b>37,600,000</b>	<b>-</b>	<b>37,600,000</b>	<b>25,772,126</b>	<b>151,800,000</b>

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE I**

**Reports and Financial Statements for the Financial Year ended June 30, 2020**

**11.7 PURCHASE OF GOODS AND SERVICES**

	FY 2019/20			FY 2018/19 Restated			Cumulative to Date
	Payments made by the entity in cash	Payments made by third parties	Total Payments	Payments made by the entity in cash	Payments made by third parties	Total Payments	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Utilities, Supplies & Services	1,855,963	-	1,855,963	4,528,984	-	4,528,984	112,595,726
Domestic Travels & Subsistence	3,154,400	-	3,154,400	2,345,200	-	2,345,200	19,499,750
Foreign Travels & Subsistence	-	-	-	-	-	-	3,171,370
Printing, Advert & Information Supplies	-	-	-	-	-	-	3,751,686
Other Operating Expenses	101,370	-	101,370	13,505	-	13,505	4,644,628
Routine Maintenance – Motor Vehicle	7,659,212	-	7,659,212	1,119,417	-	1,119,417	9,548,757
Consultancy services – Technical and Professional services	24,942,369	9,329,626	34,271,995	71,298,759	54,470,762	125,796,686	366,628,753
<b>Total</b>	<b>37,713,314</b>	<b>9,329,626</b>	<b>47,042,940</b>	<b>*79,305,865</b>	<b>54,470,762</b>	<b>133,776,627</b>	<b>519,840,670</b>

• Restated figures as per Note 11.9D.

THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE I

Reports and Financial Statements for the Financial Year ended June 30, 2020

11.8 ACQUISITION OF NON-FINANCIAL ASSETS

	FY 2019/20				FY 2018/19				Cumulative to Date
	Payments made by the entity in cash	Payments made by third parties	Total Payments	Payments made by the entity in cash	Payments made by third parties	Total Payments			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Purchase of Vehicles and other transport equipment	-	-	-	-	-	-	-	12,136,200	
Purchase of Office Furniture and General Equipment	1,221,276	-	1,221,276	2,121,024	-	2,121,024	5,527,428		
Purchase of land	-	-	-	676,312,296	-	676,312,296	3,526,061,197		
Construction of Civil Works - Dam	403,635,244	4,062,973,870	4,466,609,114	-	4,015,280,296	4,015,280,296	11,860,878,403		
<b>Total</b>	<b>404,856,520</b>	<b>4,062,973,870</b>	<b>4,693,713,616</b>	<b>678,433,320</b>	<b>4,015,280,296</b>	<b>4,693,713,616</b>	<b>15,404,603,228</b>		

*THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1*

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**11.9 CASH & CASH EQUIVALENTS**

	FY 2019/20	FY 2018/19
	Kshs	Kshs
Bank Accounts (Note 11.9A and 11.9C)	5,620,856	7,256,551
<b>Total</b>	<b>5,620,856</b>	<b>7,256,551</b>

**11.9A Bank Accounts**

	FY 2019/20	FY 2018/19
	Kshs	Kshs
Local Currency Bank Account:		
Equity Bank Ltd (A/c 0720262733899)	5,620,856	7,256,551
<b>Total Local Currency Balances</b>	<b>5,620,856</b>	<b>7,256,551</b>
<b>Total Bank Account Balances</b>	<b>5,620,856</b>	<b>7,256,551</b>

**11.9B Special Deposit Accounts**

The balances in the Project's Special Deposit Account (SDA) as at June 30<sup>th</sup> 2020 are not included in the Statement of Financial Assets since they are below the line (BTL) items and are yet to be drawn into the Exchequer Account as a voted provision.

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

**Special Deposit Accounts Movement Schedule**

	FY 2019/20	FY 2018/19
	USD	USD
i) A/c Name: Thwake Multipurpose Water Development Program Loan Account (Ac No: 01268945650)		
Opening Balance	8.43	8.43
Total amount deposited in the account	390,396.58	357,587
Total amount withdrawn (as per Statement of Receipt and Payments)	369,861.70	357,587
Bank charges by CBK	50.00	-
<b>Closing balance (as per SDA bank account reconciliation attached)</b>	<b>20,493.31</b>	<b>8.43</b>

The SDA reconciliation statement has been attached as Appendix 5 to support the closing balances.

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**11.9CFund Balance B/Fwd**

	FY 2018/19	FY 2018/19
	Kshs	Kshs
Bank Accounts	7,256,551	87,522
	-	-
<b>Total</b>	<b>7,256,552</b>	<b>87,522</b>

**11.9D Restated Figures**

	Balance b/f FY 2018/19 as per the Financial Statements	Adjustment	Adjusted Balance b/f FY 2018/19
	Kshs	Kshs	Kshs
Transfer from Government Entities	773,615,387	(18,793,037)	754,822,350
Purchase of Goods and Services – (Receipts and payments controlled by the entity)	98,098,902	(18,793,037)	79,305,865

The restated statements relate to an error noted in the statements for 2018/19 where services deemed to have been paid for under GOK counterpart funds was found to have been unpaid at the end of the financial year.

A correction of this error has now been made by reducing the Transfer from Government entity that was deemed to have been received for this payment, and also reducing the Purchase of goods and services that had been posted as expensed.

*THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE I*  
*Reports and Financial Statements for the Financial Year ended June 30, 2020*

**12 OTHER IMPORTANT DISCLOSURES**

**12.1: Pending Accounts Payable (See Annex 2A)**

	FY 2019/20	FY 2018/19
	Kshs	Kshs
Supply of Goods	-	53,876
Supply of Services	62,774,426	3,837,632
<b>Total</b>	<b>62,774,426</b>	<b>3,891,508</b>

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**

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**ANNEX 1 – VARIANCE EXPLANATIONS OF COMPARATIVE BUDGET & ACTUAL AMOUNTS**

	Final Budget	Actual on Comparable Basis	Budget Utilisation Variance	% of Utilisation difference.	Comments on Variance
	a	b	C = a - b	D = b/a%	
<b>RECEIPTS DURING THE PERIOD:</b>					
Government of Kenya	990,000,000	439,865,740	550,134,260	56	
Proceeds from external borrowing	4,113,000,000	4,110,971,895	2,028,105	-	The Ministry did not request for an exchequer as VAT of Ksh 320 million that would have been payable on Interim Payment Certificate (IPC 2) was not paid because of exemption for Official Aid Funded Projects (OAFPs) in line with Treasury Circular No. 15. The ministry did not make payments to National Land Commission for the additional land that was to be acquired as there was delay in the process and valuation of land. The projected cost was Ksh 150 million. Other differences of Ksh 63million relate to consultancies not paid for due to closure of e-procurement module, hence payments were not done.
<b>Total Receipts</b>	<b>5,103,000,000</b>	<b>4,550,837,635</b>	<b>559,995,828</b>	<b>11</b>	
<b>PAYMENTS DURING THE PERIOD:</b>					
Compensation of Employees	37,600,000	37,600,000	-	-	
Purchase of Goods & Services	165,400,000	47,042,940	118,357,060	72	Closure of e-procurement module early in May 2020 and the Treasury Circular on exemption of VAT referred to above contributed to non-utilisation of the funds.
Acquisition of non – financial assets	4,900,000,000	4,467,830,390	432,169,610	9	
<b>Total Payments</b>	<b>5,103,000,000</b>	<b>4,552,473,330</b>	<b>550,526,670</b>	<b>11</b>	

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE I**

**Reports and Financial Statements for the Financial Year ended June 30, 2020**

**ANNEX 2: ANALYSIS OF PENDING ACCOUNTS PAYABLE BILLS AS AT 30<sup>TH</sup> JUNE, 2020**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount paid to date	Outstanding Balance 30/06/2020	Outstanding Balance 30/06/2019	Comments
	Ksh		Ksh	Ksh	Ksh	
<b>Supply of Goods</b>						
Lilyim Enterprises	53,876		53,876	-	53,876	
<b>Sub Total</b>	<b>53,876</b>		<b>53,876</b>	-	<b>53,876</b>	
<b>Supply of Services</b>						
Market Edge Ltd	1,415,200	14/01/2019	1,415,200	-	1,415,200	
Market Edge Ltd	2,122,800	14/01/2019	2,122,800	-	2,122,800	
Multi – line Motors Ltd	7,992	16/03/2019	7,992	-	7,992	
Multi – line Motors Ltd	5,668	04/04/2019	5,668	-	5,668	
Multi – line Motors Ltd	7,047	22/05/2019	7,047	-	7,047	
Kenya Revenue Authority – Robin Peterson	278,925	01/04/2016	278,925	-	278,925	
SMEC International Pty Ltd	12,407,277	02/06/2020	-	12,407,277	-	Documents submitted for payment processing after the closer of the e-procurement module in the IFMIS.
SMEC International Pty Ltd	24,238,762	02/06/2020	-	24,238,762	-	
SMEC International Pty Ltd	11,996,681	02/06/2020	-	11,996,681	-	
SMEC International Pty Ltd	990,737	02/06/2020	-	990,737	-	
SMEC	11,592,821	02/06/2020	-	11,592,821	-	

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International Pty Ltd									
National Land Commission	1,500,000	14/06/2020	-	1,500,000	-				
Multiline Motors Ltd	48,148	02/06/2020	-	48,148					Documents submitted for payment processing after the closer of the e-procurement module in the IFMIS.
<b>Sub Total</b>	<b>66,618,073</b>		<b>3,837,632</b>	<b>62,774,426</b>	<b>3,837,632</b>				
<b>Total</b>	<b>66,671,949</b>		<b>3,891,508</b>	<b>62,774,426</b>	<b>3,891,508</b>				

*THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1*

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**ANNEX 3: SCHEDULE OF THE FIXED ASSETS AS AT JUNE 30, 2020**

	Opening Cost	Purchases/ Additions in the Year	Disposals in the Year	Transfers In/(Out)	Closing Cost
	2019/20	2019/20	2019/20	2019/20	2019/20
	a	b	c	d	e = a + b + d - c
	Kshs	Kshs	Kshs	Kshs	Kshs
Land	3,526,061,197	-	-	-	3,526,061,197
Civil Works - Dam	7,394,269,289	4,466,609,114	-	-	11,860,878,403
Transport Equipment	12,136,200	-	-	-	12,136,200
Office Equipment, furniture & Fittings	4,306,152	1,221,276	-	-	5,527,428
<b>Total</b>	<b>10,936,772,838</b>	<b>4,467,830,390</b>	-	-	<b>15,404,603,228</b>

Land constitutes the payments already made through the National Land Commission (NLC) to the Program Affected Persons (PAPs) for the acquisition of land for the Thwake dam site.

Civil Works – Dam is the construction of the Thwake dam that is on-going.

The details of the various fixed assets procured by the Program since its inception are provided in the table below.

THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE I

Reports and Financial Statements for the Financial Year ended June 30, 2020

Table 4: Details of the Fixed Assets as at June 30, 2020

	Serial No.	Land	Civil Works -- Dam Construction	Motor Vehicles	Office Equipment, Furniture and Fittings
01	Thwake Dam site	3,526,061,197	-	-	-
02	Executive Desks	-	-	-	62,517.00
03	Executive Desks	-	-	-	62,517.00
04	Executive Desks	-	-	-	62,517.00
05	Executive Desks	-	-	-	62,517.00
06	Executive Desks	-	-	-	62,517.00
07	Filling Cabinet	-	-	-	259,376.00
08	Executive Visitor's Chair	-	-	-	19,332.00
09	Executive Visitor's Chair	-	-	-	19,332.00
10	Executive Visitor's Chair	-	-	-	19,332.00
11	Executive Visitor's Chair	-	-	-	19,332.00
12	Executive Visitor's Chair	-	-	-	19,332.00
13	Executive Visitor's Chair	-	-	-	19,332.00
14	Executive Visitor's Chair	-	-	-	19,332.00
15	Executive Visitor's Chair	-	-	-	19,332.00
16	Executive Visitor's Chair	-	-	-	19,332.00
17	Executive Visitor's Chair	-	-	-	19,332.00
18	Executive High Back Chair	-	-	-	50,555.00
19	Executive High Back Chair	-	-	-	50,555.00
20	Executive High Back Chair	-	-	-	50,555.00
21	Executive High Back Chair	-	-	-	50,555.00
22	Executive High Back Chair	-	-	-	50,555.00
23	Filling Cabinet	-	-	-	44,210.00
24	Filling Cabinet	-	-	-	44,210.00
25	Filling Cabinet	-	-	-	44,210.00
26	Filling Cabinet	-	-	-	44,210.00
27	Filling Cabinet	-	-	-	44,210.00
28	Pajero Station Wagon	-	-	6,068,100.00	-

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE I**

**Reports and Financial Statements for the Financial Year ended June 30, 2020**

29	Pajero Station Wagon	GK B934J	-	-	-	6,068,100.00	-
30	Fridge	MOWI/TMWDP/E001	-	-	-	-	115,280.00
31	Multipurpose Copier	E336M121008	-	-	-	-	358,500.00
32	Laptop Computer	8CX5421VSH	-	-	-	-	118,060.50
33	Laptop Computer	8CX5424K69	-	-	-	-	118,060.50
34	Laptop Computer	8CX542492R	-	-	-	-	118,060.50
35	Laptop Computer	8CX5430PDF	-	-	-	-	118,060.50
36	Dam Construction	MWI/TMWDP -- 1/WOO1/2017 - 2018	-	-	11,860,878,403	-	-
37	Compact Fire Proof Cabinet	MOWI/TMWDP/F026-1	-	-	-	-	139,850.00
38	Compact Fire Proof Cabinet	MOWI/TMWDP/F027	-	-	-	-	139,850.00
39	Compact Fire Proof Cabinet	MOWI/TMWDP/F028	-	-	-	-	139,850.00
40	Compact Fire Proof Cabinet	MOWI/TMWDP/F029	-	-	-	-	139,850.00
41	4 Drawer Steel Filling Cabinet	MOWI/TMWDP/F030	-	-	-	-	29,450.00
42	4 Drawer Steel Filling Cabinet	MOWI/TMWDP/F031	-	-	-	-	29,450.00
43	Executive Desk	MOWI/TMWDP/F032	-	-	-	-	85,500.00
44	Executive Desk	MOWI/TMWDP/F033	-	-	-	-	85,500.00
45	Executive Desk	MOWI/TMWDP/F034	-	-	-	-	85,500.00
46	Executive Desk	MOWI/TMWDP/F035	-	-	-	-	85,500.00
47	High Back Orthopaedic Chair	MOWI/TMWDP/F036	-	-	-	-	60,500.00
48	High Back Orthopaedic Chair	MOWI/TMWDP/F037	-	-	-	-	60,500.00
49	High Back Orthopaedic Chair	MOWI/TMWDP/F038	-	-	-	-	60,500.00
50	High Back Orthopaedic Chair	MOWI/TMWDP/F039	-	-	-	-	60,500.00
51	High Back Orthopaedic Chair	MOWI/TMWDP/F040	-	-	-	-	60,500.00
52	High Back Orthopaedic Chair	MOWI/TMWDP/F041	-	-	-	-	60,500.00
53	Medium Back Agronomic Chair	MOWI/TMWDP/F042	-	-	-	-	45,000.00
54	Medium Back Agronomic Chair	MOWI/TMWDP/F043	-	-	-	-	45,000.00
55	Medium Back Agronomic Chair	MOWI/TMWDP/F044	-	-	-	-	45,000.00
56	Medium Back Agronomic Chair	MOWI/TMWDP/F045	-	-	-	-	45,000.00
57	2 Way Secretarial Work Station	MOWI/TMWDP/F046	-	-	-	-	140,500.00
58	2 Way Secretarial Work Station	MOWI/TMWDP/F047	-	-	-	-	140,500.00

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE I**

**Reports and Financial Statements for the Financial Year ended June 30, 2020**

59	Projector Epson EB 541	MOWI/TMWDP/E007	-	-	-	84,600.00
60	Atlas Paper Shredder	MOWI/TMWDP/E008	-	-	-	61,200.00
61	Atlas Paper Shredder	MOWI/TMWDP/E009	-	-	-	61,200.00
62	Atlas Paper Shredder	MOWI/TMWDP/E010	-	-	-	61,200.00
63	Atlas Paper Shredder	MOWI/TMWDP/E011	-	-	-	61,200.00
64	Atlas Paper Shredder	MOWI/TMWDP/E012	-	-	-	61,200.00
65	Multi Sectorial Copier	MOWI/TMWDP/E013	-	-	-	495,000.00
66	Colour Printer HP MFP 477FDW	MOWI/TMWDP/E014	-	-	-	148,250.00
67	Colour Printer HP MFP 477FDW	MOWI/TMWDP/E015	-	-	-	148,250.00
68	Kyocera Printer Task Alfa 2040DN	MOWI/TMWDP/E016	-	-	-	125,300.00
69	Kyocera Printer Task Alfa 2040DN	MOWI/TMWDP/E017	-	-	-	125,300.00
70	Kyocera Printer Task Alfa 2040DN	MOWI/TMWDP/E018	-	-	-	125,300.00
	<b>Total</b>		<b>3,526,061,197</b>	<b>11,860,878,403</b>	<b>12,136,200.00</b>	<b>5,527,428.00</b>

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1**

*Reports and Financial Statements for the Financial Year ended June 30, 2020*

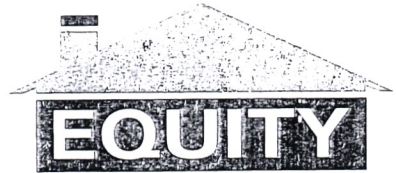
<b>MINISTRY OF WATER, SANITATION&amp; IRRIGATION</b>			
<b>THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM - LOAN</b>			
<b>BANK RECONCILIATION STATEMENT AS AT 30/06/2020</b>			
<b>SCHEDULE OF UNPRESENTED CHEQUES AS AT 30/06/2020</b>			
<b>Date</b>	<b>Cheque No.</b>	<b>Payee</b>	<b>Amount</b>
			Ksh
30/06/2020	B/Chq.	National Treasury Revenue Collection	54,549.00
30/06/2020	'000802	NHIF	8,500.00
30/06/2020	'000803	Equity Bank Ltd (PAYE)	744,371.00
30/06/2020	'000804	Musembi Munyao	381,800.00
30/06/2020	'000805	Tom Bodo Okello	293,120.00
30/06/2020	'000806	Rodah Kambua	306,800.00
30/06/2020	'000807	Justus Jumbe	297,593.00
30/06/2020	'000808	Peter M. Musuva	287,767.00
30/06/2020	'000809	Augustine Makau	306,800.00
30/06/2020	'000810	Shadrack Yego	306,800.00
30/06/2020	'000811	Godffrey Olali	306,800.00
		<b>Total</b>	<b>3,300,000.00</b>
<b>SCHEDULE OF PAYMENTS IN BANK NOT IN CASHBOOK (BANK CHARGES)</b>			
<b>Date</b>		<b>Bank Charge</b>	<b>Ksh</b>
02/06/2020		Inward Clearing Charge	120.00
03/06/2020		Inward Clearing Charge	360.00
03/06/2020		Interim Statement Printing Charge	360.00
03/06/2020		Bankers Cheque Charge	120.00
10/06/2020		Transfer Charge	120.00

*THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1*

*Reports and Financial Statements for the Financial Year ended June 30, 2020*

11/06/2020		Inward Clearing Charge	60.00
16/06/2020		Inward Clearing Charge	60.00
17/06/2020		Inward Clearing Charge	8,200.00
		<b>Total Bank Charges</b>	<b>9,400.00</b>
<b>SCHEDULE OF RECEIPTS IN BANK NOT IN CASHBOOK</b>			
			-

# STATEMENT OF ACCOUNT



HEAD OFFICE: P.O. Box: 75104 - 00200 Nairobi, Tel: 020-2262000 Fax: 2737276, Mobile: 0711 018000, 0722 112000, Email: info@equitybank.co.ke, Website: www.equitybank.co.ke

Equity Bank - Your Listening, Caring Partner

To: THWAKE MULTI-PURPOSE WATER DEVELOPMENT PROGRAMME PHASE 1 P.O. BOX 48720

A/C No. : 072  
 Branch ID :  
 From : THWAKE MULTI-PURPOSE WATER  
 Customer Name : DEVELOPMENT PROGRAMME PHASE 1

Date	Value	Particulars	Money Out	Money In	Balance
Account Statement 0720262733899 Statement Period (From 01-06-2020 To 08-07-2020)					

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
02-06-2020	02-06-2020	ChequeNo.000794 Presented	293,120.00		12,449,666.25
02-06-2020	02-06-2020	Inward Clearing Charge	60.00		12,449,606.25
02-06-2020	02-06-2020	ChequeNo.000797 Presented	287,767.00		12,161,839.25
02-06-2020	02-06-2020	Inward Clearing Charge	60.00		12,161,779.25
03-06-2020	03-06-2020	ChequeNo.000798 Presented	306,800.00		11,854,979.25
03-06-2020	03-06-2020	ChequeNo.000795 Presented	306,800.00		11,548,179.25
03-06-2020	03-06-2020	Inward Clearing Charge	60.00		11,548,119.25
03-06-2020	03-06-2020	ChequeNo.000799 Presented	306,800.00		11,241,319.25
03-06-2020	03-06-2020	Inward Clearing Charge	60.00		11,241,259.25
03-06-2020	03-06-2020	Inward Clearing Charge	60.00		11,241,199.25
03-06-2020	03-06-2020	ChequeNo.000793 Presented	381,800.00		10,859,399.25
03-06-2020	03-06-2020	ChequeNo.000800 Presented	306,800.00		10,552,599.25
03-06-2020	03-06-2020	Inward Clearing Charge	60.00		10,552,539.25
03-06-2020	03-06-2020	Inward Clearing Charge	60.00		10,552,479.25
03-06-2020	03-06-2020	Interim statement printing charges	360.00		10,552,119.25
03-06-2020	03-06-2020	DD/CC ISSUED	54,669.00		10,497,450.25
03-06-2020	03-06-2020	ChequeNo.000791 Presented	13,600.00		10,483,850.25
03-06-2020	03-06-2020	Inward Clearing Charge	60.00		10,483,790.25
10-06-2020	10-06-2020	2020200001295659 THWAKE MULTIPURPOSE WATER DEVELO	744,371.00		9,739,419.25
10-06-2020	10-06-2020	Transfer Charge	120.00		9,739,299.25

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

JM115200200700116006

# STATEMENT OF ACCOUNT



HEAD OFFICE: PO Box 75104 - 00200 Nairobi, Tel: 020-2262000 Fax: 2737276, Mobile: 0711 026000, 0732 112000, Email: info@equitybank.co.ke, Website: www.equitybank.co.ke

**EQUITY** • Your Listening, Caring Partner

Account No. : 0720262733899

Customer Name : THWAKE MULTI-PURPOSE WATER DEVELOPMENT PROGRAMME PHASE 1  
A/C No.

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
11-06-2020	11-06-2020	ChequeNo.000796 Presented	297,593.00		9,441,706.25
11-06-2020	11-06-2020	Inward Clearing Charge	60.00		9,441,646.25
16-06-2020	16-06-2020	ChequeNo.000801 Presented	521,930.00		8,919,716.25
16-06-2020	16-06-2020	Inward Clearing Charge	60.00		8,919,656.25
17-06-2020	17-06-2020	Cheque Book Issue Charges	7,200.00		8,912,456.25
17-06-2020	17-06-2020	chbk Issue Stamp Charges	1,000.00		8,911,456.25
01-07-2020	01-07-2020	ChequeNo.000806 Presented	306,800.00		8,604,656.25
01-07-2020	01-07-2020	Inward Clearing Charge	60.00		8,604,596.25
01-07-2020	01-07-2020	ChequeNo.000809 Presented	306,800.00		8,297,796.25
01-07-2020	01-07-2020	Inward Clearing Charge	60.00		8,297,736.25
01-07-2020	01-07-2020	ChequeNo.000810 Presented	306,800.00		7,990,936.25
01-07-2020	01-07-2020	Inward Clearing Charge	60.00		7,990,876.25
01-07-2020	01-07-2020	ChequeNo.000805 Presented	293,120.00		7,697,756.25
01-07-2020	01-07-2020	Inward Clearing Charge	60.00		7,697,696.25
02-07-2020	02-07-2020	ChequeNo.000808 Presented	287,767.00		7,409,929.25
02-07-2020	02-07-2020	ChequeNo.000804 Presented	381,200.00		7,028,729.25
02-07-2020	02-07-2020	Inward Clearing Charge	60.00		7,028,669.25
02-07-2020	02-07-2020	ChequeNo.000811 Presented	306,800.00		6,721,869.25
02-07-2020	02-07-2020	Inward Clearing Charge	60.00		6,721,809.25
02-07-2020	02-07-2020	Inward Clearing Charge	60.00		6,721,749.25
02-07-2020	02-07-2020	2020200001591751 THWAKE MULTIPURPOSE WATER DEVELO	744,371.00		5,976,778.25
02-07-2020	02-07-2020	Transfer Charge	120.00		5,976,658.25
02-07-2020	02-07-2020	DD/CC ISSUED	54,669.00		5,921,989.25
04-07-2020	04-07-2020	ChequeNo.000802 Presented	13,600.00		5,908,389.25
04-07-2020	04-07-2020	Inward Clearing Charge	60.00		5,908,329.25
06-07-2020	06-07-2020	ChequeNo.000807 Presented	297,593.00		5,610,736.25
06-07-2020	06-07-2020	Inward Clearing Charge	60.00		5,610,676.25

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

JW1520020200706110008

# PAYMENTS

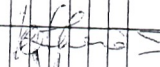
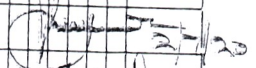
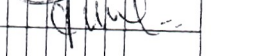
60

FO. 26 (Small)

Date	To Whom Paid	Description of Payment	Allocation	Voucher No.	Cheque No.	Sh. cts.	Sh. cts.	Sh. cts.
06	JOSEPH AND SPARKS			000025	000807			
06	WOL CORP	CHARGES		000026				521,930 -
	PC-TANZANIA	JUNE 2020 PAYROLL		000027				132,900 -
		- NHIF		000802		13,800 -		
		- EQUITY BANK (DATE)		000803		744,371 -		
		- MUMBI MUNYATI		000804		381,800 -		
		- TOM B. OKELLO		000805		293,120 -		
		- RODAH KAMBUI		000806		206,800 -		
		- JUSTUS TUMBE		000807		297,533 -		
		- PETER MUSAHA		000808		287,747 -		
		- KULUUME MAKAO		000809		206,800 -		
		- SHADRACK YEGO		000810		206,800 -		
		- GODFREY OULI		000811		206,800 -		
		- MT. KENIA COLL. Mt				54,567 -		
06	TOMB OKELLO	STANDING ORDER		000028	Cash		50,000 -	2,200,000 -
		TOTAL PAYMENTS					50,000 -	
		BALANCE c/d					50,000 -	5,825,520 -
								5,825,520 -
							50,000 -	5,456,066 -

## BOARD OF SURVEY TEAM

- 1) ONICATA GITENDO - PRINCIPAL ECONOMIST
- 2) MURRAY K. - (UGON) - AG. SENIOR ACCOUNTANT
- 3) ZILPUN ACHKI - ACCOUNTANT II

*THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE 1*

*Reports and Financial Statements for the Financial Year ended June 30, 2020*

**ANNEX 5: SPECIAL ACCOUNT STATEMENT AS AT JUNE 30, 2020**

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THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAMME PHASE 1  
 STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION  
 FOR THE YEAR ENDED 30TH JUNE 2020  
 PART B: ACCOUNT RECONCILIATION STATEMENT

PROJECT No. 2100150029993

Bank Account No.1000213507 Held with Central Bank of Kenya

	NOTES	AMOUNT USD	AMOUNT USD
1	Amount advanced by ADB		1,843,938.33
	Less		
2	Total amount justified to ADB		1,737,349.64
3	<b>Outstanding amount advanced to Designated Account</b>		<b>106,588.69</b>
	<b>Represented by:</b>		
4	Ending Designated Account Balance at 30.06.2020		20,493.31
5	Amount claimed but not credited at 30.06.2020		-
6	Amount withdrawn and not claimed as at 30.06.2020		86,095.38
7	Service charges (if not included in 5 & 6 above)		-
	Less		
8	Interest earning (if included in Designated Account)		-
9	<b>Total advance to Designated Account year ended 30.06.2020</b>		<b>106,588.69</b>

Discrepancy between total appearing on lines 3 and 9

-

Notes:

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

The amount appearing on line 6 is eligible for financing by ADB and shall be documented in subsequent IFRs/SOEs

  
 AUTHORIZED REPRESENTATIVE

RESOURCES MOBILIZATION DEPARTMENT - TREASURY DATE: 19/06/2020

## SPECIAL ACCOUNT STATEMENT

For period ending	30th JUNE, 2020
Account No.	1000213507
Depository Bank	CENTRAL BANK OF KENYA.
Address	CENTRAL BANK OF KENYA.
Related Loan	THWAKE M-P WATER- LN 2100150029993
Credit Agreement	
Currency	USD

### Part A - Account Activity

Beginning balance of 1st July, 2019  
as per C.B.K. Ledger Account 8.43

#### **Add:**

Total Amount deposited by <sup>App</sup> World Bank 390,346.58

Total Interest earnings if deposited in account

Total amount refunded to cover ineligible  
expenditure

#### **Deduct:**

Total amount withdrawn 369,861.70

Total service charges if not included above in  
amount withdrawn

Ending balance on 30th June, 2020 20,493.31

**AUTHORISED REPRESENTATIVE  
CENTRAL BANK OF KENYA**

SIGNATURE: 

DATE

07-08-2020

**AUTHORISED REPRESENTATIVE  
EXTERNAL RESOURCES  
DEPARTMENT-TREASURY**

SIGNATURE: 

DATE

18-08-2020

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2020 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Results 1 - 4 of 4

Run Date: 29/07/2020 Run Time: 17:03:40  
 CENTRAL BANK OF KENYA  
 BANKI KUU YA KENYA  
 P.O.BOX 60000-0200  
 NAIROBI

STATEMENT OF ACCOUNT

PAGE NO : 1

ACCOUNT NUMBER : 1000213507

ACCOUNT TITLE : THWAKE M-P WATER- LN 2100150029993  
 30/06/2020

STATEMENT PERIOD: From 01/07/2019 To

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE
OPENING BAL :			8.43		
NO.	Value Date	Refernce.No	Details	Debit	Credit
1	25/10/2019	FT19298WKB68	FUNDING	0.00	202,853.27
2	11/11/2019	FT19315GLXVC	PA123351	-202,861.70	0.00
3	30/03/2020	FT20090LC81W	FUNDING	0.00	187,493.31
4	30/04/2020	FT201206MVB4	PA 124506	-167,000.00	0.00
					CLOSING BALANCE : 20493.31

END OF ACCOUNT STATEMENT

Favourites

[More Options](#)  
[Clear Selection](#) [Find](#)

---

TAM.E.STMT.OF.ACCT.EPRM

Account	equals	▼	1000213507
Statement From	equals	▼	20190701
Statement To	equals	▼	20200630

---

TAM.E.STMT.OF.ACCT.EPRM

**MINISTRY OF WATER, SANITATION & IRRIGATION**  
**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM**  
**LOAN NO: 2100150029993**

**CUMULATIVE STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT AND JUSTIFICATIONS AS AT JUNE 30, 2020**

	USD	KES
<b>1 Cumulative Amount advanced by AfDB:</b>		
RP 1 Advance	476,300.00	43,495,716.00
RP 2	284,976.20	28,671,455.00
RP 3	208,508.43	21,594,345.00
RP 4	126,170.01	12,738,124.00
RP 5	162,123.63	16,299,910.00
RP 6	195,463.52	19,558,080.00
RP 7	202,878.27	20,771,009.00
RP 8	167,000.00	17,897,390.00
RP 8 (Disbursed by Bank not remitted to Program)	20,518.31	-
<b>Total Replenishments</b>	<b>1,843,938.37</b>	<b>181,026,029.00</b>
<b>2 Justifications to the Bank:</b>		
0001JUS	72,268.77	6,599,584.00
0002JUS	41,218.70	3,764,092.00
0003JUS	-	-
0004JUS	66,986.44	6,117,202.00
0005JUS	69,499.02	6,346,650.30
0006JUS	35,003.26	3,196,498.00
0007JUS	51,291.74	4,683,961.30
0008JUS	19,102.76	1,744,464.00
0009JUS	56,798.42	5,186,832.00
0010JUS	65,845.77	6,028,967.00
0011JUS	76,560.03	7,702,705.00
0012JUS	74,419.73	7,487,369.00
0013JUS	95,384.80	9,596,664.40
0014JUS	56,534.30	5,746,043.00
0015JUS	49,414.80	5,117,891.00
0016JUS	53,594.14	5,550,745.00
0017JUS	66,298.99	6,866,586.00
0018JUS	108,061.67	10,959,683.00
0019JUS	36,810.68	3,717,666.00
0020JUS	107,407.98	10,799,156.00
0021JUS	53,838.09	5,412,882.00
0022JUS	48,327.78	4,836,508.00
0023JUS	75,390.23	7,543,546.00
0024JUS	61,719.80	6,175,683.00
0025JUS	121,721.93	12,436,882.00
0026JUS	87,343.66	8,943,117.00

	0027JUS	88,899.36	9,503,196.00
	<b>Total Justifications submitted</b>	<b>1,739,742.85</b>	<b>172,064,573.00</b>
	Add: '0028JUS (in process)	31,299.18	3,350,780.00
	<b>Total Justifications submitted and in process</b>	<b>1,771,042.03</b>	<b>175,415,353.00</b>
	<b>3 Variance to account for</b>	<b>72,896.34</b>	<b>5,610,676.00</b>
	<b>Explanation for Variance:</b>		
3a	Balance in the Program Bank Account	52,353.05	5,610,676.00
3b	Balance held as Standing Imprest	-	-
3c	Amount undrawn from the Special Account	20,493.31	-
	CBK bank charges	50.00	-
3d	Total Variance Explained	72,896.36	5,610,676.00
	<b>Rounding Off</b>	<b>(0.02)</b>	<b>-</b>
<b>RECONCILIATION OF AMOUNTS WITHDRAWN AND NOT CLAIMED AS AT JUNE 30, 2020</b>			
		USD	USD
	Cumulative amounts advanced by AfDB		1,843,938.33
	Amounts justified to date		1,737,349.64
	Outstanding amounts advanced to SPA		106,588.69
	Reconciled as below:		
	Justifications in process	31,299.18	
	Amounts held in SPA Account	20,493.31	
	Amounts held in Program Bank Account as at June 30, 2020	52,353.05	
	Bank Charges by CBK	50.00	
		104,195.54	104,195.54
	Amount for reconciliation with AfDB		2,393.15

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM, PHASE I**  
*Reports and Financial Statements for the Financial Year ended June 30, 2020*

**Table 6: TRANSFERS TO AND FROM CONFIRMATION TEMPLATE**

**THWAKE MULTIPURPOSE WATER DEVELOPMENT PROGRAM**  
**MINISTRY OF WATER, SANITATION AND IRRIGATION**  
**P.O BOX 49720 – 00100, NAIROBI**

The Thwake Multipurpose Water Development Program wishes to confirm the amounts received from you as at 30<sup>th</sup> June 2020 as indicated in the table below. Please compare the amounts received from you with the amounts you disbursed. Then please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts disbursed by Ministry of Water, Sanitation & Irrigation as at June 30, 2020						
Reference No.	Date Received	Amounts released to Thwake Multipurpose Water Development Program as at June 30, 2020			Amounts received by the Program as at June 30, 2020 (D)	Difference E = (C – D)
		Development (A)	Inter – Project (B)	Total (C)		
		Kshs	Kshs	Kshs	Kshs	Kshs
DE: 26/01/19/20	04/12/2019	20,771,009	-	20,771,009	20,771,009	-
DE: 104/4/19/20	20/05/2020	17,897,390	-	17,897,390	17,897,390	
<b>Total</b>		<b>38,668,399</b>	<b>-</b>	<b>38,668,399</b>	<b>38,668,399</b>	<b>-</b>

I confirm that the amounts shown above are correct as of the date indicated.

Name Agnes W. Njau Signature [Signature]  
 Date 30/01/2020