

REPUBLIC OF KENYA



REPORT NATIONAL ASSEMBLY
PAPER NO. 1 OF 2023

DATE: 21 FEB 2023

DAY
TUESDAY

TABLED
BY: **OF**

DEPUTY LEADER OF
MAJORITY PARTY

CLERK AT
THE TABLE:

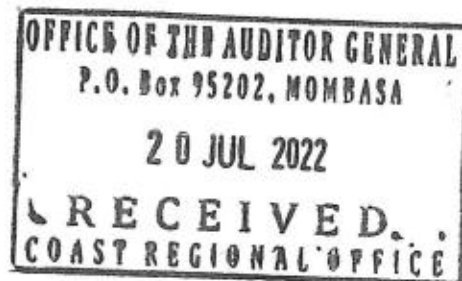
INZOFU MWALE

THE AUDITOR-GENERAL

ON

**COAST WATER WORKS DEVELOPMENT
AGENCY**

**FOR THE YEAR ENDED
30 JUNE, 2021**



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021**

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

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Table of Contents	Page No.
KEY ENTITY INFORMATION AND MANAGEMENT	iii
THE BOARD OF DIRECTORS.....	viii
KEY MANAGEMENT TEAM.....	x
CHAIRMAN'S STATEMENT	xii
REPORT OF THE CHIEF EXECUTIVE OFFICER.....	xiv
STATEMENT OF CWWDA PERFORMANCE AGAINST PRE-DETERMINED OBJECTIVES FOR FY 2020-2021	xvii
CORPORATE GOVERNANCE STATEMENT.....	xx
MANAGEMENT DISCUSSION AND ANALYSIS.....	xxiv
ENVIRONMENTAL AND SUSTAINABILITY REPORTING	xxxvi
REPORT OF THE DIRECTORS.....	xxxix
STATEMENT OF DIRECTORS' RESPONSIBILITIES	xl
REPORT OF THE INDEPENDENT AUDITORS	xli
STATEMENT OF FINANCIAL PERFORMANCE.....	1
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF CHANGES IN NET ASSETS	3
STATEMENT OF CASH FLOWS.....	4
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS.....	5
NOTES TO THE FINANCIAL STATEMENTS	7
APPENDIX I: PROGRESS ON FOLLOW UP OF AUDITOR GENERAL RECOMMENDATIONS.	25
APPENDIX II: PROJECTS IMPLEMENTED BY THE AGENCY.....	26
APPENDIX III: INTER-ENTITY TRANSFERS	31



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

KEY ENTITY INFORMATION AND MANAGEMENT

a) Our identity

Coast Water Works Development Agency (CWWDA) is corporate body established under the Provisions of the Water Act 2002 of the Laws of Kenya and it is domiciled in Kenya. When it became operational, under the Water Act 2002, the agency was known as Coast Water Services Board (CWSB) and it has been operating with that name up to 3rd May 2019. Through Legal Notice Number 27 of 26th April 2019, and with reference to Water Act 2016, Cabinet Secretary for Water and Sanitation established eight entities and named them 'Water Works Development Agencies' among them CWWDA and appointed 3rd May 2019 as the commencement date for this change.

CWWDA draws its mandate from the Water Act of 2016. As per the Act, the Agency's mandate includes;

- a. Undertake the development, maintenance and management of National Public Water works;
- b. Operate the water works and provide water services as a water service provider, until such a time as responsibility for the operation and management of waterworks are handed over to a county government, joint committee, authority of county government or water services provider,
- c. Provide reserve capacity for purposes of providing water services where the Regulatory Board orders the transfer of water services functions from a defaulting water services provider to another licensee,
- d. Provide technical services and capacity building to such county government and water providers,
- e. Provide to the Cabinet Secretary technical support in discharge of his or her functions under the Constitution the Water Act 2016.

CWWDA is expected to contribute to accelerated delivery of water and sanitation services aimed at progressive realization of the right to water and reasonable standards of sanitation as provided for under Article 43 of the Constitution which states that, *"every person has the right to reasonable standards of sanitation and to clean and safe water in adequate quantities"*.

b) Principal Activities

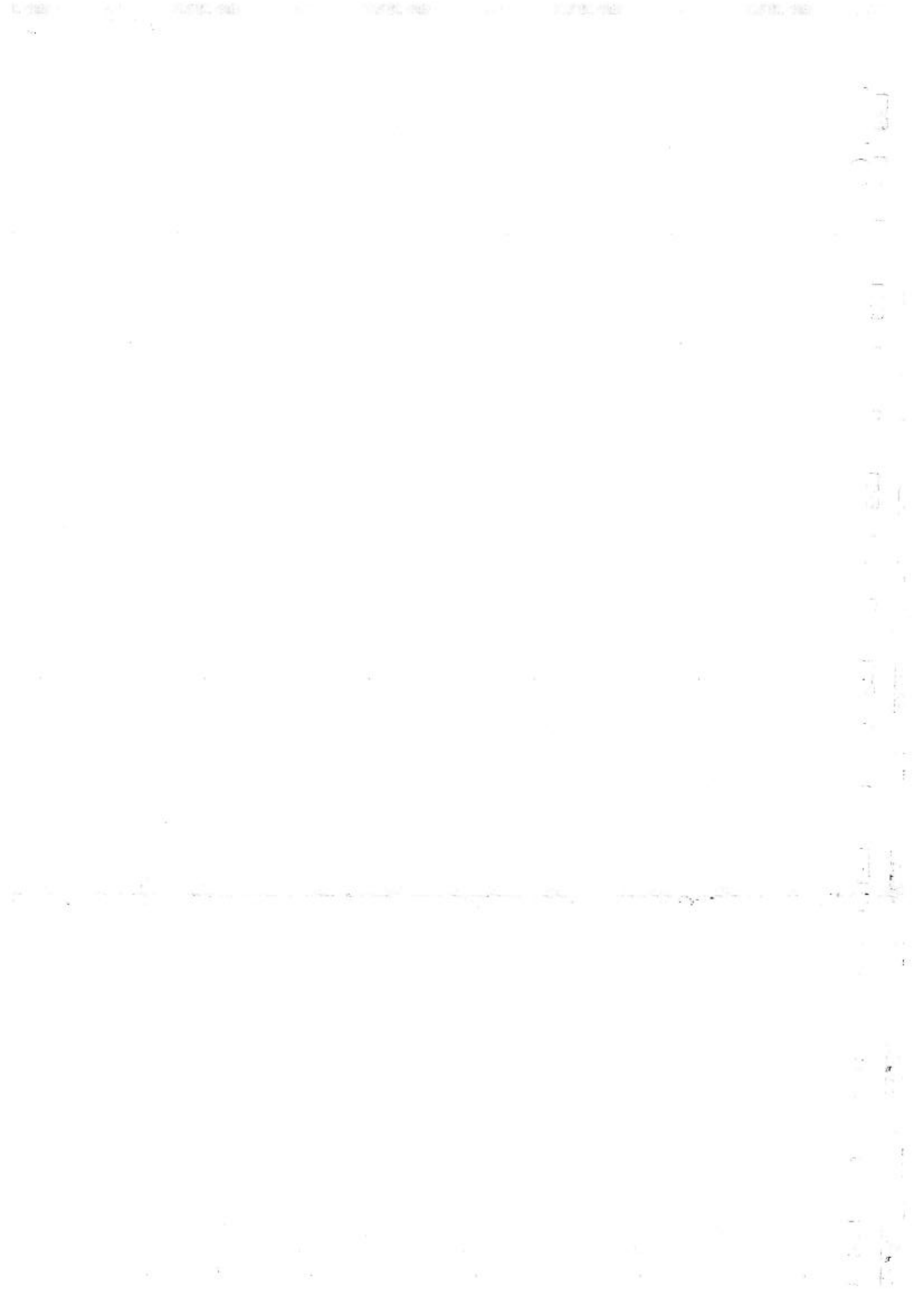
The principal activities of the agency are to ensure efficient, effective and sustainable provision of quality and affordable water services (defined to include sewerage) in its area of jurisdiction - Mombasa County, Kilifi County Lamu County, Kwale County, Taita Taveta County and Tana River County.

Vision

CWWDA's Vision is *"To be a world class water and sanitation infrastructure development agency"*.

Mission

The Mission is *"To develop quality water and sanitation infrastructure and offer bulk water services for a sustainable economy and social growth."*



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Motto

The Coast Water Works Development Agency motto is "Water for Generations"

Core Values

CWWDA's Core values are:

- i. **Teamwork** - To fully subscribe to the principles of teamwork as a key attribute in executing our mandate
- ii. **Integrity** - To uphold a high degree of honesty and integrity in dealing with stakeholders
- iii. **Professionalism** - To offer our services in a professional manner and with expertise
- iv. **Customer focused** - To be committed in exceeding the expectations of our stakeholders through continuous improvement of our services and effective communication with all stakeholders.
- v. **Accountability** - To exercise prudence in use of public resource entrusted to us
- vi. **Transparency** - To always be open to our stakeholders in our actions, decisions and policies.

Key Responsibilities

The key responsibilities of CWWDA include:

- i) Ownership and holding of water and sewerage assets/infrastructure on behalf of the National Government.
- ii) Planning, development and expansion of water and sewerage infrastructure on behalf of the National Government.
- iii) Assisting the County Governments within its jurisdiction, during the transition period, in contracting out water and sewerage services provision to Water Services Providers (WSPs) and in the monitoring of water and sewerage services provision.

Strategic direction.

Strategic Themes

To be able to undertake its mandate effectively, CWWDA has identified the following as the main operational themes:

- i. Human resource
- ii. Infrastructure development and bulk water operations
- iii. Resource mobilization
- iv. Governance and corporate communication



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Strategic Objectives

Based on the identified strategic themes, CWWDA has resolved to focus on the accomplishment of various strategic objectives over a five-year period from June 2018 to June 2023. The strategic objectives reflect the key result areas that will respond to particular sets of strategic theme and challenges facing the agency.

The following are the strategic objectives: -

- i. To recruit and retain at least 80% highly qualified staff by 2023
- ii. To increase water production to 90% and water coverage by 80% by 2023
- iii. To improve ICT infrastructure and services from 40% to 80% by 2023
- iv. To improve water coverage from 56% to 80% by 2023
- v. To improve revenue collection from 60% to 90% by 2023
- vi. To reduce operation cost from 18% to 15% by 2023
- vii. To create alternative source of funds by 2023
- viii. To solicit for financial support from GOK through budget allocation by 2023
- ix. To adhere to legal, ethical and effective communication standards by 2023

c) Key Management and other key information.

CWWDA day to day management is under the following key departments and the key management personnel who held office during the financial year ended 30th June, 2021 and who had direct fiduciary responsibility were:

- Chief Executive Officer
- Head of Technical Services
- Head of Corporate Services
- Head of Finance
- Head of Procurement
- Head of Internal audit.

d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2021 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chief Executive Officer	Eng. Martin Tsuma
2.	Head of Technical Services	Eng. David Kanui
3.	Head of Corporate Services	Ms. Fatma Gakuria
4.	Head of Finance	CPA Stephen Kivuva
5.	Head of Procurement	Mr. Stanslus Jira
6.	Head of Internal audit.	CPA Hamadi Mwazito

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

e) Fiduciary Oversight Arrangements

The ultimate oversight authority of CWWDA is exercised by the Board of Directors. To ensure that good corporate governance and that effectiveness is enhanced in this process, the Board of Directors have established three committees:

- (i) Finance and administration Committee
- (ii) Audit, Risk and Governance Committee
- (iii) Technical, Planning and Development Committee
- (iv) Assets Management Committee

f) Entity Headquarters

Coast Water Works Development Agency
Mikindani Street
Off Nkrumah Road
P.O Box 90417-80100
MOMBASA

g) Entity Contacts

TEL: 041-2315230
FAX: 041-2316471
EMAIL: info@cwdda.go.ke

h) Entity Bankers

KCB Bank
Treasury Square
P.O. Box 90254, 80100
MOMBASA

Co-operative Bank
Digo Road
P.O. Box 86039 - 80100
MOMBASA

Consolidated Bank of Kenya
Nkrumah Road
P.O Box
MOMBASA

i) Independent Auditors

Auditor General
Anniversary Towers
University Way
P.O. Box 30084-00100 GPO
NAIROBI



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021





- j) Principal Legal Advisor
The Attorney General
State Law Office
Harambee Avenue
P. O. Box 40112-00200
City Square
NAIROBI

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021




THE BOARD OF DIRECTORS

The following Directors were in office as at 30th June 2021 when the financial year under review.

NAME	POSITION	OPERATIONS
HON. OMAR IDD BOGA 	Chairman Effective from 26 th February 2021	Non-Executive
JILLO ALEX KASSE 	Director	Non-Executive
SIMON MWACHIA 	Director	Non-Executive
MWALIMU DIGORE KITAMBI 	Director	Non-Executive

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021





<p>HIDAYA KASSIM MBWANA</p> 	Director	Non-Executive
<p>MARTIN TSUMA</p> 	<p>Chief Executive Officer</p> <p>From 24 march.2021</p>	Executive
<p>JACOB TORUTT</p> 	<p>Chief Executive Officer</p> <p>Up to 12.April2021</p>	Executive
PS NATIONAL TREASURY – FRESIA KAMAU	Director	Non-Executive
STATE CORPORATIONS CHRISOLOGAS MAKOKHA	Director	Non-Executive
PS MINISTRY OF WATER AND SANITATION -. DANIEL KIHARA	Director	Non-Executive

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021




KEY MANAGEMENT TEAM

During the 2020-2021 financial period, the following officers held key management positions

Name of the Staff	Qualifications
<p>Mr. Jacob Torutt -----CHIEF EXECUTIVE OFFICER</p>  <p>Upto 12th April 2021</p>	<ul style="list-style-type: none">• MSC- FINANCE• BCOM – Finance &Accounting• CPA-K
<p>Mr. Martin Tsuma---- Ag.CHIEF EXECUTIVE OFFICER</p>  <p>Effective 24th March 2021</p>	<ul style="list-style-type: none">• MSC- Electrical & Electronics Engineering• Bachelor of Technology (Production Engineering)• Registered Eng.- EBK
<p>Mr. Stephen Kivuva ----- FINANCE MANAGER</p> 	<ul style="list-style-type: none">• BBA-Finance and Accounting• CPA-K
<p>Mr. Simon Charoh --- HR&ADMINISTRATION MANAGER</p> 	<ul style="list-style-type: none">• Masters of Business Administration (Strategic Management)• Bachelor of Arts (Human Resource Management)• Diploma in Human Resource Management• Registration - IHRM

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

<p>Ms. Mary Okioma – CORPORATION SECRETARY</p> 	<ul style="list-style-type: none"> • Bachelor of Law • Diploma in Law <p>Practicing Certificate 2020</p>
<p>Ms. Fatma Gakuria -- CORPORATE COMMUNICATIONS MANAGER</p> 	<ul style="list-style-type: none"> • Masters of Business Administration – Marketing • Bachelor of Education • Diploma in Management Public Relations Option
<p>Mr. Hamadi Mwazito ----- INTERNAL AUDIT MANAGER</p> 	<ul style="list-style-type: none"> • Bachelor of Business Administration (Accounting & Finance) • CPA K



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

CHAIRMANS STATEMENT

I am delighted to report the performance of CWWDA in the annual reports and Financial Statements for the year ended 30th June, 2021.

Water assets and infrastructure

Under its core mandate of infrastructure development, CWWDA has been recording an upward movement in the water infrastructure with development increasing year by year from the preceding period in the last 5 years.

During the year under review the water assets under development increased by 11% from Kshs 16,341,340,788 in the previous year to Kshs 17,298,765,787 with most projects having been completed.

As the water and sanitation water projects came to an end in December 2019, CWWDA embarked on more projects under Water and Sanitation Development programs (WSDP). The WSDP is undertaking various projects which include Baricho Lot 3, Baricho Replacement Boreholes, Nyali pipeline, Baricho Wellfield Protection, Second Baricho-Kakukuni Pipeline and Mwache Dam Transmission lines.

Revenue

The year under review also recorded a slight Decrease in total revenue billed amounting to Kshs. 784,271,797 due to implementation of water Act 2016 where Administrative fees was discontinued. The Agency Collected ab total of Kshs. 521,289,333 from the sale of bulk water to the water service providers. Further disbursements from the Government to subsidize on recurrent and development expenditures amounted to Kshs. 388,483,335 and Kshs. 356,500,000 Respectively.

Compliance

On compliance the agency complied with all guidelines and laws applicable within its mandate and other applicable laws including deducting and remitting of all statutory deductions as well as preparing financial statements to the relevant agencies. In addition, CWWDA also complied with other guidelines from state agencies and circulars on the same.

Performance

Under its mandate, CWWDA covers six coast counties with an estimate area of 83,630 km² and with it an estimated current population for the region being 4.4 million. Water demand has continued to rise with the current demand for the region estimated at 329,306 m³/day. With the current water production from all sources being 180,000m³/day the gap is evidence and this is a daily concern to us as the Agency with the mandate of ensuring adequate water infrastructure in the region. In consultation with other stakeholders the Agency also has to strategize on providing infrastructure for piped water considering that currently the total population that is served with piped water is approximately 55% or 2.405 Million.

Corporate Governance:

The Board's corporate governance structure and practices are in line with the guidelines issued by Mwongozo and other applicable regulations. At a Board level CWWDA has a non-executive Chairman and the Director's except the CEO who is in charge of day to day management of the Agency. The key role of the Board is to



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

give direction and address policy issues. This clarity ensures the Board and management perform their roles within specific parameters.

All the members of the Board have committed themselves to observing ethical behavior and practices in all the Board's businesses. In addition, all the members of the Board have gone through various Governance training to enable them undertake their roles and mandate with information.

The Board has constituted appropriate committees which are the Human Resource and Administration, Technical and Asset Development and the Audit and Risk Committee. All the Board meetings are scheduled and are held on quarterly basis. Ad hoc board meetings are also held whenever necessary and with specific agenda.

Stakeholder Management

CWWDA has various types of stakeholders who perform different roles complimentary to it. Some of these are: the various water institutions like WASREB, WARA, Water Appeals Board, Water Services Providers, Water Services Trust Fund, Community Based Organizations (CBO) the Hospitality Industry players among others.

Appreciation

In conclusion, I take this opportunity to thank my colleagues in the Board for supporting me in providing leadership since I took over the leadership of this Agency as the Chairman. Their commitment contributed immensely to our performance and being able to focus on the future together.

I also commend management and staff for working tirelessly to achieve the level of service growth that we have witnessed. I am confident that they will continually spare no effort to attain and surpass the targets set for the new financial year. I recognize the support from the community at large and all other stakeholders for supporting and doing business with us.

I also wish to thank our Government and Development Partners for their continued support in building this Agency and in the process impacting positively on lives and communities in our region.


MR. OMAR IDD BOGA
CHAIRMAN

1/12/2022



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

REPORT OF THE CHIEF EXECUTIVE OFFICER

Execution of our mandate

CWWDA mandate is implemented principally through two roles which are to develop and maintain water infrastructure and management of the Bulk Water Supply unit which produces water for sale to the Water Service Providers namely Mombasa, Kilifi-Mariakani, Malindi, Kwale and Tavevo Water Companies.

The assets development is under the technical unit which plays its role in various ways including:

- a) Operations and maintenance of Bulk Water Systems in the Region.
- b) Overall Planning Design and Construction for capital improvement projects, facility improvements and replacements for existing systems.
- c) Preparation of Terms of Reference, RFP's and Tender Documents.
- d) Projects' Supervision and reporting.
- e) Provision of Technical Assistance to the CS, other departments, WSPs and Counties.

The Bulk Unit (established under the technical department) is responsible for the operation and maintenance of the bulk system which comprise Baricho, Marere, Tiwi and Mzima schemes. Currently the Bulk Unit is semi-autonomous with offices at Mazeras and headed by acting Managing Director. The bulk unit is budgetarily supported by CWWDA.

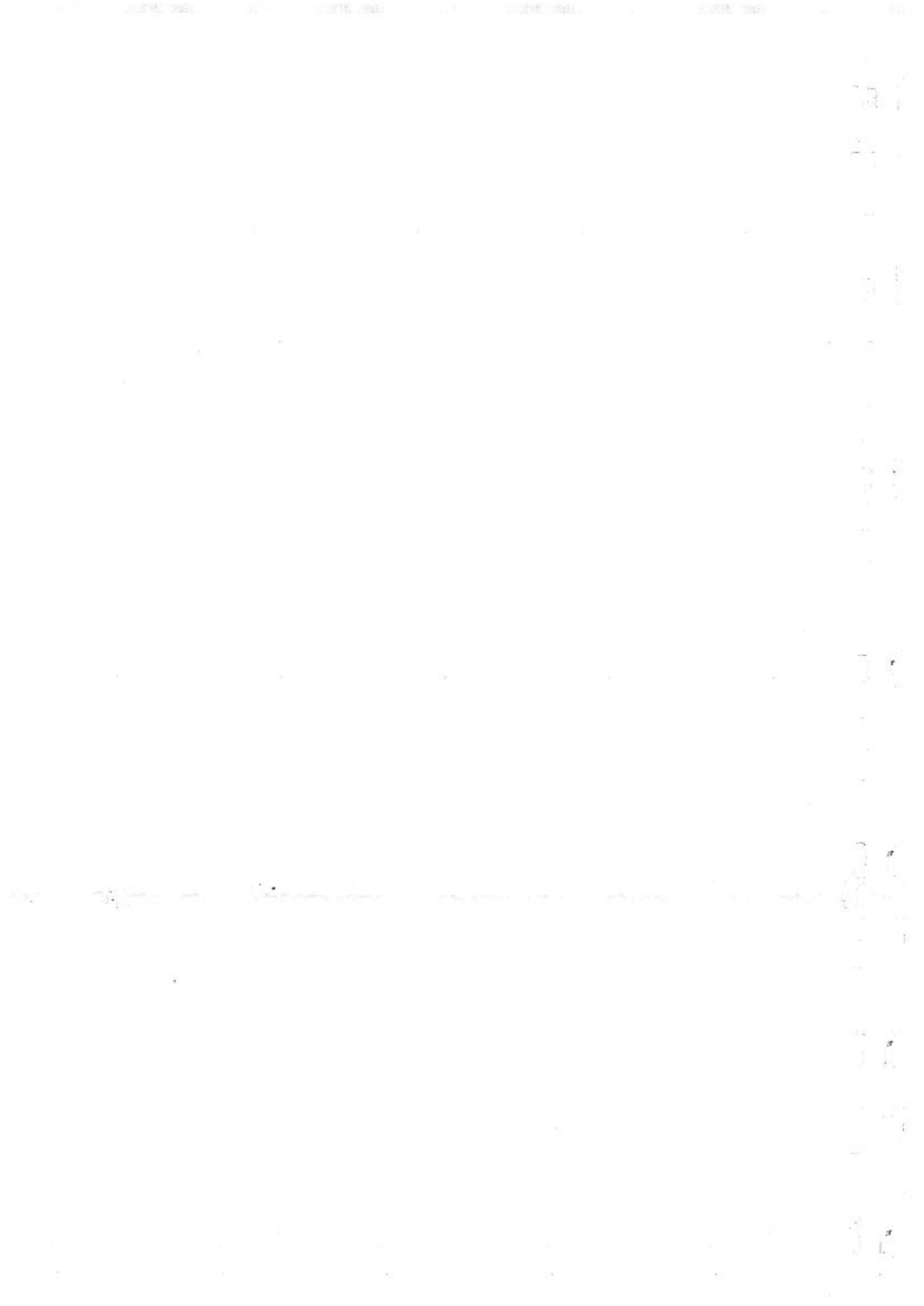
The Operation and Maintenance (O & M) of the Bulk Water Supply Unit (BWSU) involves patrolling of the systems' pipelines, attending to leaks and bursts, servicing and repair of electrical installations, bulk meter reading and bulk water billing, servicing and repair of bulk water meters. In undertaking these activities, BWSU is able to effectively serve the Water Service Providers (WSPs) as well as the Community Based Organizations. (CBOs)

The water production under the below schemes has increased by a good margin since 2005 as shown by table 2 below.

Table No 2. Production of water by different schemes

S/No.	Bulk Water source	Water Production - 2005 (M3/day)	Water Production-2021 (M3/day)
1.	Mzima springs	35,000	41,000
2.	Marere Springs	7,000	8,200
3.	Baricho Well Field	45,000	70,000
4.	Tiwi Boreholes	7,200	5,900
Totals		94,200	125,100

The demand for water in the coast region is yet to be met despite the increase in Water production from these schemes. Some of the reasons that contribute to this scenario include aged infrastructure that requires frequent



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

repairs and maintenance, non-revenue water as well as the length of time that it takes to complete projects when compared to the rise in demand for water.

	Marere	Mzima	Tiwi	Baricho	TOTAL Prod.	Demand(m3)
2020-2021	2,902,535	14,618,182	2,062,185	25,749,835	45,332,737	
2019-2020	3,441,893	14,760,000	2,394,188	23,183,100	43,779,181	
2018-2019	2,398,000	14,473,729	1,876,911	23,363,930	42,112,570	

Non-Revenue Water:

This is water lost from the infrastructure which could be dilapidated and from commercial sources like faulty meters, theft of water, wrong billing estimated billing etc.

The Agency has been struggling with this menace since its inception. A Lot of effort has been put to reduce this NRW since it impacts on the revenue side as well as water coverage and supply sufficiency. Every year hundreds of millions of shillings go to waste as a result of this.

Year	Total NRW (m3)	Revenue Lost (Kshs)
2020-2021	7,227,614	144,552,280
2019-2020	6,798,900	135,978,000
2018-2019	7,016,125	140,322,500
2017-2018	5,980,826	119,616,520

Revenue collection

Coast Water Works Development Agency has had challenges with collection of its revenues that emanate from the bills generated and delivered to the WSPs. There has been a reluctance by these WSPs to pay in full their bills. For a very long time the efficiency level has been way below the standard set by WASREB of 90% and above. In addition, the WSPs have not paid the administration charges causing the Agency a lot of concerns due to the high operational costs which constitute over 96% of the revenue collected. Other costs for bulk water production are left with funding gap.

Efforts to involve the Counties have yielded minimal results. The table below shows the revenue collection efficiency over the years.

Table 3: Revenue collection trend For the Last Five Years

Year	Billed Amount (Kshs)	Collected (Kshs)	Collection Efficiency (%)
2020-2021	784,271,796	379,034,490	48%
2019-2020	849,760,568	490,369,595	58%
2018-2019	697,863,700	580,415,946	83%
2017-2018	715,296,860	627,900,870	88%
2016-2017	918,687,205	540,604,224	59%

COAST WATER WORKS DEVELOPMENT AGENCY

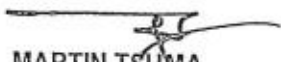
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Working with Stakeholders

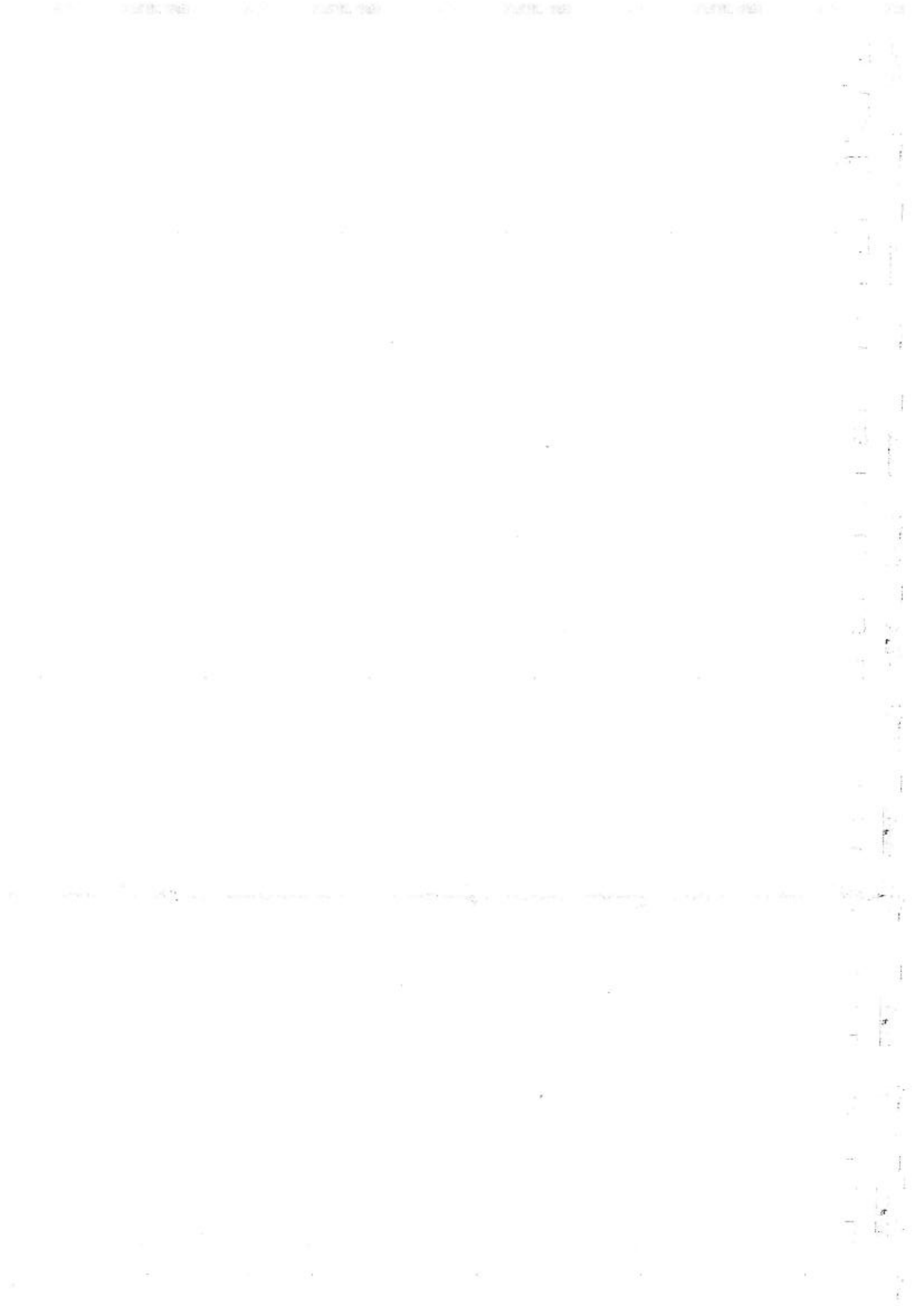
Stakeholders play an important role in our ability to deliver on our strategy and meet our customer expectations. We continue to engage with them, and are committed to developing and maintaining healthy relationships. This includes various ministries in the government, Counties, various government agencies, private organizations, media houses, financial institutions, suppliers and the general public. CWWDA has maintained good working relationships with all stakeholders and will endeavor to do so in future.

Appreciation

In conclusion, I thank the Government of Kenya for its confidence in our ability to execute our strategy to ensure efficient and economical provision of water and sewerage services within our area of jurisdiction. I also thank the board and the employees for their commitment and dedication in delivering on our mandate and our development partners who have continued to support our expansion of water and sanitation infrastructure.


MARTIN TSUMA
Ag.CHIEF EXECUTIVE OFFICER

1/2/2022



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

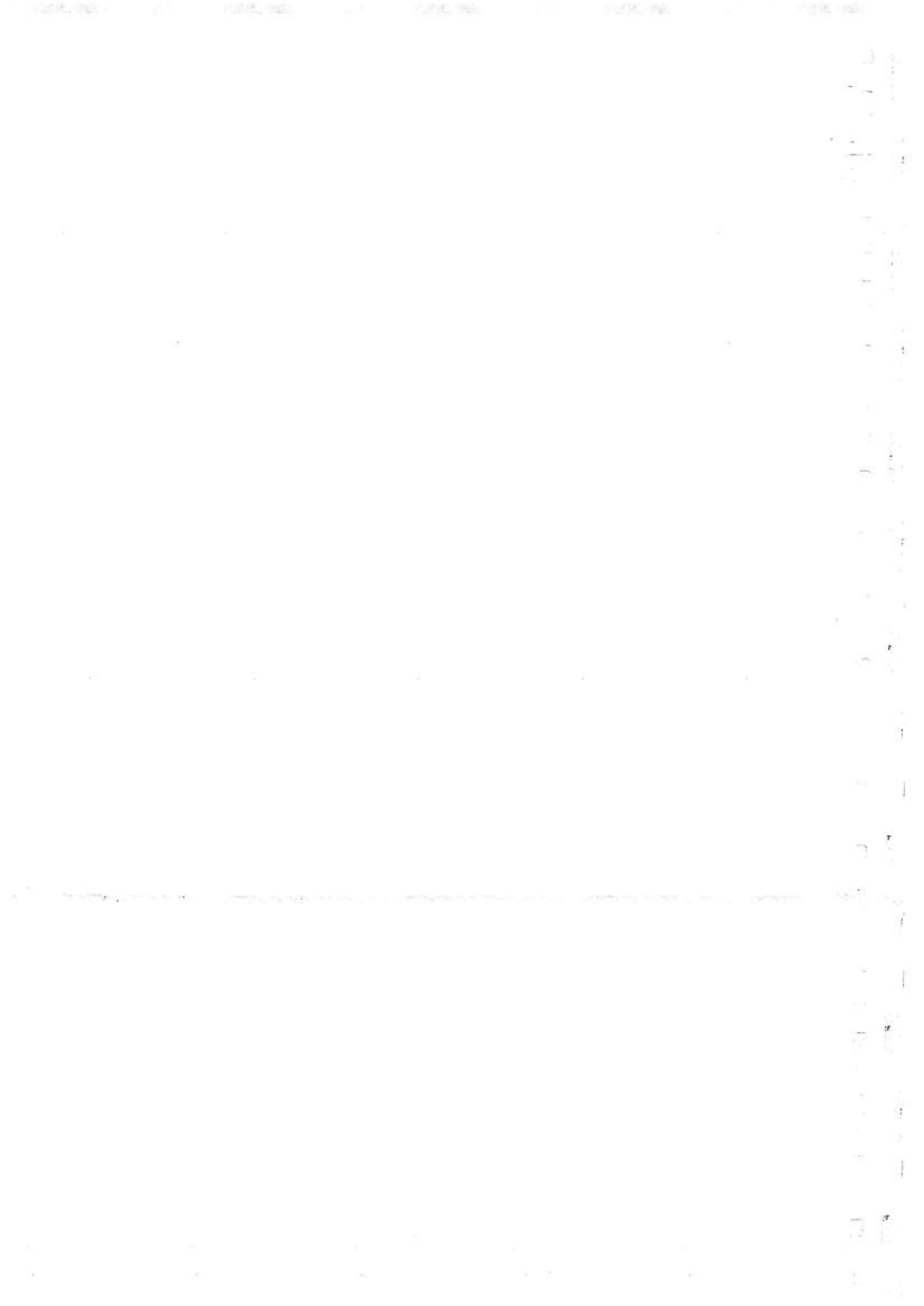
STATEMENT OF CWWDA PERFORMANCE AGAINST PRE-DETERMINED OBJECTIVES FOR FY 2020-2021

Coast Water Works Development Agency has *nine* strategic pillars and objectives within its Strategic Plan for the FY 2018/2019- 2022/2023. These strategic pillars are as follows:

- i. To recruit and retain at least 80% highly qualified staff by 2023
- ii. To increase water production to 90% and water coverage by 80% by 2023
- iii. To improve ICT infrastructure and services from 40% to 80% by 2023
- iv. To improve water coverage from 56% to 80% by 2023
- v. To improve revenue collection from 60% to 90% by 2023
- vi. To reduce operation cost from 18% to 15% by 2023
- vii. To create alternative source of funds by 2023
- viii. To solicit for financial support from GOK through budget allocation by 2023
- ix. To adhere to legal, ethical and effective communication standards by 2023

CWWDA develops its annual work plans based on the above *nine* pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The *Agency* achieved its performance targets set for the FY 2020/2021 period for its nine strategic pillars, as indicated in the diagram below:

	S/No	Performance Criteria Category	Unit of measure	Weight (%)	Status In Year (FY 2020/21)
A		FINANCIAL STEWARDSHIP & DISCIPLINE			
	A.1	Absorption of Allocated Funds	%	2	74.3
	A.2	Absorption of Externally Mobilized Funds	%	3	11
	A.3	A in A	Kshs.(M)	2	616
	A.4	Pending Bills	%	3	2.45
		Sub Total		10	
B		SERVICE DELIVERY			
	B.1	Implementation of Citizens' Service Delivery Charter	%	4	80
	B.2	Business Process Re-Engineering	%	3	N/A
	B.3	Resolution of Public Complaints	%	3	100
		Weights Sub Total		10	



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

S/No	Performance Criteria Category	Unit of measure	Weight (%)	Status In Year (FY 2020/21)
	CORE MANDATE			
	Priority programmes/projects ("Big-Four" initiatives, Vision 2030 Flagship Projects, Post COVID-19 Recovery Strategies and Plans and other Programmes/Projects) aligned to SDGs, Agenda 2063 and SPS			
C.1	Changamwe Sewerage Re-pooling Network Scheme Constructed	%	3	31
C.2	Pemba Dam and Water Treatment Plant Constructed/Rehabilitated	%	6	63
C.3	Mombasa Water Distribution Works for North Mainland (Short Term Works) Lot 1A	%	6	2
C.4	Mombasa Mainland North (Nyali Area Phase 1) Program for Improvement of Water Services Implemented	%	6	N/A
C.5	Makamini Dam and Treatment Plant Phase I Constructed	%	6	10
C.6	Watamu Town Water Distribution Network Lot 2A Constructed	%	6	18
C.7	Rehabilitation and Drilling of Tiwi Boreholes Implemented	%	6	5
C.8	Water Supply to Dongo Kundu Special Economic Zone (SEZ) Phase II Implemented	%	5	20
C.9	Mwache Dam Water Transmission Pipelines Implemented	%	4	5
C.10	Mwache Dam Water Treatment Plant (WTP) Implemented	%	4	5
C.1	Baricho Protection Works Implemented	%	5	2
C.1	Second Baricho Kakuyuni Pipeline	%	3	2
	Weights Sub total		60	

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

	S/No	Performance Criteria Category	Unit of measure	Weight (%)	Status In Year (FY 2020/21)
D		Implementation of Presidential Directives	%	2	90
E		Access to Government Procurement Opportunities (AGPO)	Kshs(M)	3	100
F		Promotion of Local Content in Procurement	Kshs(M)	2	162
G		CROSS - CUTTING			
	G.1	Asset Management	%	1	95
	G.2	Youth Internships/Industrial Attachments Apprenticeships	No.	1	77
	G.3	Competence Development	%	1	100
	G.4	Disability Mainstreaming	%	1	100
	G.5	Gender Mainstreaming	%	1	87.5
	G.6	Prevention of Alcohol and Drug Abuse	%	1	100
	G.7	Prevention of HIV Infections and Non-Communicable Diseases	%	1	100
	G.8	Safety and Security Measures	%	1	100
	G.9	National Cohesion and Values	%	2	100
	G.1	Road Safety Mainstreaming	%	1	83
	G.1	Corruption Prevention	%	2	100
		Weight sub total		13	
		Overall Total Weight		100	

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

CORPORATE GOVERNANCE STATEMENT

Introduction

The agency is committed to maximizing business performance, generating appropriate levels of stakeholder's value and financial returns, and sustaining the growth and success of CWWDA.

Effective governance is achieved through a combination of strong process and structures, underpinned by the right values and culture. The principles of corporate governance are contained in the Constitution and The Public Officer Ethics Act, 2003 among other guidelines. CWWDA is in compliance with the governance tenets of the recently developed "Code of Governance for Government Owned Entities", Mwongozo. CWWDA is committed to ensuring compliance with the provisions of Water Act 2016 among other regulatory and supervisory Corporate Governance requirements.

In conducting business in accordance with these objectives, the Agency seeks to ensure that CWWDA is properly managed to protect and enhance stakeholder interests, and that CWWDA, its Directors, officers and employees operate in an appropriate environment of corporate governance.

The Board has in place a framework for governing CWWDA which includes adopting internal controls, risk management processes and corporate governance policies and practices, designed to promote responsible management and ethical conduct.

Roles and responsibilities of the Board and management

The Board provides overall strategic guidance for CWWDA and effective oversight of management. Responsibility for the governance of CWWDA, including establishing and monitoring key performance goals, rests with the Board. The Board monitors the operational performance and financial position of the agency through management reports, performance contracts procurement plans as well as the audited financial reports.

The Board Charter articulates the Board's roles and responsibilities, its membership and operation clearly stating which responsibilities may be delegated to committees or to management. Specific responsibilities have been reserved by the Board in key areas of strategy, governance, executive appointments and financial approvals. The Board has established Four standing committees to assist in performing its responsibilities by discussing in detail particular issues and making recommendations to the Board and these committees operate under specific terms of reference.

The CEO has the responsibility of managing the day-to-day affairs of CWWDA in line with the Board-approved corporate plan, the corporate strategy and policies.

Board Size, Composition and Appointment

The structure of CWWDA Board starts with the Board of Directors who are appointed by the Cabinet Secretary and all independent except the CEO. The Cabinet Secretaries in both the National Treasury and the Ministry of water and sanitation are represented in the Board by their duly appointed nominees. The state Corporation Advisory Committee (SCAC) is also represented in the board.

The Board is well composed in terms of range and diversity of skills, knowledge, and experience in various sectors which makes it effective in providing an appropriate balance for the oversight of the Board's mandate.

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Separation of Roles and Responsibilities

The roles and responsibilities of the Chairman of the Board, the Chief Executive Officer and non-executive directors remain distinct and separate which ensures a balance of power of authority and provides for checks and balances such that no one individual has unfettered powers of decision making. Their roles have been documented and are expected to be independent and free from conflict upon appointment. SCAC is responsible for reporting to the Board on the evaluation of the performance of the Chairman, Board and committees.

The Chairman provides overall leadership to the Board without limiting the principles of collective responsibility for Board's decisions. The Chairman builds an effective board and sets the board agenda in consultation with the Chief Executive Officer and ensures effective communication to stakeholders.

The Board does not consider the Chief Executive Officer to be independent as this is an executive role. All Directors are non-executive and are independent of management. Their roles include appointing the CEO and establishing a framework for the delegation of authority and ensure succession planning for the CEO and the senior management. Their main role is therefore to give oversight and strategy direction and monitor the progress of strategy implementation ensuring it is done within the risk appetite and control framework that is set out by the Board.

The CEO is responsible to the Board and takes the overall responsibility for the management of the affairs of CWWDA. The CEO recommends the strategy to the Board and implements it and makes operational decisions. The CEO further ensures appropriate and timely information flows within the Board, its committees and management.

Board Committees and Responsibilities

The Board delegates certain functions to well-structured committees but without abdicating its own responsibilities. The Board has developed a committee structure that assists in the execution of its duties, powers and authorities. Each Committee is guided by the Committee Charter/Terms of Reference, which outlines its responsibilities as mandated by the Board.

The Committees are appropriately constituted drawing membership from amongst the Board members with appropriate skills and experience. The Chairman of the Board, management and external parties/advisors are required to attend the committee meetings only by invitation. The committees are expected to operate transparently, ensure full disclosure to the Board and conduct themselves within the rules and procedures set out by the Board. Matters deliberated by the Committees are presented to the Board by the respective chairman during the next Board meeting.

Conflict of Interest, Code of Conduct and Ethics

The Directors and employees of CWWDA have a fiduciary duty to act honestly and in the best interest of the Agency. Business transactions with all parties must be carried out at arm's length and with integrity. The Board provides effective leadership based on ethical foundation and ensures all deliberations, decisions and actions are based on the Boards' core values underpinning good governance.

The Board has put various measures in place to ensure that there is no conflict of interest amongst its directors and staff. The Board has put in place corruption prevention plan and Code of Conduct & Ethics Policies that binds both the directors and the employees. A declaration of interest is signed by board members before deliberating on various matters. During the year, under review CWWDA conducted various training to Directors and staff on ethics and integrity.

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Accountability & Audit /Control Environment Management

a) Internal Auditors

CWWDA has an internal audit function which has the role of providing independent and objective assurance to the Audit and Risk committee on the adequacy and effectiveness of the risk management framework, financial reporting processes, internal control systems and compliance

The annual internal audit plan, which is approved by the committee of the board is developed using a risk-based approach and is driven by the risk framework, risk profile and governance principles. The head of the internal audit function reports directly to the committee Chairman, with an administrative reporting line to the Chief Executive Officer. This ensures that internal audit is given the independence that is required.

The Manager, Internal Audit & Risk reports to the committee meeting on progress against the annual internal audit plan, audit findings and recommendations and the status of management actions. The Board has qualified staff who carry out the internal audit function and present reports on compliance. The Audit and Risk Committee is composed of non-executive directors.

b) Internal Controls and Risk Management

The Board has the responsibility of identifying internal risk exposures and developing measures to mitigate against the identified risks. The Board reviews and monitors the development and implementation of internal control systems and risk management systems using various approach including through policies and manuals.

c) Relationship with Stakeholders

As an organization, CWWDA appreciates that stakeholder perception affects the organizations reputation and may affect its ability to effectively undertake its mandate. Therefore, the Board strives to achieve an appropriate balance between its various stakeholders in the best interest of the organization by taking into account their legitimate interest and expectations in decision making.

The Board values the importance of complete, timely, transparent and effective communication with its stakeholders for building and maintaining their trust and confidence by providing regular information on its performance, activities and addressing their concerns while taking into consideration legal and strategic considerations.

CWWDA has developed a Corporate Communications Strategy which encompasses internal & external communication, customer service and public relations. The main avenues for communication are through press releases, stakeholder forums and publications in print and social media, and annual reports and financial statements. The Board has continued to encourage electronic communication through publishing documents in the corporate website and has endeavored to ensure that the website is highly interactive and contains all the relevant information.

Additionally, the Board has dedicated staff to deal with complaints and public relations efficiently and effectively. The Board has an established mechanism of receiving, resolving and giving feedback on complaints referred to it by its stakeholders. The Board submits quarterly reports to the Commission of Administrative Justice on the complaints handling and management.




COAST WATER WORKS DEVELOPMENT AGENCY

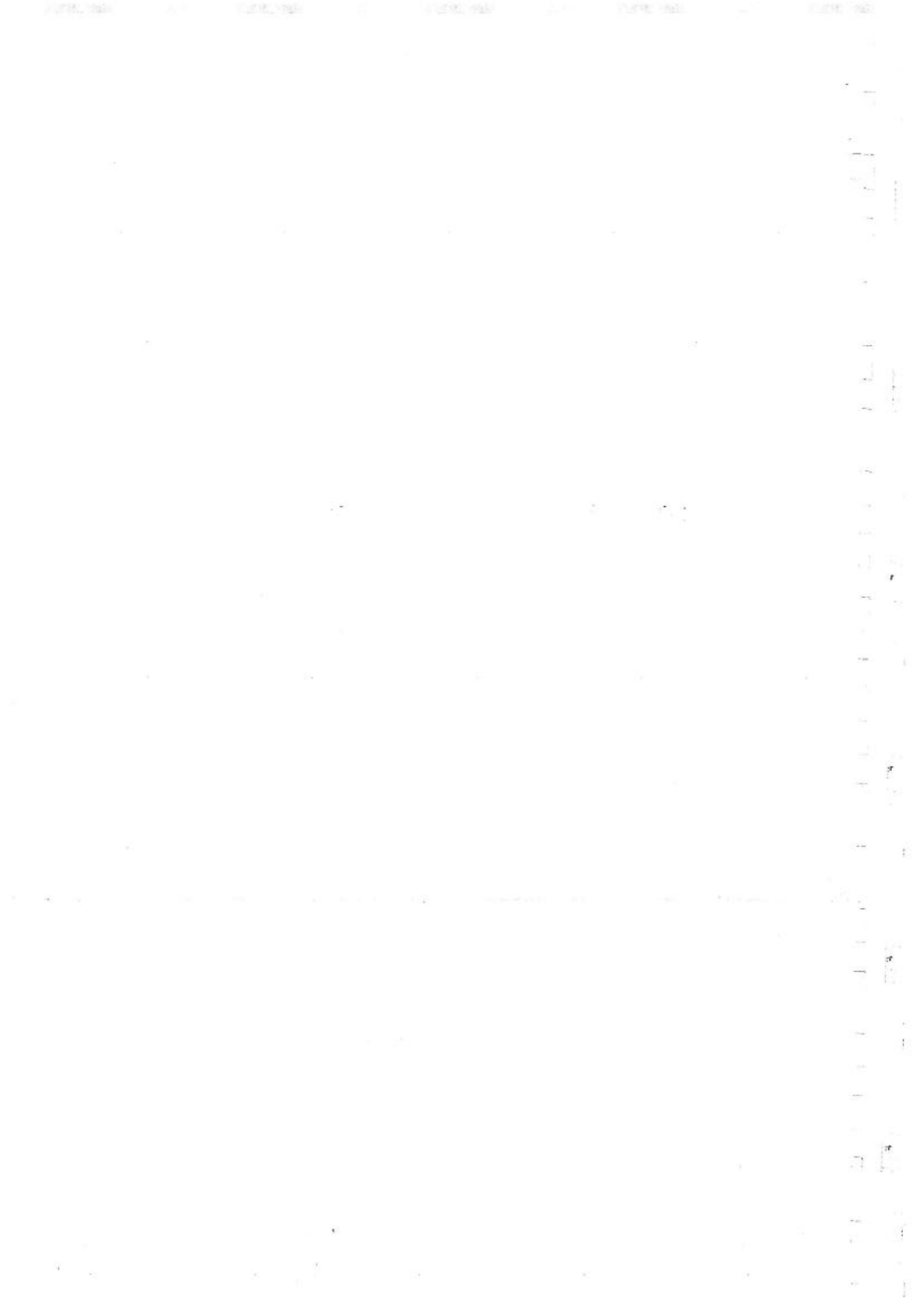
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

d) Annual Report and Accounts

The financial reports for CWWDA accounts are audited by the Auditor-General whose role and responsibilities are defined under the Constitution of Kenya. CWWDA has in the past prepared and submitted its annual reports and financial statements to the auditor general for review as required. In addition, quarterly reports are prepared and submitted to the relevant agencies as per existing guidelines.


MARTIN TSUMA
CHIEF EXECUTIVE OFFICER

1/2/2022



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

During the financial year ending 30th June 2021, CWWDA generated total revenue amounting to Kshs. 1,624,648,202 against an expenditure of Kshs. 1,624,648,202.

Detail	Kshs	%
Sale of Water	784,271,797.00	48%
GoK Development	356,500,000.00	22%
GoK Recurrent	388,483,335.00	24%
Other Receipts	95,393,070.00	6%
Total	1,624,648,202.00	100%

REVENUE



- Sale of Water
- GOK Development
- Gok Recurrent
- Other Receipts

COAST WATER WORKS DEVELOPMENT AGENCY

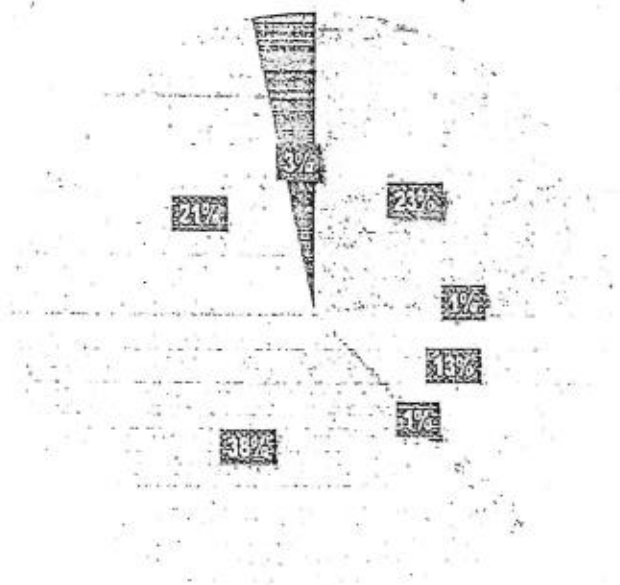
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Expenditure

The total expenditure for year under review was Kshs. 1,583,599,625 with bulk of the same being utilized for operational Expenses and Projects among others as indicated below

Expenditure	Kshs.	%
Use of Goods and Services	382,474,549	23%
Remuneration of Directors	18,633,255	1%
Employees Cost	202,358,722	13%
General Expenses	19,844,689	1%
Operational Expenses	616,879,264	38%
Project Costs	289,538,421	21%
Finance Cost	55,870,724	3%
Total	1,583,599,623	100%

EXPENDITURE



- Use of Goods and Services
- Remuneration of Directors
- Employee's Cost
- General Expenses
- Repairs and maintenance
- Project Costs
- Finance Cost

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Detailed Utilization of Revenue

a) Projects expenses

During the year under review the CWWDA undertook several projects under its Master plan as well as other projects that became necessary during period. In determining g the projects to undertake, stakeholders are consulted in the spirit of public participation. And to ensure equitable distribution of the available resources. The project that were undertaken and were under different categories depending on the source of funds as well as the key purpose of the project. Some projects were factored in the budget while others were continuing project from the previous period. Some of the projects were completed while others are ongoing and will be completed in the coming financial periods.

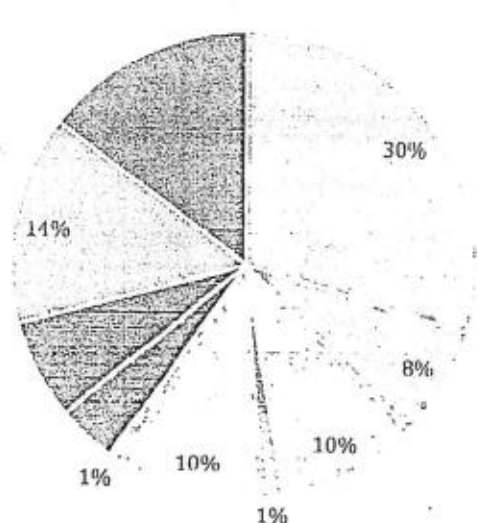
The table below shows the project expenditure as per each category respectively:

Project Name	Kshs.	%
Lamu-Tana River	85,249,365.00	30%
Equalization Projects	22,545,513.00	8%
Small Dams	28,657,678.00	10%
Taita Projects	3,824,792.00	1%
Kwale Projects	28,771,080.00	10%
Priority Projects	2,599,156.00	1%
Drought Mitigation	11,898,247.00	4%
Water For Schools	20,162,470.00	7%
Dongo Kundu	41,683,821.00	14%
Cross County	42,146,297.00	15%
Total	287,538,421.00	100%

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

PROJECT COSTS



□ Lamu-Tana River

□ Equalization
Projects
Small Dams

□ Taita Projects

□ Kwale Projects

□ Priority Projects

□ Drought Mitigation

□ Water For Schools

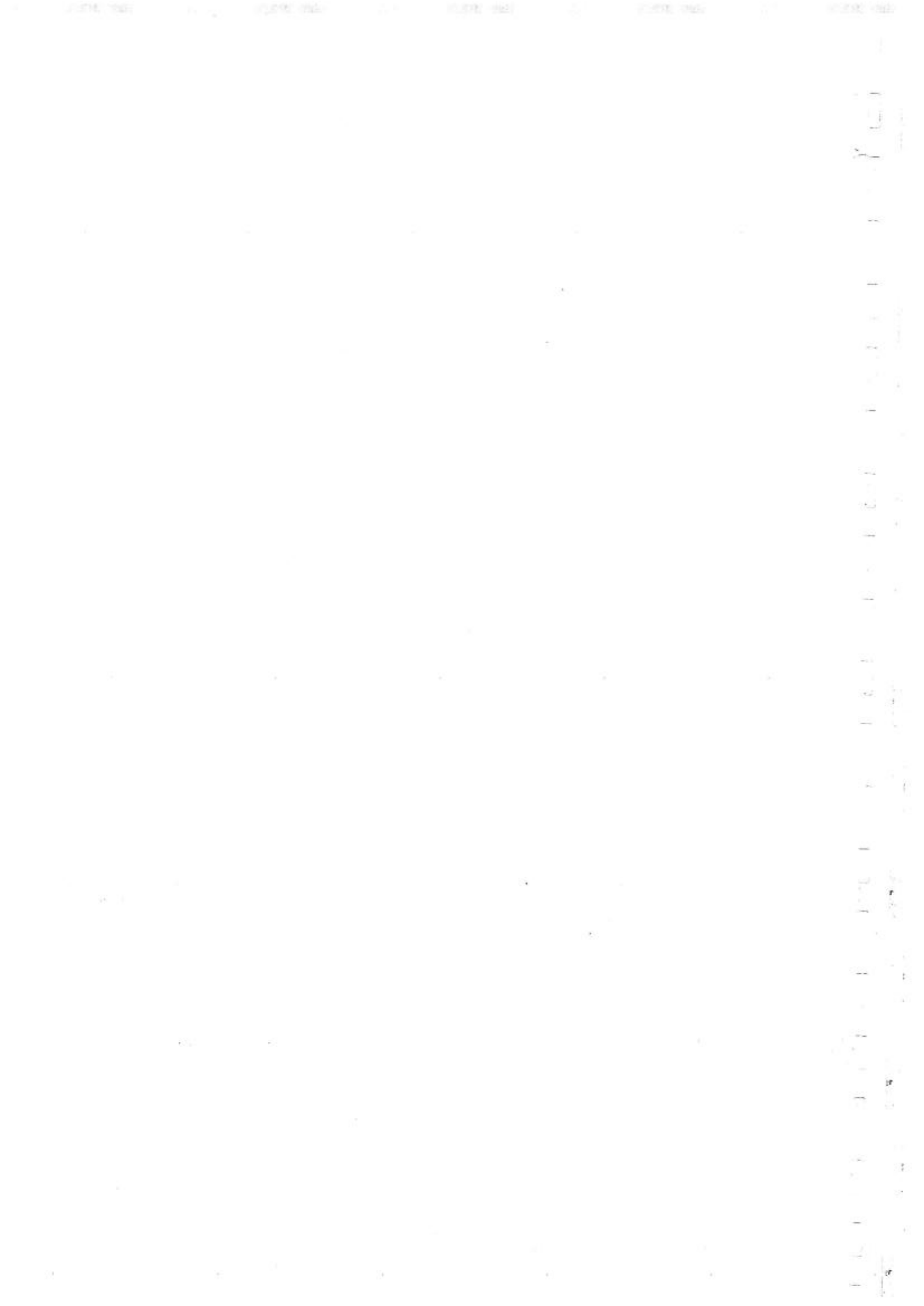
□ Dongo Kundu

b) Water for Schools Projects

CWWDA was also allocated funds to undertake rapid initiative projects in various learning institutions under the "water for schools" programme. All the projects have been completed. The "water for schools" program was one of the programmes that had immediate impact in the affected learning institutions. This is due to the short period that was taken to complete the projects with most of the projects completed within the financial period.

Water for Schools Projects

	COUNTY	Cost incurred Kshs	Status
Kizingitini Secondary School Water Project	Lamu	2,343,734	Completed
Faza Girls Primary School	Lamu	2,218,156	Completed
Portreiz Special School	Mombasa	2,728,337	Completed
Ahmed Shahame Mwidani Technical Training Institute	Mombasa	2,986,279	Completed
Mwalukombe Girls Secondary School	Kwale	718,794	Completed
Matuga Girls High School	Kwale	2,750,000	Completed
Kirewe Secondary School	Kwale	1,315,440	Completed
Mwangoni Primary School	Kwale	0	Completed



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

c) Projects under equalization fund.

The Kenya Constitution 2010 created the Equalization fund to narrow the gap between counties that are known to have economic and social development levels way above the others. In 2016-2017 financial period, CWWDA was allocated Kshs 1,244,517,859.00 as summarized by the table below.

Most of this projects have stalled due to lack of funds however efforts are being put in place by the parent ministry to unlock the funds which will enable the projects to be completed.

Equalization funds allocation

County	Budget	Value of awarded contracts
Kilifi	354,017,859	322,248,788
Taita	165,500,000	105,447,617
Kwale	190,000,000	175,694,372
Tana River	220,000,000	210,028,098
Lamu	315,000,000	302,476,906
Total	1,244,517,859	1,115,895,780

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

d) Drought Mitigation

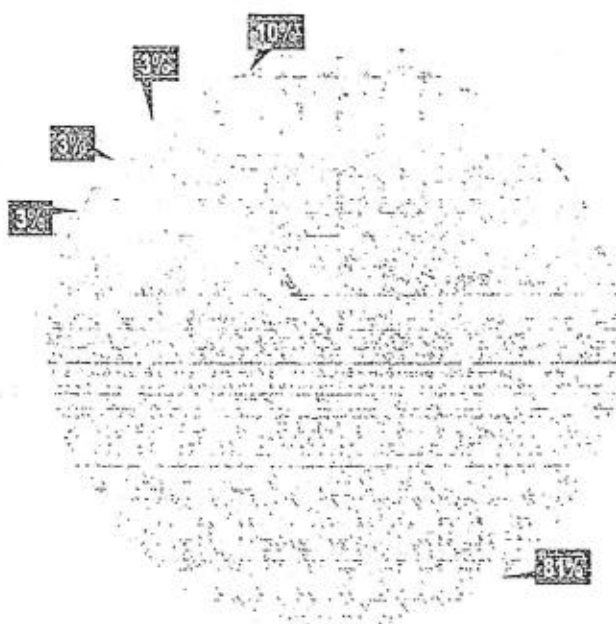
Drought mitigation projects are not normally budgeted but they are undertaken when need arises. During the year under review, CWWDA incurred a cost of Ksh 11,898,248 under this category, being payments for retention money and there was no funding in the year under review

Operational Expenses

This a major expenditure that the board incurred during the financial period with the main expenditure under this category being the electricity for water production in Baricho plant.

Operational Expenses	Kshs.	%
Electricity	497,029,745.00	81%
Water user charges	21,122,838.00	3%
Baricho Emergency Repairs	20,607,897.00	3%
Chemical & other related materials	15,808,268.00	3%
Maintenance of Water Assets	62,310,515.00	10%
Total	616,879,263.00	100%

OPERATIONAL EXPENSES



- Electricity
- Water user charges
- Baricho Emergency Repairs
- Chemical & other related materials
- Maintenance of Water Assets

21

7

11

12

13

14

15

16

COAST WATER WORKS DEVELOPMENT AGENCY

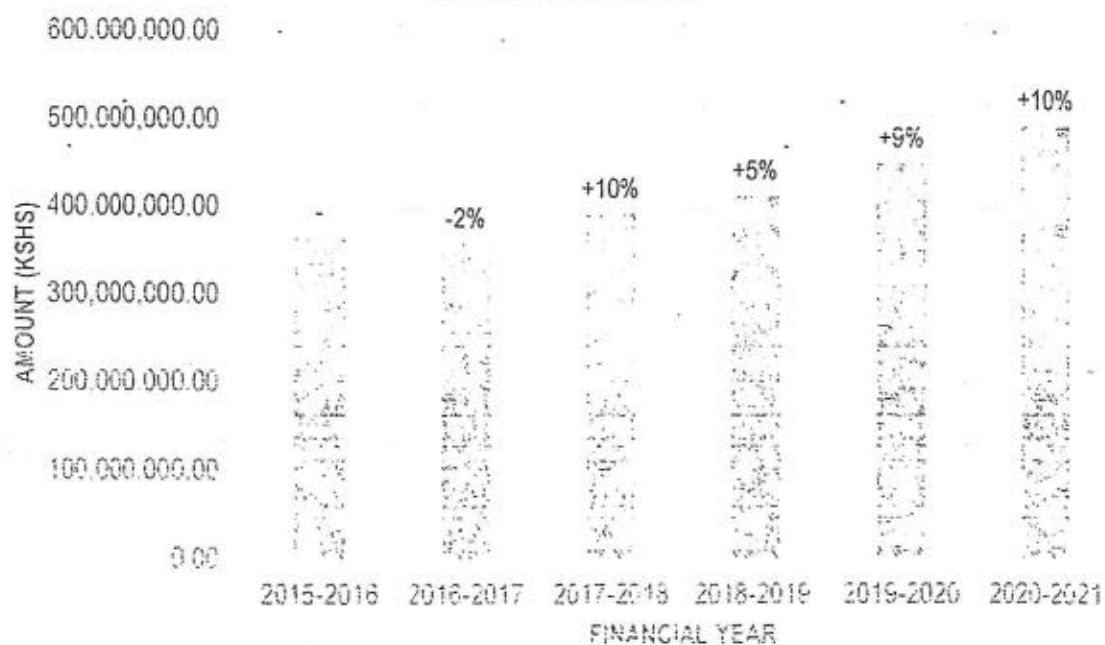
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Table below show the trend of power bill over the last five years which shows progressive increase in the trend with the last six years.

Cost of power bill for the last six years.

	Electricity Cost	
Year	Kshs	%
2015-2016	364,183,202.00	15%
2016-2017	356,550,190.00	14%
2017-2018	390,799,466.00	16%
2018-2019	411,437,358.00	17%
2019-2020	448,155,747.00	18%
2020-2021	497,029,745.00	20%
Total	2,468,155,708.00	100%

POWER COSTS



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

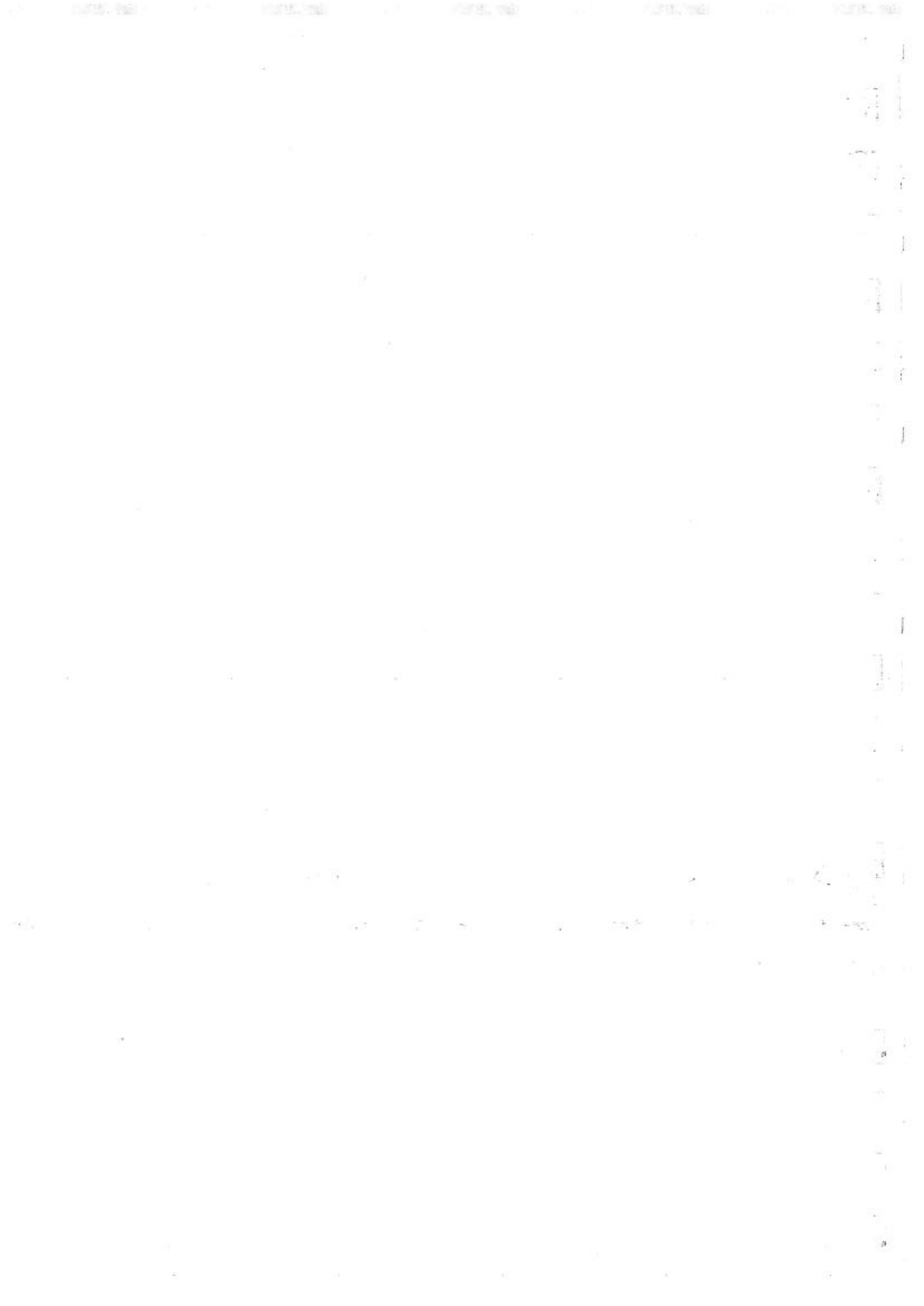
Staff Costs

The summary of staff expenses is given by table below

Staff Cost	Kshs	%
Salaries Wages	165,594,457.00	82%
Leave Allowance	2,395,496.00	1%
Gratuity	2,793,431.00	1%
Staff Training	5,119,942.00	3%
Other Allowances	26,455,396.00	13%
Total	202,358,722.00	100%

STAFF COSTS





COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Assets and liabilities

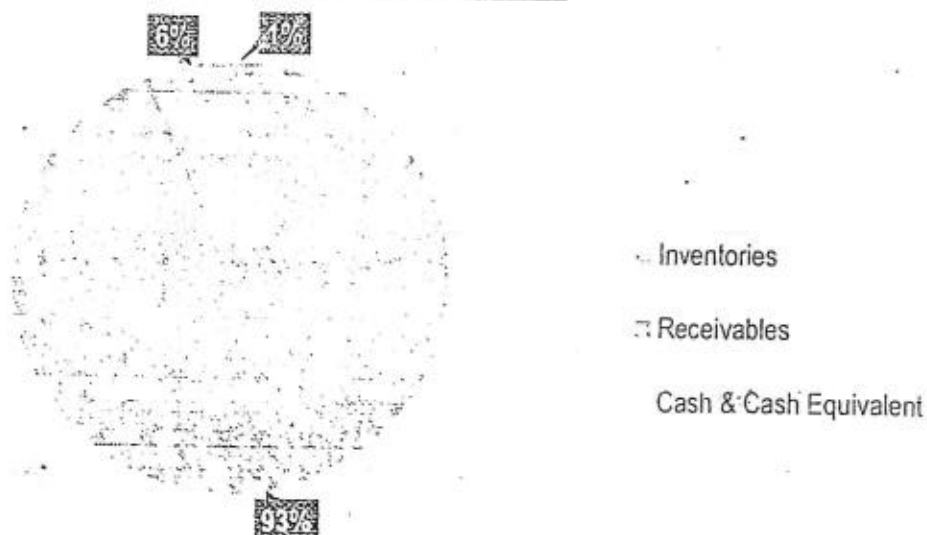
The net balance of CWWDA has continued to grow over the years as CWWDA continue to endeavor to meet the ever rising demand for water. The bulk of the non-current assets constitute the water infrastructure while the receivables constitute the biggest percentage of the current assets.

a) Current assets

Under current assets, the receivables take the highest percentage (93%) of the assets cost as shown by table below. Under inventories machinery, pipes and fittings are held for continuous repair for our assets.

Current Assets	Kshs.	%
Inventories	32,173,270.00	1%
Receivables	4,506,692,649.00	93%
Cash & Cash Equivalent	316,087,541.00	6%
Total	4,854,953,460.00	100%

CURRENT ASSETS



b) Non-current assets

In this category Work In Progress (WIP) takes 39.9% of the total cost and property, plant and equipment taking the balance of 60.1%. The WIP is attributable to various projects that are on-going at different stages. During the year under review three projects were transferred to Fixed Assets having been completed and handed over to the Agency.

COAST WATER WORKS DEVELOPMENT AGENCY

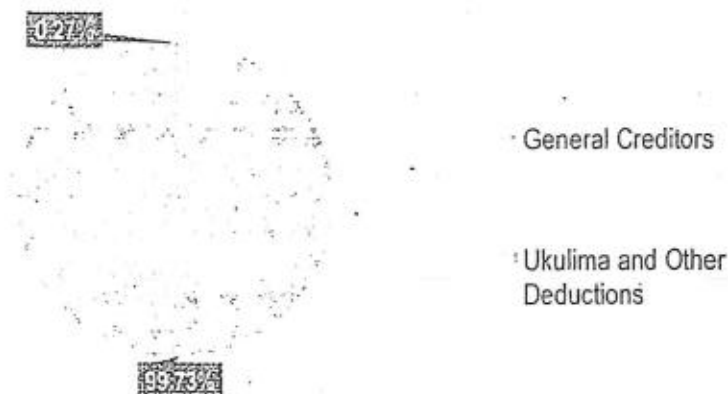
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

c) Current liabilities

Under this category Accumulated loan interest and General Creditors are the main components as at 30th June 2021. CWWDA has not paid any interest for any of its loans. This is attributable to the failure by WSPs to pay for their bulk water bills and administration fees in full. A summary of the current liabilities is given by table below

Current Liabilities	Kshs	%
General Creditors	1,854,798,747	99.73%
Audit Fees payable	0	0.0%
Paymaster General (June 2021)	0	0%
Ukulima and Other Deductions	5,101,802	0.27. %
SGR –Project funds	0	0%
TOTAL	1,859,900,549	100%

CURRENT LIABILITIES



d) Non -Current liabilities

CWWDA has one major non-current liability, which is the World Bank (WB) loan and AFD Loan, the agency does not have any other long term liabilities.

e) Solvency, going concern and liquidity

As at 30th June 2021, CWWDA had a strong solvency base with assets valued at Kshs 17,278,343,037 and liabilities with value of Kshs. 15,061,887,349 hence a net assets worth of Kshs 2,216,455,689 and this gives a good indication of a going concern status for the agency

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

The current ratio (2.61) is equally very strong as current assets cover the current liabilities above the minimum professional requirement of 2. However, in practice, liquidity has been a challenge due to the huge pending bills from WSPs which are not performing.

Quality assurance and value for money

High quality standards are taken very seriously even as CWWDA undertakes its mandate. All effort is made to ensure the projects are designed, implemented and maintained by applying strict standards that are applicable in all aspects. Inspection teams composed of officers with relevant skills and experience are constituted and inspection criteria developed at all stages of the projects.

This ensures that there is value for money for the resources that are assigned to different task.

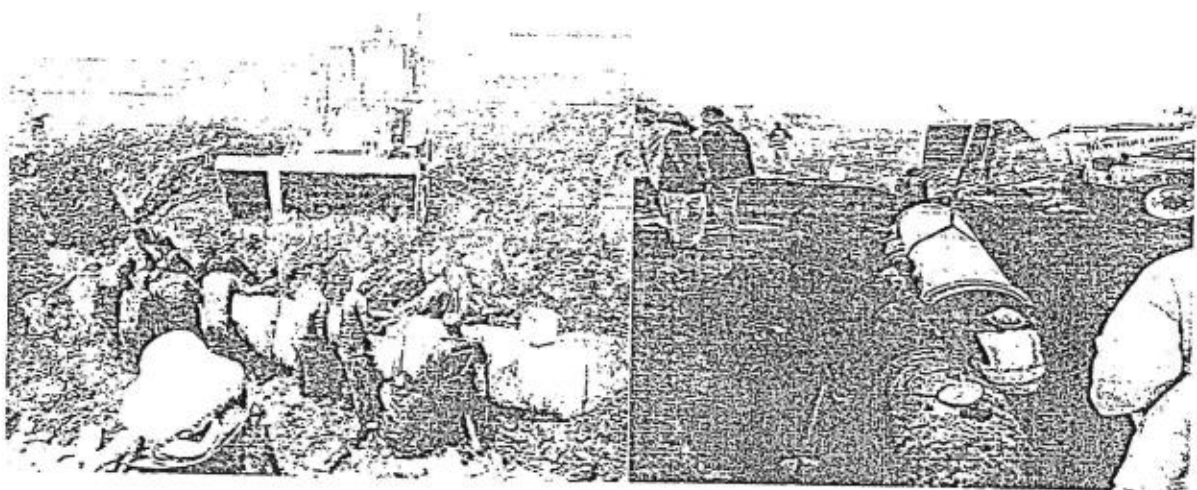
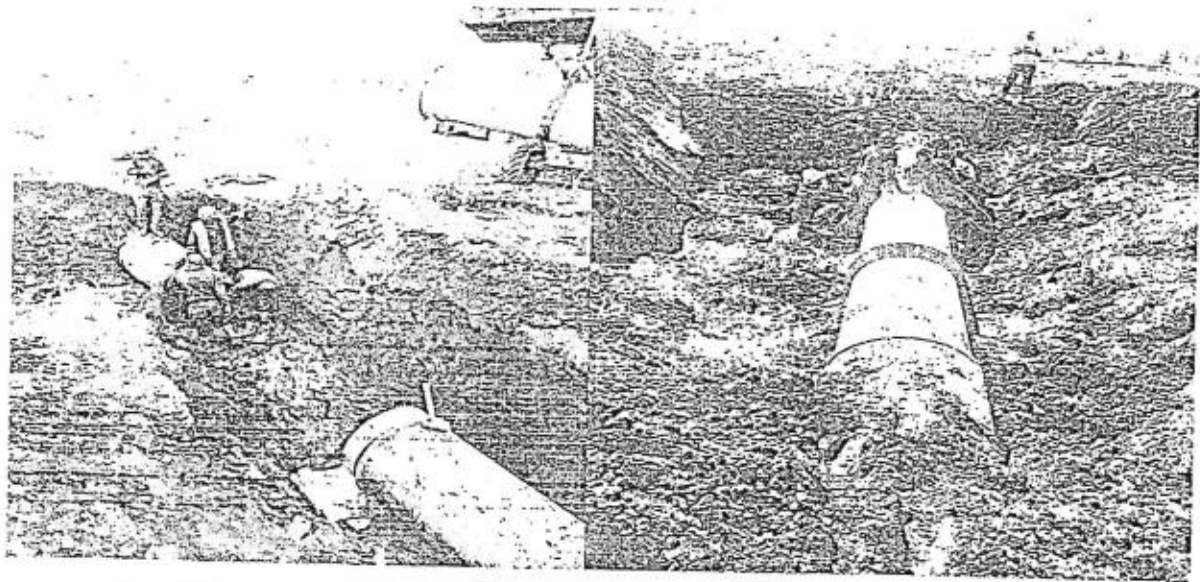
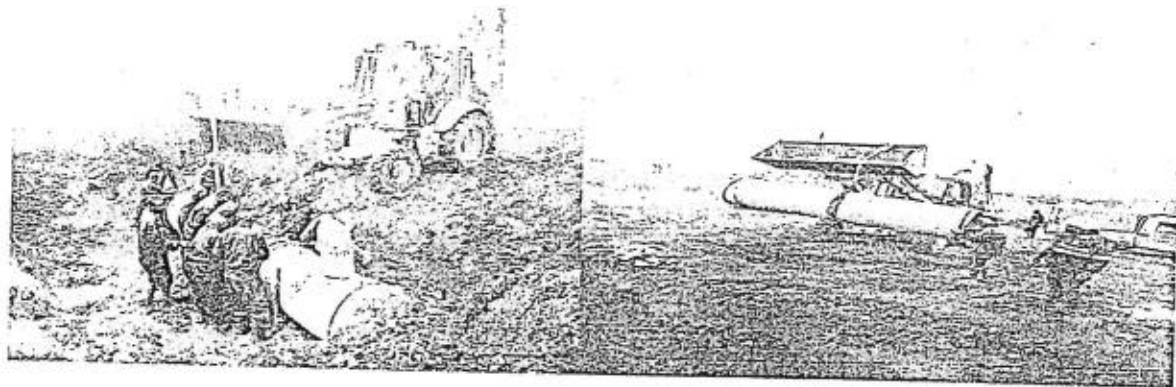
For the bulk unit, laboratory tests are conducted regularly to ensure the water that is released to the consumers is safe. In addition, CWWDA also ensures that chlorine and other chemicals that are required are procured and tested within the applicable standards. As an agency, we do also appreciate the fact that not all consumers rely entirely on our water and in this regard, CWWDA offers laboratory services to the members of the public who would wish to check the status of the water they are consuming. CWWDA has a monitoring and evaluation team that regularly visits the WSPs to establish their compliance with the laid down procedures and standards. To maintain the water quality standards, CWWDA also issues chlorine to WSPs to enhance the chlorination process at the consumer level.

Non-revenue water

Non –Revenue water emanates from physical and commercial losses and is of big magnitude that demands attention all the time. A lot of water is lost from the four schemes due to their levels of dilapidation. The table below show the level of NRW per scheme as at 30.6.2021.

	Schemes				Total
	Tiwi	Mzima	Marere	Baricho	
Production(m3)	2,392,993	14,720,000	3,396,173	23,128,548	43,637,714
Sales(m3)	1,508,731	10,259,699	2,408,201	20,795,263	34,971,894
NRW(m3)	884,262	4,460,301	987,972	2,333,285	8,665,820
NRW(%)	37%	30%	29%	10%	20%

COAST WATER WORKS DEVELOPMENT AGENCY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Pictures bursts repairs that happen along our various water assets

Compliance with statutory requirements

During the financial year under review CWWDA complied with all the statutory requirements that as applicable. This includes deducting and submitting all taxes to Kenya Revenue Authority (KRA), NSSF deductions, NHIF and pension deductions among others. In addition, CWWDA prepared and submitted the quarterly financial statements to the relevance agencies as provided for in the guidelines

ENVIRONMENTAL AND SUSTAINABILITY REPORTING

Introduction

Sustainable development is all about ensuring a better quality of life for everyone, now and for generations to come. This can be achieved through the three strands of social equity which recognizes the needs of everyone, maintenance of stable levels of economic growth and employment, and using natural resources prudently, whilst protecting, and if possible enhancing, the environment. Sustainable or ecological development is a process of change in which the exploitation of resources, the direction of investments, the orientation of technological development, and institutional change are made consistent with the future as well as present needs.

Sustainability requires continuous technological, economical the social progress of continuous improvement that respects the limits of the Earth's ecosystems, and meets the needs and aspirations of everyone for a better quality of life, now and for future generations to come.

As an agency, CWWDA is committed to meeting our stakeholder's present and future requirements through a collaborative culture which provides the capability to provide services and knowledge allowing systematic change to take place whilst reinforcing mutually desired social, economic and environmental outcomes. CWWDA recognizes the importance of conducting operations in a manner that meets existing needs without compromising the ability of the future generation to meet their needs; therefore, it carries out its operations in a manner that ensures the economic life of the community in which it operates. It remains the policy of the agency to ensure that activities meet and exceed the social, economic and environmental expectations of stakeholders.

The agency considers key aspects to be able to achieve its goal on the above. This is

- (a) Our people, values and processes;
- (b) Stakeholder engagement;
- (c) Protecting the environment; and
- (d) Corporate Social Responsibility and Investment.

Our People, Values and Processes

The staff of CWWDA are the primary asset of the agency. CWWDA therefore recruits, retains and invests in the best talent in the market and also gives opportunity for new comers through internships and attachments.

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Diversity and Equal Opportunity

The agency endeavors to preserve gender and cultural diversity in our employee mix and takes pride as an equal opportunity employer for all qualified persons.

Our Culture and Values

Our vision of "To be a world class water and sanitation infrastructure development agency.

This describes who we are, what we stand for and what makes our culture distinctive. The staff and Directors are committed in upholding our core values in the discharge of our mandate.

Employee Welfare

The agency takes every effort to ensure that employees' well-being is considered as this affects them both at home and at work.

The Board has continued to ensure that all cross cutting issues have been addressed; in particular, the policies and work plans for HIV/AIDs, Persons with Disability and Gender have been developed and are being implemented.

Staff Training and Development

To ensure that CWWDA not only attracts but also retains the best talent, the agency aims to nurture people's careers by making relevant opportunities accessible and helping them to develop skills, knowledge and experience in different functions or specialism. Staff training and development are a prerequisite for employees' growth. In FY 2020/2021, training continued to focus on departmental technical competencies and people management skills at all levels.

The Board also provides opportunities for groups of existing and future senior leaders to benchmark with best practices on management. Capacity building will remain a key objective for the agency.

Occupational Health and Safety

Good health and safety standards are ideal and remain an individual and corporate responsibility for the staff and the agency. The agency is committed to proactively managing all health and safety risks associated with its mandates.

The Board has a comprehensive medical scheme for its staff and directors. The policies are reviewed annually to ensure that the CWWDA maintains a healthy workforce and safe environment.

Zero Tolerance to Corruption

CWWDA has a zero tolerance policy towards corruption. During the year the agency carried out corruption risk assessment and mitigation measures. In order to enhance integrity in public procurement, CWDA posted all advertisements and awards to the public notice board at the gate of the head quart officers. Advertised open tenders in the papers for everybody to participate.

Corporate Social Responsibility and Investment

Through stakeholder engagement, we have listened to and talked with our employees, customers, investors, regulators, suppliers, Non-governmental Organizations (NGOs) and community representatives, who have helped us to develop our water master plan.

Towards this, the Board continues to pay school fees for best performing student at Baricho primary school.

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Environmental Sustainability Report

Environmental Sustainability refers to concerted efforts to mitigate against environmental degradation. It is the maintenance of the factors and practices that contribute to the quality of environment on a long term basis. It involves making decisions and taking action that are in the interests of protecting the natural world, with particular emphasis on preserving the capability of the environment to support human life. CWWDA is cognizant of the possible impacts (both positive and negative) resulting from interaction of the organization's activities with both physical and social environments.

The objective of the CWWDA in environmental sustainability is therefore to promote sustainable development within our area of jurisdiction by ensuring environmental protection, social equity, and economic development.

Approach

CWWDA environmental sustainability is guided by the Environmental Management and Coordination (Amendment) Act of 2015 which is the principal legislation governing the conduct of environmental management in Kenya; and the Constitution of Kenya, 2010. Other legislation related to natural resources such as Water Act, forest Act, Land planning Act and guidelines by National Environment Management Authority (NEMA). During the year under review CWWDA undertook the following activities in compliance with the guidelines:

Environmental sustainability planning

CWWDA developed an integrated workplace environment health and safety policy statement which states the organization's commitment to protect the environment, preserve the health and safety of CWWDA employees and communities, and ensure safe development of water and sanitation infrastructure.

This policy statement provides a framework for developing environmental objectives, targets and programs. The organizational service charter also include the environmental considerations such as the enforcement of water quality monitoring

Some of the environmental and social impact assessment reports licensed by NEMA are for the following projects among others:

Rehabilitation of Mzima pipeline, rehabilitation of Marere pipeline, rehabilitation of Baricho Wellfields and rehabilitation of Tiwi Boreholes

CWWDA subjects all the new water and sanitation infrastructure projects to environmental and social impact assessment process in line with the Environmental Management and Coordination Act, (EMCA), 1999 in order to identify both potential positive and negative impacts. This process allows for provision of enhancement, mitigation, restoration and compensation measures to ensure that the projects are environmentally and socially sustainable. The reports are submitted to NEMA for review and licensing and also to funding agencies (where applicable) for approval based on international standards.

COAST WATER WORKS DEVELOPMENT AGENCY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

REPORT OF THE DIRECTORS

The Directors submit their report together with the un-audited financial statements for the year ended June 30, 2021 which show the state of CWWDA

Principal activities

The principal activity of the Board is to ensure efficient and sustainable provision of quality and affordable water and sewerage services in its area of jurisdiction.

The main functions of CWWDA

- i) Ownership and holding of water and sewerage assets/Infrastructure on behalf of the National Government in the Coast Region.
- ii) Planning, development and expansion of water and sewerage services Infrastructure on behalf of the National Government in the Coast Region.
- iii) Provision of Bulk water services in the Coast region.

Results

The results of the entity for the year ended 30th June, 2021 are set out on page 1 – 7.

Auditors

The Auditor General is responsible for the statutory audit of Coast Water Works Development Agency in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board

For and on its behalf



Mary Okioma
Corporation Secretary

Date.....17/1/2022.....

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, require the Directors to prepare financial statements in respect of Coast Water Development Agency (CWWDA), which give a true and fair view of the state of affairs of the CWWDA at the end of the financial year and the operating results of CWWDA for the year. The Directors are also required to ensure that CWWDA keeps proper accounting records which disclose with reasonable accuracy the financial position of the agency. The Directors are also responsible for safeguarding the assets of the agency.

The Directors are responsible for the preparation and presentation of the CWWDA's financial statements, which give a true and fair view of the state of affairs of the Board for and as at the end of the financial year ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the agency; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the agency; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for CWWDA's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act, CAP 446. The Directors are of the opinion that CWWDA's financial statements give a true and fair view of the state of Agency's transactions during the financial year ended June 30, 2021, and of the Agency's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the Agency, which have been relied upon in the preparation of the Agency's financial statements as well as the adequacy of the internal control systems.

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

Approval of the financial statements

The agency's financial statements were approved by the Board on 29th August 2021 and signed on its behalf by:


MR. OMAR IDD BOGA
CHAIRPERSON


MR. MARTIN TSUMA
Ag. CHIEF EXECUTIVE OFFICER

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON COAST WATER WORKS DEVELOPMENT AGENCY FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the Coast Water Works Development Agency set out on pages 1 to 31, which comprise the statement of financial

position as at 30 June, 2021 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Coast Water Works Development Agency as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management, Act 2012 and the Water Act, 2016.

Basis for Qualified Opinion

Several balances reflected in the financial statements have not been supported with sufficient appropriate records, as discussed in the following paragraphs:

1. Land

The statement of financial position reflects property, plant and equipment balance totalling Kshs.7,471,811,487, as further disclosed in Note 19 to the financial statements. The balance includes Kshs.150,000 relating to a plot of land. However, the assets register provided for audit review did not disclose any information on location of the land and the terms on which it was held by the Agency.

In addition, a report dated July 03 2021 on planned transfer to the Agency of assets and liabilities from National Water Conservation and Pipeline Corporation and Ministry of Water and Irrigation indicated that the Agency was in possession of sixty-one (61) parcels of land with buildings in the Counties of Kilifi, Mombasa, Malindi, Kwale and Taita Taveta. However, all the listed parcels were registered as property of the National Water Conservation and Pipeline Corporation and the Government of Kenya. In addition, their actual locations and the nature of buildings therein were not disclosed in the report.

In view of these omissions, the valuation of the lands and buildings and ownership of the assets by the Agency could not be confirmed.

2. Trade and Other Receivables

The statement of financial position as at 30 June, 2021 reflects trade and other receivables balance totalling Kshs.4,506,692,648, as further disclosed in Note 17 to the financial statements. The balance includes Kshs.4,499,887,869 due from Water Service Providers. However, as the Appendix attached to this report indicates, the accounting records of the indebted Water Service Providers reflected debts totalling Kshs.4,334,918,146 as owed to the Agency resulting to unexplained variances totalling Kshs.164,969,723 between the Agency's and the debtors' records.

In addition, an analysis on the ages of the debts was not provided for audit review.

In the circumstance, the accuracy, completeness and recoverability of the trade and other receivables balance totalling of Kshs.4,506,840,899 as at 30 June, 2021 could not be confirmed.

3. World Bank Loan

The statement of financial position reflects a long-term loan balance totalling Kshs.13,201,986,800 owed to the World Bank as at 30 June, 2021. As previously reported, the Government of Kenya entered into a financing agreement with the Bank in the year 2008 to finance water and sanitation services in the Coast region through Coast Water Works Development Agency. The Bank lent the Government US dollars 45,203,760 under Credit No.IDA-4376-KE. The loan amount was equivalent to Kshs.4,570,199,584.27 and was repayable in 13 (thirteen) years with effect from 30 March, 2013 at an interest rate of 1.5% per annum. The annual repayment of US\$ 4,906,636 entailed a principal sum of US\$D.3,168,030 and interest of US\$ 1,738,606.

However, records on repayment of the loan were not provided for audit verification. In addition, the repayment of US\$ 4,906,636 due annually was not disclosed separately under other current liabilities in the statement of financial position as at 30 June, 2021.

Further, contrary to Paragraph 27 of International Public Sector Accounting Standard (IPSAS) 4 - The Effects of Changes in Foreign Exchange Rates - which requires foreign currency monetary items be translated using the closing exchange rate, the loan balance totalling 13,201,986,800 as at 30 June, 2021 was translated to Kenya Shillings based on the exchange rate on the transaction date. As a result, the foreign exchange gain or loss was not disclosed in the financial statements. Further, the accounting policy applied by the Agency in translating foreign denominated transactions and balances was not disclosed in the notes to the financial statements as required by the accounting standard.

In the circumstances, accuracy, completeness and fair presentation of the loan balance totalling Kshs.13,201,986,800 could not be confirmed.

4. Loan Interest

The statement of financial position reflects trade and other payables balance totalling Kshs.1,859,900,549, as further disclosed in Note 21 to the financial statements. The balance includes general creditors totalling Kshs.1,854,798,746, out of which Kshs.1,015,504,490 relates to unpaid loan interest owed to the National Treasury since 2013. However, Management did not explain the failure to pay the interest over the years. Further, it was not clear how the interest amount was accrued and as a result, its completeness and accuracy could not be confirmed.

5. Total Net Assets and Liabilities

The statement of financial position reflects aggregate liabilities totalling Kshs.15,061,887,349 and net assets totalling Kshs.2,261,727,534 which translate to net

assets totalling Kshs.12,800,159,815. However, the statement reflects net assets and liabilities totalling Kshs.2,261,727,534. As a result, the accuracy and validity total net assets and liabilities balance could not be confirmed.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts indicates that the Agency realized revenue totalling Kshs.1,624,648,201 against a budget of Kshs.1,821,065,000, resulting in a revenue shortfall of Kshs.196,416,799 or 11% of the budget. Management attributed the shortfall to unrealized government grants totalling Kshs.331,016,665 equivalent to 31% of the budgeted amount totalling Kshs.1,076,000,000.

The statement indicates that expenditure incurred during the year totalled Kshs.1,583,599,623 which exceeded the budget of Kshs.1,575,959,420 by Kshs.7,640,203 or 0.4%.

2. Previous Year Issues

The audit report for the year ended 30 June, 2020 raised several issues relating to balances reflected in the financial statements, lawfulness and effectiveness in use of public funds, and effectiveness of internal control, risk management and governance. The report on progress made in following up on the auditor's recommendations at Appendix I indicates that some of the issues have since been resolved and efforts to resolve the remainder was ongoing as at 30 June, 2021. The actual status of the issues shall be confirmed after they are discussed by Parliament.

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 matter 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

Incomplete Water Project Works

Expenditure records indicated payments totalling Kshs.3,824,792 made in respect of Mbulia pipeline extension in Voi, Taita Taveta County. The respective construction contract valued at Kshs.8,406,181 was signed in July, 2020 and entailed construction of three water kiosks at a total cost of Kshs.1,202,780.

However, an audit verification done in September, 2021 revealed that none of the three water kiosks had the 10m³ plastic tanks prescribed in the Bills of Quantities (BQs) installed and further, the kiosks were not connected to the water inlet and outlet systems prescribed in the BQs. The records indicated that Kshs.300,000 had been paid for the water tanks and systems as at 30 June, 2021.

In view of the improper execution of the project, value for money may not be realized on the contract.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether 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.

Responsibilities of Management and Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal control as Management determines is

necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Agency's ability 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 Agency or to cease operations.

The 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, the Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in

accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agency'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 Agency to cease 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 that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Agency to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

02 September, 2022

Appendix

Trade and Other Receivables - Unexplained Variances in Water Service Providers' Debts

No.	Water Service Provider	Balance as Per Agency Financial Statements (Kshs)	Balance as Per Water Company Records (Kshs)	Absolute Variance (Kshs)
1.	Mombasa Water and Sewerage Company	1,571,123,390.00	1,644,852,038.20	(73,728,648.20)
2.	Malindi Water and Sewerage Company	563,873,206.00	641,766,442.00	(77,893,236)
3.	Kilifi-Mariakani Water and Sewerage Company	1,014,768,981.00	957,146,026.00	57,622,955
4.	Kwale Water and Sewerage Company	695,725,546.00	661,549,221.65	34,176,324.35
5.	Taita/Taveta Water and Sewerage Company	635,608,942.00	406,444,956.00	229,163,986
6.	Lamu Water and Sewerage Company	15,763,804.00	-	15,763,804
7.	Tana River Water and Sewerage Company	3,024,000.00	-	3,024,000
Total		4,499,887,869	4,334,918,145.85	164,969,723.15



COAST WATER WORKS DEVELOPMENT AGENCYANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021**STATEMENT OF FINANCIAL PERFORMANCE**
For the Year ended 30 June 2021

Description	Notes	2021	2020
		Kshs.	Kshs.
Revenue from Non-Exchange Transactions			
Grants	7	744,983,335	1,121,131,698
		744,983,335	1,121,131,698
Revenue from Exchange Transactions			
Operational Income	6	784,271,797	849,760,568
Other Incomes	8	95,393,070	12,187,704
TOTAL REVENUE		1,624,648,201	1,169,080,000

EXPENDITURE			
Use of Goods and Services	9	382,474,549	304,337,030
Remuneration of Directors	10	18,633,255	28,666,892
Employees costs	11	202,358,722	206,338,752
General Expenses	12	19,844,689	22,662,377
Operational Expenses	13	616,879,264	604,383,970
Project Costs	14	287,538,421	414,529,792
Finance Costs	15	55,870,724	61,396,587
TOTAL EXPENDITURE		1,583,599,625	1,642,315,400
Surplus/(Loss)before Tax		41,048,577	340,764,570

CHIEF EXECUTIVE OFFICER
MR. MARTIN TSUMASIGN.....

Date.....20/11/2022

HEAD OF FINANCE
STEPHEN M. KIVUVA
ICPAK.NO.13560SIGN.....

Date.....20/11/2022

CHAIRMAN OF THE BOARD
MR. OMAR ODD BOGASIGN.....

Date.....20/11/2022

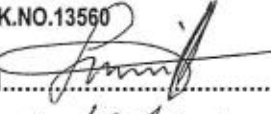
COAST WATER WORKS DEVELOPMENT AGENCYANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021**STATEMENT OF FINANCIAL POSITION**
As at 30 June 2021

ASSETS	Note	2021	2020
		Kshs	Kshs
CURRENT ASSETS			
Inventories	16	32,173,270	13,803,548
Trade and Other Receivables	17	4,506,840,899	4,101,329,864
Cash and Bank Balances	18	315,939,291	378,970,392
TOTAL CURRENT ASSETS		4,854,953,460	4,494,103,803
NON CURRENT ASSETS			
Property, Plant and Equipment	19	7,471,811,487	4,307,346,036
Work in Progress	20	4,996,849,936	7,539,890,948
TOTAL NON CURRENT ASSETS		12,468,661,423	11,847,236,984
TOTAL ASSETS		17,323,614,883	16,341,340,788
CURRENT LIABILITIES			
Trade and other Payables	21	1,859,900,549	1,493,230,731
TOTAL CURRENT LIABILITIES		1,859,900,549	1,493,230,731
NON-CURRENT LIABILITIES			
World Bank Loan	22	13,201,986,800	12,627,431,099
TOTAL NON CURRENT LIABILITIES		13,201,986,800	12,627,431,099
TOTAL LIABILITIES		15,061,887,349	14,120,661,830
NET ASSETS		2,261,727,534	2,220,678,958
ACCUMULATED SURPLUS		2,261,727,534	2,220,678,958
TOTAL NET ASSETS AND LIABILITIES		2,261,727,534	2,220,678,958

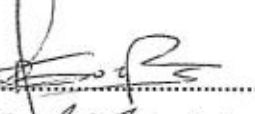
The Financial Statements set out on pages 1 to 6 were signed on behalf of Directors by:

CHIEF EXECUTIVE OFFICER
MR. MARTIN TSUMAHEAD OF FINANCE
STEPHEN M. KIVUVA
ICPAK.NO.13560CHAIRMAN OF THE BOARD
MR. OMAR IDD BOGASIGN.....

Date.....20/7/2022

SIGN.....

Date.....20/7/2022


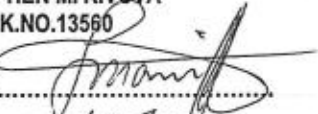
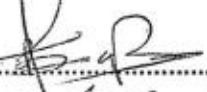
SIGN.....

Date.....20/7/2022

COAST WATER WORKS DEVELOPMENT AGENCYANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021**STATEMENT OF CHANGES IN NET ASSETS
For the Year Ended 30 June 2021**

Attributable to the owners of the controlling entity

	Notes	Accumulated surplus	Reserves Total
		Kshs	Kshs
Balance as at 30.6.2020		1,879,914,387	1,879,914,387
Surplus for the period		340,764,570	340,764,570
Balance as at 1.7.2020		2,220,678,958	2,220,678,958
Surplus for the period		41,048,576	41,048,576
Balance as at 30.6.2021		2,261,727,534	2,261,727,534

CHIEF EXECUTIVE OFFICER
MR. MARTIN TSUMASIGN 
Date 20/7/2021HEAD OF FINANCE
STEPHEN M. KIVUVA
ICPAK.NO.13560SIGN 
Date 20/7/2021CHAIRMAN OF THE BOARD
MR. OMAR IDD BOGASIGN 
Date 20/7/2021



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

STATEMENT OF CASH FLOWS
For the year ended 30 June 2021

	2020-2021	2019-2020
	Kshs	Kshs
Cash flows from operating activities		
Receipts		
Operational Income	379,034,490	370,060,619
Grants	744,983,335	1,121,131,698
Other Incomes	95,393,070	12,187,703
Total Receipts	1,219,410,895	1,503,380,020
Payments		
Employees Costs	202,313,688	206,338,752
Goods and services	140,787,002	146,001,859
Remuneration of Directors	18,633,255	28,666,892
General Expenses	19,739,788	22,662,377
Operational Expenses	328,595,432	535,611,831
Project Costs	287,538,421	405,622,204
Finance Costs	0	0
Total Payments	997,607,586	1,344,903,915
Net cash flows from operating activities	221,803,309	158,476,105
Cash flows from investing activities		
Purchase of property, plant, equipment and intangible assets	(3,402,431,123)	(1,900,823,278)
Proceeds from sale of property, plant and Equipment		0
Decrease in non-current receivables		0
Increase in investments	2,543,041,013	642,312,914
Net cash flows used in investing activities	(859,390,110)	(1,258,510,364)
Cash flows from financing activities		
Proceeds from borrowings	574,555,700	1,144,701,262
Repayment of borrowings		0
Increase in deposits		0
Net cash flows used in financing activities	574,555,700	1,144,701,262
Net increase/(decrease) in cash and cash equivalents	(63,031,100)	44,667,262
Cash and cash equivalents at 1 JULY 2020	378,970,392	378,970,391
Cash and cash equivalents at 30 JUNE 2021	315,939,291	378,970,392

COAST WATER WORKS DEVELOPMENT AGENCYANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS**
For the Year Ended 30 June 2021

Details	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Percentage Utilization
	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs
Government grants and subsidies	876,000,000	200,000,000	1,076,000,000	744,983,335	69%
Rendering of services	738,200,000	0	738,200,000	784,271,796	106%
Gains on disposal, rental income and agency fees	6,865,000	0	6,865,000	95,393,070	139%
Total	1,621,065,000	200,000	1,821,065,000	1,624,648,201	
Expenses					
Use of Goods and Services	406,470,000		406,470,000	382,474,549	94%
Remuneration of Directors	30,000,000	0	30,000,000	18,633,255	62%
Employees Costs	260,000,000	(16,159,000)	243,841,000	202,358,722	83%
General Expenses	33,000,000	(4,300,000)	55,700,000	19,844,689	60%
Operational Expenses	429,380,000	56,200,000	485,580,000	616,879,264	127%
Project Costs	332,810,266	0	287,538,420	287,538,420	100%
Finance Costs	66,830,000	0	66,830,000	55,870,724	84%
Total	1,555,490,266	3,574,1000	1,575,959,420	1,583,599,623	

CHIEF EXECUTIVE OFFICER
MR. MARTIN TSUMASIGN.....
Date..... 20/7/2022HEAD OF FINANCE
STEPHEN M. KIVUVA
ICPAK.NO.13560SIGN.....
Date..... 20/7/2022CHAIRMAN OF THE BOARD
MR. OMAR-IDD BOGASIGN.....
Date..... 20/7/2022

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

NOTES

Revenue

Grants

The Agency did not receive all the Grants from Gok as per the approved budget due to covid-19 which had caused budget cuts from the National Treasury. On service The Agency managed to bill more than was budgeted. However not all billed amounts were collected

On Miscellaneous Income the performance above budget due to collection for land compensation

Expenses

Use of Goods and Services

The over 94% is an indication that the costs were within the budget and there were exceptional issues.

Remuneration of Directors

Remuneration to the Board was Kshs. 18,633,255 including honoraria to the Chairman and this was within the approved budget of kshs. 30 million. The underutilization of the same is attributed to Covid-19 restrictions which allowed for remote meeting and no allowing for physical meeting during the period under review

Employees Costs

Compensation to Employees was within the set budget of the Agency

General Expenses

This expenditure caters for operational expenses of running the offices and includes office electricity among others.

The expenditure was within the set budget for the year under review

Operations Expenses

This expenditure is attributed to production costs of water and mainly covers power cost for our baricho pumping station which has been on an increasing trend as per the report.

The expenditure was exceeded mainly due to power cost and the same was approved by the board accordingly.

Project Costs

Expenditure under this category are fully budgeted for at inception and thus covered.

Finance Costs

The expenditure allows for loan interest and was within the budgeted amount.

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

CWWDA was initially established under water Act 2002 and registered as Coast Water Services Board. Following the adoption of the water Act 2016 in the water sector, CWWDA changed its name to CWWDA as per the guidelines. CWWDA is wholly owned by the Government of Kenya and is domiciled in Kenya. CWWDA's principal activity is to ensure efficient, effective and sustainable provision of quality and affordable water services (defined to include sewerage) in its area of jurisdiction - Mombasa County, Taita Taveta County, Kilifi County, Kwale County, Lamu County and Tana River County.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

Coast Water Services Board's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of CWWDA.

The financial statements have been prepared on the basis of historical cost. The cash flow statement is prepared using the indirect method. The financial statements are prepared on accrual basis.

3. ADOPTION OF NEW AND REVISED STANDARDS

i) Relevant new standards and amendments to published standards effective for the year ended 30 June 2020.

Standard	Impact
IPSAS 33: First time adoption of Accrual Basis IPSAS	CWWDA adopted IPSAS in the year ended 30.6.2014 and therefore provision of first time adoption of accrual basis does not apply
IPSAS 34: Separate Financial statement	The Agency does not have any subsidiaries, joint ventures or investments and therefore the standard does not apply
IPSAS 35: Consolidate Financial Statements	The Agency does not have any subsidiaries, joint ventures or investments and therefore the standard does not apply
IPSAS 36: Investment in Associates and Joint Ventures	The Agency does not have investments in associates or joint ventures
IPSAS 37: Joint Arrangements	The Agency does not have an interest in a joint arrangement and therefore the standard does not apply
IPSAS 38: Disclosure of interest in other Entities	The Agency does not have interest in other entities and therefore the standard does not apply

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

ii) New Standards and Interpretation in use issue but not yet effective in Year Ended 30 June 2021

Standard	Effective date and impact
IPSAS 39: Employee Benefits	Applicable ;1 January 2018 IPSAS 39 was to create convergence to changes in IAS 19. Employees benefits. The main objective is to ensure accurate information relating to pension liabilities arising from the defined benefits scheme by doing away with the corridor approach.
IPSAS 40: Public Sector Combinations	Applicable 1 January 2019 Covers public combinations arising from exchange transactions in case they are treated similarly with IFRS 3 Business combinations and combinations arising from non – exchange transactions which are covered purely under Public Sector combinations as amalgamations.

iii) Early adoption of standards

Coast Water Works Development Agency did not adopt any new or amended standards in year 2020.

4. SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

Revenues from lease fees and miscellaneous income have been recognized as exchange transactions. Grants for the donors and Government of Kenya have been recognized as non-exchange transactions. Lease fees Income is recognized in the year in which it is due. A grant from the Government of Kenya and other donors for specific expenses is recognized as income in the period it is received and it is not accrued.

b) Budget information

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the entity. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

c) Property, plant and equipment

Property, Plant and equipment are stated at historical cost less accumulated depreciation.

Depreciation is calculated on the reducing balance basis to write down the cost of each asset to its residual value over its estimated useful life as follows;

Equipment	12.5%
Furniture, Fittings	12.5%
Computers	33.3%
Water Infrastructure	2.5%
Motor Vehicles and Cycles	25%

d) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined by First in first out (FIFO) method. Net realizable value is the estimate of the selling price in the ordinary course of business less the selling expense. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

e) Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

f) Contingent liabilities

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

g) Contingent assets

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

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

h) Nature and purpose of reserves

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

i) Changes in accounting policies and estimates

The Agency recognizes the effects of changes in accounting policy prospectively.

j) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

k) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete is handed over to the beneficially. Further borrowing costs are charged to the statement of financial performance.

l) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held at the various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash Imprests and advances to authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

m) Taxation

Coast Water Works Development Agency is a non-commercial state corporation in the provision of essential services. No provision for taxation has not been made.

5. Critical Accounting Estimates, Judgments and Assumptions

In the process of applying the Board's accounting policies, the directors have made estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The estimates and underlying assumptions are reviewed on an ongoing basis.

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

(a) Critical Judgments in applying the agency's Accounting Policies

In the process of applying the agency's accounting policies, judgments have been made in determining: -

- Whether the assets are impaired;
- The classification of financial assets;
- The going concern.

(b) Critical Accounting Estimates and Assumptions

The key areas of judgments and sources of uncertainty in estimation are as set out below:

(i) Useful lives of property and Equipment

The directors make estimates in determining depreciation rates for property and equipment. The rates are set out in the accounting policy (g) above for property and equipment.

The agency reviews the estimated useful lives of plant and equipment at the end of each reporting period. During the financial year, no changes to the useful lives were identified by the board of directors.

(ii) Provision for Doubtful Debts

The agency reviews its current assets portfolio to assess the likelihood of impairment. Provision for impairment of receivables is established when there is objective evidence that the agency will not be able to collect all amounts due. Where necessary an estimation of the amounts irrecoverable is made in that year. Provision for impairment shall be recognized upon approval by the Board of Directors. No provision of bad debts was made in respect to the year under review.

NOTE 6 Operational Income

The Agency's major sources of revenues are the water sales which are earned from the sale of bulk water to the WSPs and administrative fees that is earned from the lease of its assets to them.

During the year, revenue was earned as follows.

	2021	2020
	Kshs.	Kshs.
Bulky Water Sales	784,271,797	733,194,908
Administrative Fees	0	116,565,660
Total	784,271,797	849,760,568

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Month	Mombasa	Malindi	Kilifi	Kwale	Tavevo	TOTAL
Jul-20	20,769,200	9,629,320	21,466,500	7,797,280	5,791,540	65,453,840
Aug-20	19,270,320	9,460,020	18,583,680	8,869,600	6,313,040	62,496,660
Sep-20	21,562,980	9,878,740	20,608,540	8,248,940	5,847,880	66,147,080
Oct-20	18,769,840	6,539,520	18,045,520	7,085,360	5,849,500	56,289,740
Nov-20	17,480,340	6,703,960	16,709,560	7,411,720	6,718,480	55,024,060
Dec-20	21,807,460	8,442,880	20,081,720	6,215,860	6,038,880	62,586,800
Jan-21	26,663,793	12,512,812	19,386,966	7,984,926	7,620,781	74,169,278
Feb-21	26,181,793	12,677,092	23,771,686	9,419,306	7,781,261	79,831,138
Mar-21	18,824,240	10,454,900	17,922,640	5,867,680	6,158,940	59,228,400
Apr-21	20,110,820	11,195,020	17,110,100	8,641,680	6,956,180	64,013,800
May-21	21,669,640	10,780,640	20,987,080	8,012,000	7,023,160	68,472,520
Jun-21	25,159,460	10,788,380	20,026,020	6,959,600	7,625,020	70,558,480
TOTAL	258,269,886	119,063,284	234,700,012	92,513,952	79,724,662	784,271,796

NOTE 7

Grants

Grants are recognized in the books when they are actually received and they are not accrued. During the Financial year, grants were received as follows.

	2021	2020
	Kshs	Kshs
GOK Recurrent	388,483,335	662,331,700
GOK Development	356,500,000	458,799,998
Total	744,983,335	1,121,131,698

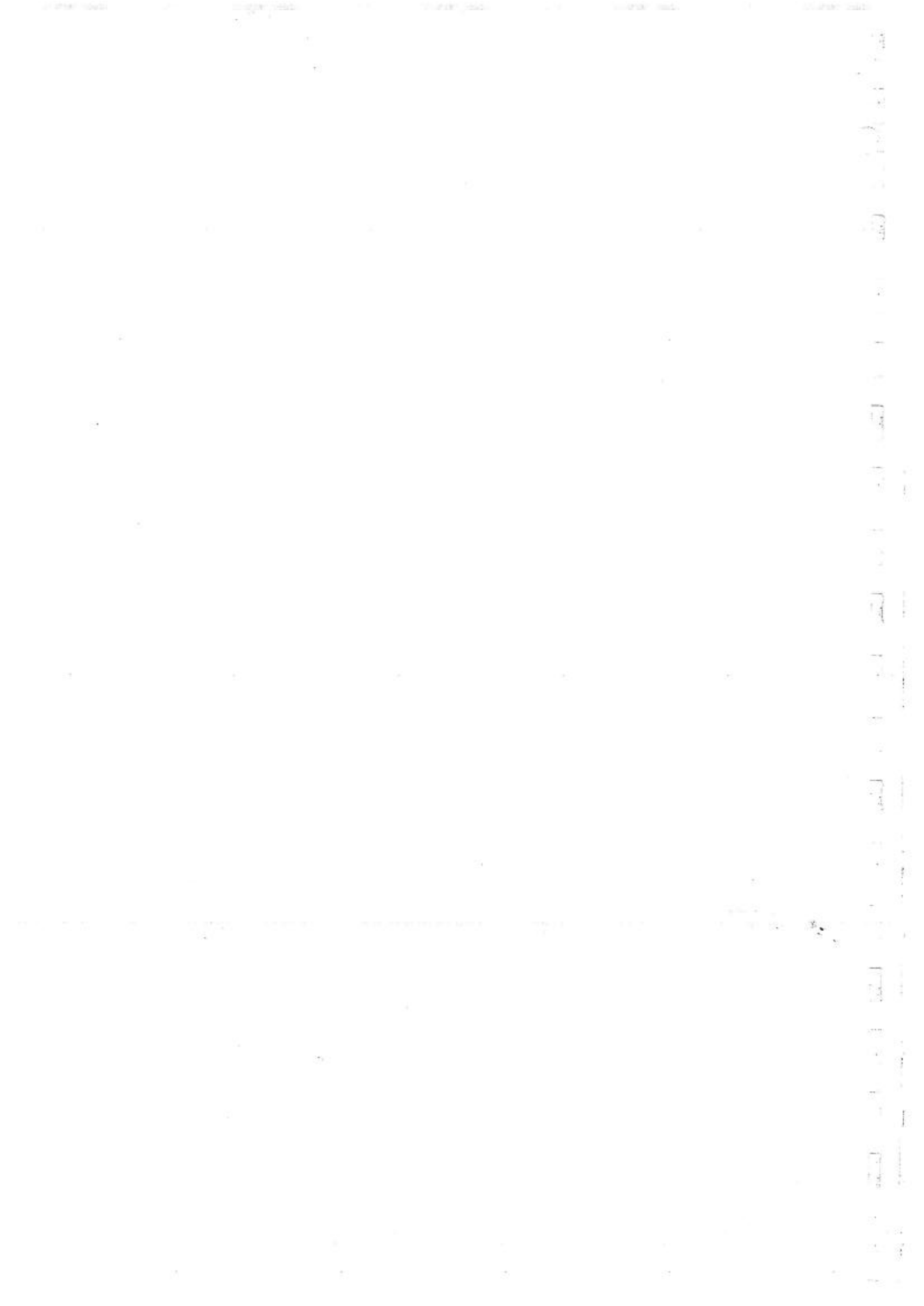
COAST WATER WORKS DEVELOPMENT AGENCY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

NOTE 8

Other Incomes

The agency earned other income from various sources as summarized below. The main source of other income was the sale of water by bowser (69%) followed by rent from various sources at 10%.

DETAILS	2021	2020
	Kshs	Kshs
Rent Received	268,500	453,500
Miscellaneous income	92,025,270	0
Sale of water to CBOs	2,758,300	2,934,610
Laboratory charges	341,000	357,000
Sale of water by bowser	0	8,442,593
Total other incomes	95,393,070	12,187,703



COAST WATER WORKS DEVELOPMENT AGENCY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

NOTE 9

Use of Goods and Services

	2021	2020
	Kshs	Kshs
Telephone, Fax, Internet, Courier & Email	2,198,629	3,361,423
Travelling and accommodation- local	36,348,968	36,194,088
Travelling & accommodation foreign	14,400	3,784,730
Overtime Allowance	0	0
Subscription to newspaper & magazine	0	0
Advertising & Publicity	6,321,725	3,132,073
Trade show and Exhibition	663,701	5,696,581
World Bank Operations	0	0
World Water Day	250,062	0
Hire of transport equipment & machinery	0	155,000
General office supplies	10,224,819	7,297,474
Laboratory expenses	2,901,048	2,069,896
Hospitality	928,536	1,677,548
Donations	0	0
Fuel & Lubricant	7,127,014	7,771,554
Legal fees & related expenses	13,051,745	11,529,802
Bank charges	460,431	274,173
Contracted professional services	8,659,988	9,847,440
Monitoring and Evaluation	26,231,763	28,261,597
Audit fees	0	0
Maintenance expenses – vehicles	12,552,951	10,224,862
Maintenance of office furniture & equipment	903,090	1,583,650
Maintenance of buildings & stations	8,122,447	4,022,986
Baricho Clinic Expense	0	0
Stationery office	1,325,100	955,020
Covid -19 Expense	6,222,460	8,161,960
Depreciation	237,965,672	158,335,171
TOTAL	382,474,549	304,337,030

COAST WATER WORKS DEVELOPMENT AGENCY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

NOTE 10
Remuneration of Directors

	2021	2020
	Kshs	Kshs
Board Allowances	18,063,405	27,992,641
Honoraria	569,850	674,250
TOTAL	18,633,255	28,666,891

NOTE 11
Employees Costs

	2021	2020
	Kshs	Kshs
Salaries and Wages	165,594,457	181,456,005
Staff Leave Allowance	2,395,496	2,553,226
Other Staff Allowances	26,455,396	10,393,971
Staff Training	5,119,942	2,782,643
Gratuity	2,793,431	9,152,905
Total	202,358,722	206,338,752

NOTE 12
General Expenses

	2021	2020
	Kshs	Kshs
Office Electricity	960,294	850,809
Motor Vehicles Insurance	1,733,084	5,783,968
Resettlement compensation	387,711	0
Security Expense	16,763,600	16,027,599
Total	19,844,689	22,662,376

COAST WATER WORKS DEVELOPMENT AGENCYANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021**NOTE 13****Operating Expenses**

	2021	2020
	Kshs	Kshs
Electricity – Operations	497,029,745	448,155,747
Water Use Charges	21,122,838	22,287,038
Baricho Emergency Repairs	20,607,897	40,938,713
Cost of Specialized Materials	15,808,268	28,395,785
Maintenance of Water Assets	62,310,515	64,606,687
Total	616,879,264	604,383,970

NOTE 14**Project Costs**

	2021	2020
	Kshs	Kshs
Lamu Projects	85,249,365	58,659,354
Small dams and Pans	28,657,678	70,248,057
Drought mitigation	11,898,249	94,671,224
Equalization	22,545,513	64,545,020
Water For Schools	20,162,470	14,031,547
Taita Projects	3,824,792	7,418,500
SGR Project	0	557,872
Priority Projects	2,599,155	880,718
Kwale Projects	28,771,080	19,005,571
Dongo Kundu	41,683,822	84,511,926
Cross County Projects	42,146,297	0
Total	287,538,421	414,529,791

COAST WATER WORKS DEVELOPMENT AGENCYANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021**NOTE 15****Finance Cost**

	2021	2020
	Kshs	Kshs
Financing cost	55,870,724	61,396,587

NOTE 16**Inventories**

	2021	2020
	Kshs.	Kshs.
Machinery, Pipes and Fittings	30,732,000	8,423,000
Chemicals	0	4,834,972
Stationery	1,441,270	545,575
Total	32,173,270	13,803,547

NOTE 17**Trade and Other Receivables**

	2021	2020
	Kshs	Kshs
Mombasa Water and Sewerage Company Ltd	1,571,123,390	1,525,422,723
Malindi Water and Sewerage Company Ltd	563,873,206	571,809,922
Kilifi Mariakani Water and Sewerage Company Ltd	1,014,768,981	799,193,306
Kwale Water and Sewerage Company Ltd	695,725,546	603,711,593
Taveta Water and Sewerage Company Ltd	635,608,942	577,184,279
Lamu Water and Sewerage Company Ltd	15,763,804	14,736,740
Tana Water and Sewerage Company	3,024,000	2,592,000
Salary Advances	1,595,016	2,978,493
Prepaid Medical Cover	708,662	753,696
Prepaid Motor Insurance	657,622	812,412

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Staff Imprests	3,843,480	2,134,700
Provision for Debts	0	0
TOTAL	4,506,692,648	4,101,329,864

NOTE 18

Cash and Cash Equivalent

	2021 Kshs	2020 Kshs
Development	213,355,276	448,689
Loan repayment	238,416	22,593
Projects	68,698,410	240,978,488
Drought Mitigation	4,361,596	17,715,364
Administration Fees	442,163	735,552
World Bank – AF	78,583	95,146
Bulk	2,491,995	17,136,450
Equalization	22,346,632	41,201,758
World Bank WSDP	3,712,288	50,771,863
AFD	206,791	9,854,640
KCB KISSIP	7,141	9,844
Total	315,939,291	378,970,392

COAST WATER WORKS DEVELOPMENT AGENCY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

NOTE 19

Property, Plant and Equipment

	Motor Vehicles	Computers	Office Equipment	Furniture and Fittings	Water Equipment	Water Infrastructure	Land	Total
As at 30.6.2017	262,030,492	39,366,481	37,454,157	17,685,461	438,104,266	2,704,853,149		3,499,644,006
Additions		1,827,809	676,000	52,432	7,265,466			9,821,707
As at 30.6.2018	262,030,492	41,194,290	38,130,157	17,737,893	445,369,732	2,704,853,149	150,000	3,509,465,713
Additions			859,370	513,800	4,892,499			6,256,669
As at 30.6.2019	262,030,492	41,191,290	38,989,527	18,251,693	450,115,231	2,704,853,149		3,515,581,382
Additions		11,641,811	197,580	315,000		1,888,668,887		1,900,823,278
As at 30.6.2020	262,030,492	52,833,101	39,187,107	18,566,693	450,115,231	4,593,522,036		5,416,404,660
Additions		400,400	1,437,833	821,046		3,399,771,843		3,402,431,122
As at 30.6.2021	262,030,492	53,233,501	40,624,940	19,387,739	450,115,231	7,993,293,879		8,818,835,782
Depreciation								
As at 30.6.2017	190,172,152	38,326,416	21,573,257	10,687,100	254,750,980	121,629,935		637,139,840
Charge for the Year	47,284,770	1,098,987	4,092,051	692,890	49,353,720	67,621,329		170,143,747
As at 30.6.2018	237,456,922	39,425,403	25,665,308	11,379,990	304,104,700	189,251,264		807,283,586
Charge for year	24,573,570	667,353	4,147,014	721,928	45,849,662	67,621,329		143,580,856
Net book Value	262,030,492	40,092,756	29,812,321	12,101,918	349,813,372	256,872,593		950,723,452
Charge for year 2020	0	4,305,197	4,147,014	763,553	34,281,356	114,838,051		158,335,171
Net book Value	262,030,492	44,397,953	33,959,335	12,865,471	384,094,728	371,710,644		1,109,058,623
Charge for year 2021	0	4,073,930	4,326,743	866,184	28,866,468	199,832,347		237,965,672
Net book Value	262,030,492	48,471,883	38,286,077	13,731,655	492,961,197	491,542,991		1,347,024,295
As at 30.6.2017	71,858,340	1,040,065	15,880,900	6,998,361	183,353,286	2,583,223,214	150,000	2,862,504,166
As at 30.6.2018	24,573,570	1,768,887	12,464,849	6,357,903	141,265,032	2,515,601,885	150,000	2,702,032,126
As at 30.6.2019		1,101,534	9,177,205	6,149,775	100,298,860	2,447,980,556	150,000	2,564,857,929
As at 30.6.2020	0	8,435,148	5,227,772	5,701,222	66,020,503	4,221,811,392	-	4,307,346,037
As at 30.6.2021	0	4,761,618	2,338,863	5,656,084	37,154,035	7,421,750,888	150,000	7,471,811,487

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

NOTE 20

Work In Progress

	2021	2020
	Kshs.	Kshs.
Balance b/f	7,539,890,948	8,182,203,862
World Bank Informal	0	0
World Bank – wsp	0	51,411,823
World Bank – Bulky	0	0
World Bank – Drought	0	28,582,868
World Bank –Capital Works	0	0
World Bank wip Baricho	0	24,726,648
World Bank wip msa lot .2	0	0
World Bank Taveta	0	0
World Bank Sewarage	0	20,317,490
World Bank Kibokoni	0	0
World Bank Bura	0	0
World Bank Wajir Dadaab	0	0
World Bank Baricho Lot 3	0	912,287,373
World Bank Baricho 3BHS	487,558,711	209,029,768
Makamini Dam	117,382,928	0
Mwache Dam Treatment Plant	12,705,868	0
Mwache Dam pipeline	19,202,950	0
Northmainland Msa	46,885,425	0
Phase 1 Nyali	103,288,665	0
Protection Works Baricho	16,749,682	0
Baricho 2 Pipeline	7,684,756	0
Dongo Kundu Phase 2	45,271,845	
Transfer to Water Infrastructure	(3,399,771,844)	(1,888,668,887)
Total	4,996,849,934	7,539,890,948

COAST WATER WORKS DEVELOPMENT AGENCY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

NOTE 21
Trade and Other Payables

	2021	2020
	Kshs	Kshs
General Creditors	1,854,798,746	1,487,587,719
Audit Fees payable	0	2,867,522
Paymaster General (June 2020)	0	85,765
Ukulima and Other Deductions	5,101,802	4,123,485
SGR –Project funds	0	0
TOTAL	1,859,900,549	1,494,664,491

NOTE 22
World Bank Loan

	2021	2020
	Kshs	Kshs
Balance B/F	12,627,431,099	11,482,729,837
Disbursements	574,555,701	1,144,701,262
TOTAL	13,201,986,800	12,627,431,099

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Financial Risk Management

Financial Risk Management Objectives and Policies

CWWDA considers risk management to be an integral part of good management practices and a significant aspect of corporate governance. Effective management of risk will contribute towards achievement of the agency's objectives.

The Agency's approach to risk management is based on risk governance structures, risk management policies, risk identification, measurement, monitoring and reporting. The risk management policies and systems are reviewed regularly to ensure they are in tandem with the micro and macro environment, regulatory guidelines, industry practice, market conditions as well as the services offered.

This risk management framework captures the following among other things: -

- The Agency's risk appetite and parameters;
- The Agency's risk matrix that highlights the rating of risks;

The structure of managing risks and accountabilities;

- The processes, procedures and reports that manage risks;
- The mitigating factors, prevention, contingency plans and controls.

The Agency's core business involves major engagements with financial transactions and processes which pose certain risks. Three types of risks are reported as part of the risk profile namely operational, strategic and business continuity risks.

i) Operational risks are events, hazards, variances or opportunities which could influence the achievement of the Agency's compliance and operational objectives.

ii) Strategic risk is a significant unexpected or unpredictable change or outcome beyond what was factored into the organization's strategy and business model which could have an impact on the entity's performance.

iii) Business continuity risks are those events, hazards, variances and opportunities which could influence the continuity of the entity.

One of the key risks the agency has identified in both the operational and strategic areas is the sustainability of the administrative fee receivable in the provisions of the Water Act 2016 Financial risk as defined in IPSAS 15 and the management thereof, form part of this risk area.

The financial management objectives and policies are as outlined below:-

(a) Liquidity Risk

Liquidity risk is the risk that the Agency will not have sufficient financial resources to meet its obligations when they fall due or will have to do so at excessive costs. This risk can arise from mismatches in the timing of cash flows from revenue and capital/operational outflows, assets and liabilities according to their maturity profiles and can occur where cash flow streams have been discontinued, etc.

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

The objective of the liquidity and funding management is to ensure that all foreseeable operational, capital and loan commitment expenditure can be met under both normal and stressed conditions and the mismatch is controlled in line with allowable risk levels. The agency has adopted an overall balance sheet approach which consolidates all sources and utilization of liquidity, with the aim of maintaining a balance between liquidity, cash flows and interest rate considerations.

The agency's liquidity and funding management process includes:-

- Projecting cash flows and considering the cash required and optimizing the short term requirements as well as the long term funding,
- Maintaining balance sheet liquidity ratios,
- Maintaining/soliciting for a diverse range of funding sources with adequate back up facilities,
- Managing the concentration and profile of debt maturities, where applicable,
- Maintaining liquidity and funding contingency plans.

(b) Market Risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates, prices and interest rates. The objective of market risk management policy is to protect and enhance the Statements of Financial Position and performance by managing and controlling market risk exposures within acceptable parameters, and to optimize the funding of business operations and facilitate capital expansion. CWWDA is exposed to the following market risks:-

(i) Currency Risk

The currency risk is minimal as most of cash and cash equivalents held with banks are dominated in Kenya Shillings.

(ii) Price Risk

The revenue source for CWWDA is the administrative Levy which is denominated in Kenya Shillings. The exposure arises where the contract prices are denominated in foreign currencies for the development funded projects. This is mitigated by enforcing direct payments so as to reduce the exposure. Price risk is therefore rated as minimal.

(iii) Interest Rate Risk

The Agency's financial condition may be adversely affected as a result of changes in interest rate levels. The interest rate risk is minimal as the Agency does not have any borrowings.

(c) Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Agency's processes, personnel, technology and infrastructure and from external factors other than credit, market and liquidity risks such as legal and regulatory requirements and generally acceptable standards of corporate behavior. The agency will endeavor to ensure that key operational risks are managed in a timely and effective manner through a framework of policies, procedures and tools to identify, assess, monitor and report such risks.

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Related Party Balances

Nature of related party relationships

Entities and other parties related to the entity include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members. Being a public entity CWWDA has related parties in this regard and operates under the national Government and Board of Directors.

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

APPENDIX I: PROGRESS ON FOLLOW UP OF AUDITOR GENERAL RECOMMENDATIONS

CWWDA has been audited up to 30th June 2021. However certificates for the last two years have not been received. The following audit issues were outstanding as at this date. The main challenge in dealing with most of the issues is that they are expected to be addressed by other Government agencies and not entirely by CWWDA.

Ref No	Reference no. on the external audit report	Issue/observation from the auditor	Management comments	Action point	Status as at 30 th June 2021	Expected completion date
1	Property plant & equipment	Assets without ownership documents	These are assets were transferred to the entity without transfer/ownership documents	CWWDA & Parent Ministry	CWWDA has formed a task force that is working with the parent ministry to resolve the matter.	30 th June 2022
1	Property plant & equipment	Assets not recorded in the books	The assets being referred to are community assets (land)	CWWDA & Respective county governments	A task force by CWWDA was dealing with the matter.	30 th June 2022
2	World bank loan	The balances were not reconciling with the figures at the National Treasury records.	CWWDA has already initiated reconciliations.	CWWDA- Finance Manger	The matter was still pending	30 th June 2022
3	Trade and other receivables	Receivables that have been outstanding for long period	CWWDA has already initiated reconciliations and also contracted a debt collector to assist the debts.	CWWDA CEO Finance Manager & legal officer	The matter was still pending with consultations going on.	30 th June 2022
3	Trade and other receivables	Balances that are not in agreement with the records of the WSPs	Teams from both parties have been formed to reconcile the balances.	CWWDA- CEO & Finance Manger	The matter was still pending with consultations going on.	30 th June 2022
4	Non-revenue water	The level of non-revenue water was too high as compared to the international standards.	The high incidences of vandalism of water assets has contribute to this status	CWWDA CEO, Technical and Bulk unit managers.	This requires continuous attention and is therefore on going.	2022

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

APPENDIX II: PROJECTS IMPLEMENTED BY THE AGENCY

During the period under review, the agency implemented projects as follows.

	Project Name	Period	Funding Level-Kes	Financier	Status
1	Water and Sanitation Services Improvement Project-Additional Financing (WaSSIP AF)	2013- Dec 2019	9 Bn	World Bank	<p>Project closed successfully on 31 Dec 2019.</p> <p>Final accounts for the contracts done except the Contract for the Supply and Installation of Six billing systems which is delayed because of contract non-performance by the supplier. Once the contract is finalized, payment will be settled using the WaSSIP-AF Counter Part Fund (GoK).</p> <p>The board to assist in conclude the dispute</p>
2	Water and Sanitation Development Project. (WSDP)	5 Years (2018-2022)	4.0 Bn	World Bank	<p>Works for Drilling and equipping of three replacement boreholes-Three Boreholes equipped, tested, and commissioned. Localized protection works for the borehole chambers completed.</p> <p>Consultancy Services for the Construction Supervision of Baricho Replacement Boreholes finalized.</p> <p>Works for second Baricho Kakuyuni Pipeline - Procurement of a contractor commenced and evaluation report submitted to the Bank for a No Objection.</p> <p>Consultancy services for the design and construction of second Baricho Kakuyuni Pipeline - Phase I (design) completed. Phase II (supervision) about to start</p>

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

					Works for Baricho Well-Field Protection Works - Procurement of a Contractor completed. Awaiting commencement of the works.
		5 Years (2019- 2024)			Consultancy services for the design and construction supervision of Baricho Well-Field Protection Works. Phase I (design) completed. Phase II (supervision) about to start
					Works for Construction of Mombasa Water Distribution Works for North Mainland (Short Term Works) Lot 1A - Contract signed and works ongoing at 5%
					Consultancy services for construction supervision of Mombasa Water Distribution Works for North Mainland (Short Term Works) Lot 1A - Contract signed and supervision ongoing (AFD)
					Works for Improvement of Water Services in Mombasa County - North Mainland Phase I - Nyali Area -Contract signed and works ongoing at 6%
					Consultancy services for Improvement of Water Services in Mombasa County - North Mainland Phase I - Nyali Area - Contract signed and supervision ongoing
					Works for construction of Mwache - Changamwe and Mwache to Nguu-Tatu Pipelines and terminal reservoirs. - Project at Design Stage

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

					<p>Consultancy services for design and supervision of Mwache – Changanwe and Mwache to Nguu-Tatu Pipelines and terminal reservoirs – Contract signed and designs ongoing (AFD)</p>
3	Improvement of Drinking Water and Sanitation Systems in Mombasa - The Mwache Project		14.8 Bn	French Development Bank (AFD)	<p>Key Milestones</p> <p>Consultancy Services for Preparation of Detailed Designs, Tender Documents, Safeguards (ESIA and RAP) Reports and Construction Supervision of Mwache Dam Transmission Pipelines and Associated Terminal Reservoirs - Design work ongoing.</p> <p>Consultancy Services for the preparation of preliminary design, Tender Documents, Safeguards and Construction supervision of Mwache Water Treatment Plant - Design work ongoing.</p> <p>Consultancy services for Long Term Technical Assistance - Contract signed and Consultancy Services ongoing.</p> <p>Works for Construction of Likoni Emergency Works - Contract signed and works ongoing.</p> <p>Consultancy services for Likoni Emergency Works – Phase I (design) completed. Phase II (supervision) ongoing</p> <p>Works for Construction of South Mainland and West Mainland Water Distribution and Sanitation Works - Design reviews ongoing.</p> <p>Consultancy services for South Mainland and West Mainland Water Distribution and Sanitation Works – Contract signed and supervision ongoing</p>

COAST WATER WORKS DEVELOPMENT AGENCY

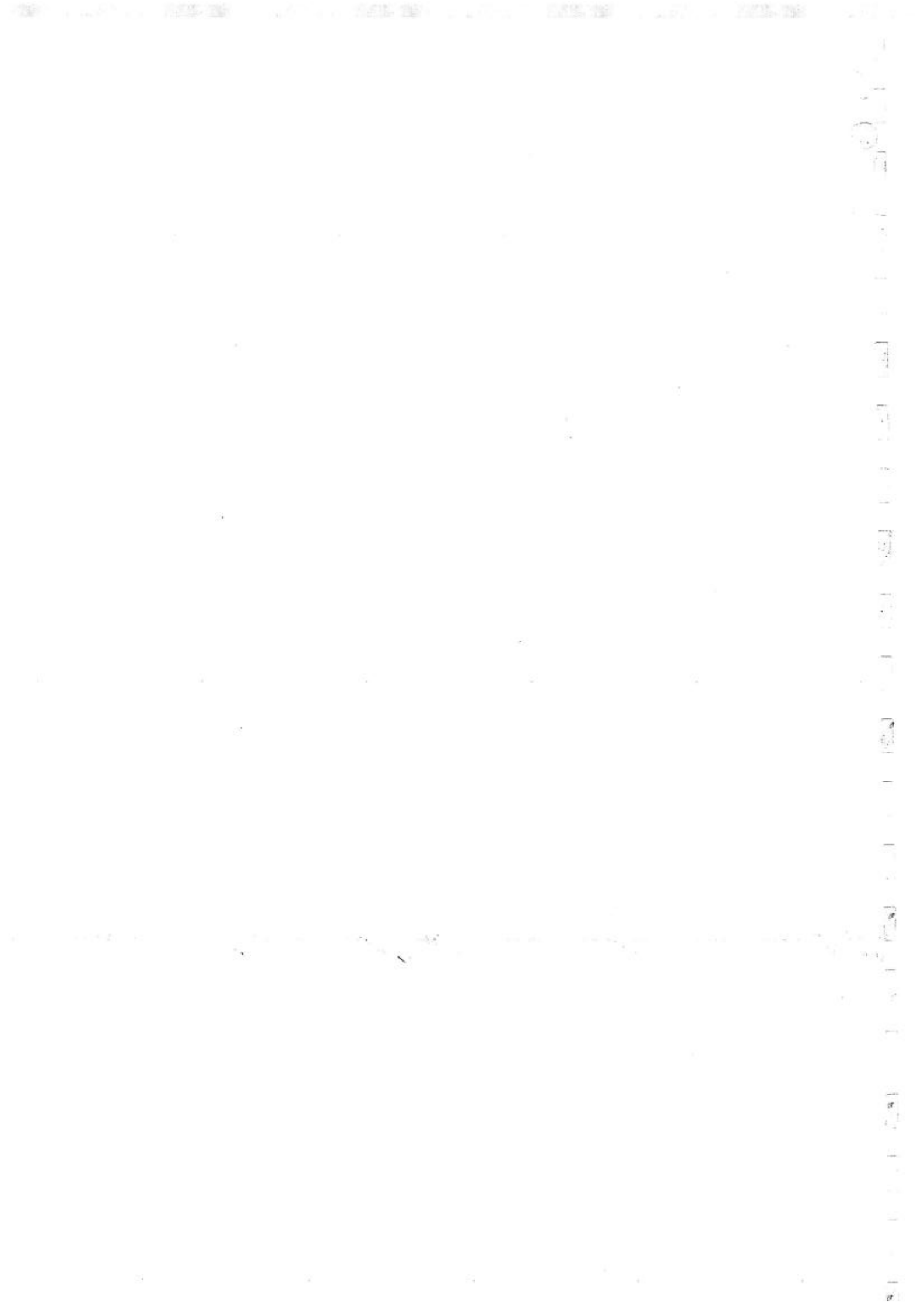
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

4	Mzima Pipeline Project	II	2019-2024	33.5Bn	China EXIM Bank	Financing Agreement Ready (EPC+F procurement completed). Awaiting Cabinet approval but the National Treasury has recommended the use of Public Private Partnerships Framework of contracting the project as opposed to the Engineering Procurement Construction and Financing Framework.
5	Proposed Re-Use of KPC Oil Pipeline		2021-2022	2.4Bn	KPC/GoK	KPC requested CWWDA for assistance in carrying out viability assessment of re-using the oil pipeline for water supply. LTTA assisted in compiling a report which was forwarded to the Ministry of Water, Sanitation and Irrigation Headquarters for further analysis and discussions
6	Small Towns Water and Sanitation Improvement Project		2018-2023	Approximately 1Bn.	African Development Bank (AfDB)	Works for Changanwe Repooling -Works have stalled due to contractor non-performance
						Works for Rehabilitation of Pemba Dam.- contractor on site, implementation of the works being fast tracked. The physical progress is at 83%
						Works for Watamu Water Distribution Network Lot 2A - Approval of the Master List granted on March 1 2021. Contractor on site and has fast-tracked the project implementation currently at 50%
						Consultancy Services for design review and supervision of Changanwe Repooling Sewerage Scheme, Rehabilitation of Pemba Dam and Watamu Water Distribution Network Lot 2A - contract signed and supervision services ongoing
7	National Water Harvesting		2019/2020; 2020/2021.	170M	Government of Kenya	Physical Progress of works at 95%

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

	and Ground Water Exploitation Program			(GoK)	This project has attracted a pending bill of Kes 55,000,000 due to budget cuts.
8	Haboye Dam	2019/2020	100M	Government of Kenya (GoK)	Project to be revived and funded through the Tana River Flood Control project. Re-advertisement done, awaiting evaluation.
9	Makamini Dam (Dam, Treatment Plant and Pipeline Construction	2021/2022	1.283B	Government of Kenya (GoK)	Works Contract for design and build of the Dam and Water Treatment Plant signed. Designs projected to be completed by November 2021. Construction works to commence in December 2021. Consultancy Services for design review and supervision of Makamini dam works was signed and supervision services ongoing.
10	Improvement of Drinking Water at Dongo Kundu Special Economic Zone (SEZ)	2019/2021	500M	Government of Kenya (GoK)	Phase I - Construction works completed Phase II - Construction works for 2.5km of pipeline ongoing and physical progress at 25%.
11	Cross County Water Distribution Projects	2019/2020	50M	Government of Kenya (GoK)	The three (3) projects are substantially complete. A balance of Ksh. 25 million which was a pending has been disbursed by the National Treasury.
12	i) County Based, ii) Drought Mitigation, iii) Constituency Programs- Equalization Fund. Small Dams and Pans & Water for Schools.	Annually	Over Ksh 200 m annually	Government of Kenya (GoK)	Continuous. Equalization Fund Projects are stalled at approximately 81%. Kes. 646.8M disbursed against Kes. 919.1 M certified. Kes. 711.6M required to complete the contracts. One contractor (Mngiwa Contractors Ltd) went for arbitration due to the delayed payment. Small dams' pans and boreholes-CWWDA received only Kes 44m out of the required Kes 175m. Projects have stalled. Water for schools successfully completed.



COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

					Cross County Water Projects- Only Kes. 25M disbursed against Kes 50M required for the contracts.
13	Universal Health Coverage (UHC)		Ksh. 32M	Government of Kenya (GoK)	Procurement Process Completed. No disbursement. The contracts are yet to be signed till confirmation of funds is received

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

APPENDIX III: INTER-ENTITY TRANSFERS

Break down of Transfers from the State Department of Water and Sanitation				
FY 2020/2021				
A	RECURRENT FUNDS			
		Bank Statement Date	Amount (Kshs)	Indicate the FY to which to the amounts relate
	Recurrent Funds	8Th Sept,2021	35,316,667.00	FY 20/21
	Recurrent Funds	9th Sept,2021	35,316,667.00	FY 20/21
	Recurrent Funds	7th Oct,2021	35,316,666.00	FY 20/21
	Recurrent Funds	6th Nov, 2021	35,316,667.00	FY 20/21
	Recurrent Funds	7th Dec , 2021	35,316,667.00	FY 20/21
	Recurrent Funds	18th Jan ,2021	35,316,666.00	FY 20/21
	Recurrent Funds	4th Feb, 2021	35,316,667.00	FY 20/21
	Recurrent Funds	4th March,2021	35,316,667.00	FY 20/21
	Recurrent Funds	9th April, 2021	35,316,667.00	FY 20/21
	Recurrent Funds	5th May,2021	35,316,667.00	FY 20/21
	Recurrent Funds	24th June,2021	35,316,667.00	FY 20/21
		TOTAL	388,483,335.00	
B	DEVELOPMENT GRANTS			
		Bank Statement Date	Amount (Kshs)	Indicate the FY to which to the amounts relate
	Dongo Kundu Water Supply Project	8th July,2020	30,000,000.00	FY 2019-2020
	Tana River Water Project		25,000,000.00	
	Water and Sanitation Services Improvement Project		15,000,000.00	
	Improvement of Drinking Water & Sanitation Systems in Mombasa		22,500,000.00	
	Mbulia Water Project in Voi- Taita Taveta		5,000,000.00	
	Chawia check Dam -Taita Taveta		7,500,000.00	
	National Harvesting and Ground water	8th July,2020	15,000,000.00	FY 2019-2020
	Water for Schools Programmes		14,000,000.00	
	Water for Schools Programmes		10,000,000.00	

COAST WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Dongo Kundu Water Supply BigFour		65,000,000.00	
Improvement of drinking Water & Sanitation Systems in Mombasa	21st September, 2021	75,000,000.00	FY 2020-2021
Mwache Water Pipeline Extension		25,000,000.00	
Water and Sanitation Services Improvement Project		30,000,000.00	
Tana River Water Projects		17,500,000.00	
	TOTAL		
C DIRECT PAYMENTS		356,500,000.00	
WSDP	Bank Statement Date	Amount (Kshs)	Indicate the FY to which to the amounts relate
China Henan contract	4th Sept, 2020	81,038,667.34	FY 2020-2021
China Henan contract		98,536,314.00	
Artalia/Mangat	29th April, 2021	9,418,092.00	
Artalia/Mangat	29th April, 2021	8,476,479.00	
Toddy civil Engineering	22nd June, 2021	30,631,810.90	
Toddy civil Engineering	22nd June, 2021	49,649,128.00	
TOTAL		277,750,491.24	
D DONOR RECEIPTS			
	Bank Statement Date	Amount (Kshs)	Indicate the FY to which to the amounts relate
WSDP FUNDS	1st Dec, 2020	91,773,235.00	FY 2020-2021
WSDP FUNDS	24th April, 2021	101,918,944.00	
WSDP FUNDS	24th June, 2021	103,113,030.00	
TOTAL		296,805,209.00	

The above amounts have been communicated to and reconciled with the parent Ministry

