REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 15 MAR 2023
DAY:
TABLED BY: Hon. Samuel Chepkongo, MP on behalf of Majority Leader
CLERK-AT THE-TABLE: Christine Ndiraby

REPORT

OF

THE AUDITOR-GENERAL

ON

CENTRAL RIFT VALLEY WATER WORKS DEVELOPMENT AGENCY

FOR THE YEAR ENDED 30 JUNE, 2021

CENTRAL RIFT VALLEY WATER WORKS DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

OFFICE OF THE AUDITOR GENERAL
SOUTH RIFT HUB
30 MAR 2022
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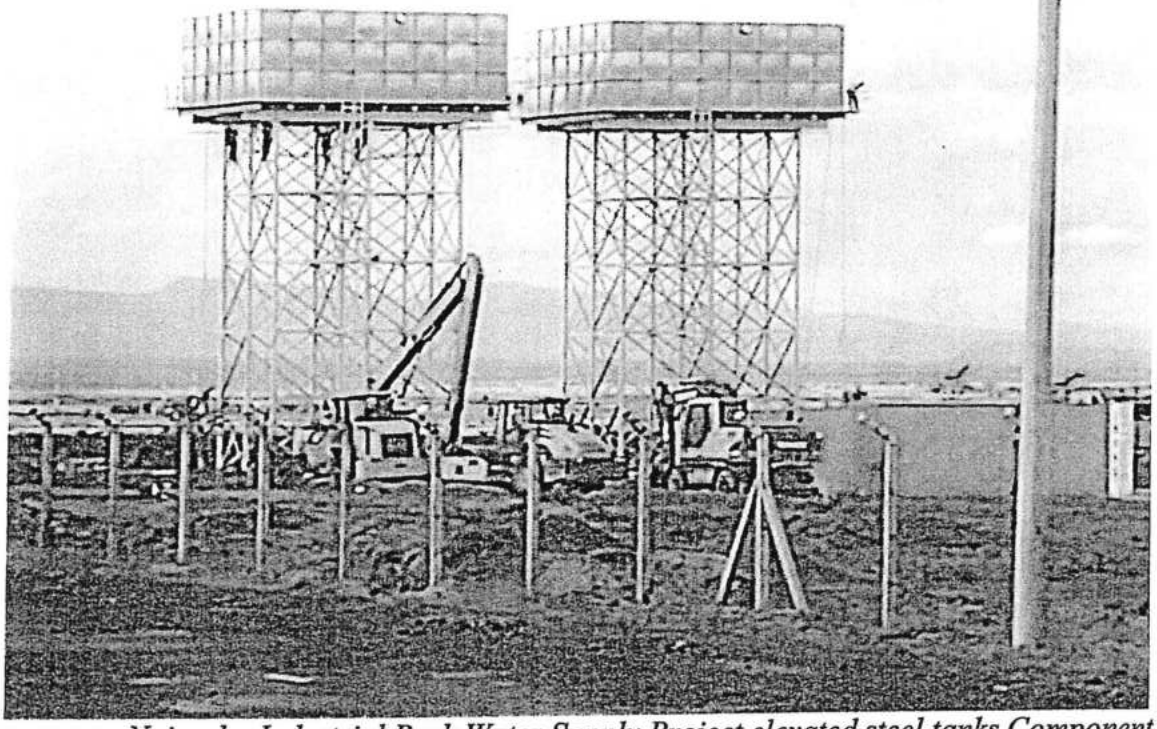
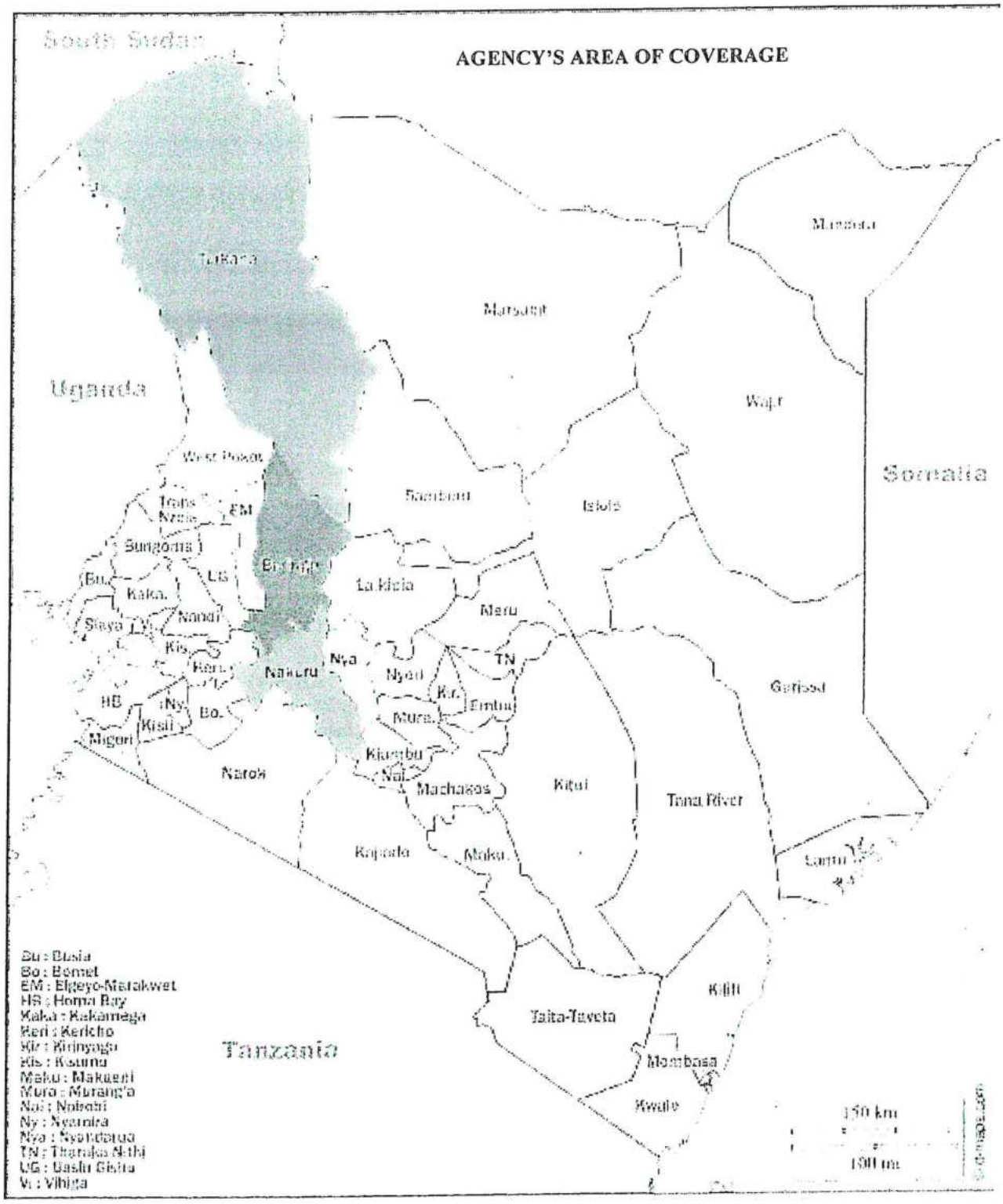
P.O. Box 1050-20100, NAKURU

FOR THE YEAR ENDED 30TH JUNE, 2021



Naivasha Industrial Park Water Supply Project elevated steel tanks Component

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


AGENCY'S AREA OF COVERAGE
South Sudan
Uganda
Somalia
Tanzania
Turkana
Marsabit
Mandera
Wajir
West Pokot
Samburu
Isiolo
Trans Nzoia
EM
Baringo
Laikipia
Meru
Bu.
Kaka.
Nandi
Siaya
Kis.
Ker.
Nakuru
Nya
Nyandi
TN
Kir.
Embu
Mura.
HB
Ny.
Kisii
Bo.
Migori
Kiambu
Nai.
Narok
Machakos
Kitui
Tana River
Garissa
Kajiado
Maku.
Lamu
Kilifi
Taita-Taveta
Mombasa
Kwale
Bu : Busia
Bo : Bomet
EM : Elgeyo-Marakwet
HB : Homa Bay
Kaka : Kakamega
Ker : Kericho
Kir : Kirinyaga
Kis : Kisumu
Maku : Makueni
Mura : Murang'a
Nai : Nairobi
Ny : Nyamira
Nya : Nyandarua
TN : Tharaka Nithi
UG : Uasin Gishu
Vi : Vihiga
150 km
100 mi

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I. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

The Central Rift Valley Water Works Development Agency is a body corporate established under the Water Act, 2016, Legal Notice No. 4 of 2020 through the Kenya Gazette Supplement No 4 of February 7, 2020 and is domiciled in Kenya. The Central Rift Valley Water Works Agency is the successor of the Rift Valley Water Works Development Agency which was revoked under Legal Notice No. 4 of 2020. The Agency is to be responsible for development, maintenance and management of National Public Water Works in the assigned Counties, which currently are: Nakuru Nyandarua, Baringo Narok and Laikipia.

This report covers seven (7) Counties namely Turkana, West Pokot, Elgeyo Marakwet, Baringo, Nyandarua, Nakuru and Narok originally being managed by the successor the Rift Valley Water Works Development Agency whose establishment was revoked.

The Agency is required to keep proper books of accounts of its income, expenditure, assets and liabilities. Further, it is required that accounts of the Agency shall be audited and reported in accordance with the Public Finance Management Act, 2012. This report is therefore made pursuant to the Public Finance Management Act, 2012 for the year ended 30th June 2020.

b) Principal Activities

The Agency develops and manages water services infrastructure and provides technical support to the County Governments in its area of jurisdiction and to the Cabinet Secretary in charge of Water Services. The Agency hands the completed water services infrastructure over to designated Water Services Providers for operating and day to day managing of water supply and sanitation services.

c) Key Management

The Agency is governed at policy level by a Board of Directors drawn from various Government Ministries and private sector representing a wide cross section of stakeholders within the Agency's area with a mix of skills, age, qualifications, gender and experience. A representative from Inspectorate of State Corporations also attends the meetings for advisory purposes. The day to day management is carried out by a management team headed by the Chief Executive Officer.

d) Fiduciary Management

The key management personnel who held office during the year ended 30th June, 2020 and who had direct fiduciary responsibility were:

1. Eng. Samuel K. Oruma — Ag. Chief Executive Officer
2. CPA Douglas M. Kaibos — General Manager - Corporate Services
3. Eng.Charles Murage — Ag. General Manager – Technical Services
4. Ms Caren C Lagat — Legal Services Manager
5. Mr William R Sakuda — Supplies Chain Manager
6. CPA Solomon K Wambugu — Internal Audit Manager

e) Fiduciary Oversight Arrangements

To ensure the efficient running of the Agency's operations, the Board of Directors have established Committees to meet and make recommendations to the Board who are mandated to provide policy direction for the entity on issues delegated to them. Each Committee has a Charter that guides its operations.

f) Registered Office and Contact Address

Maji Plaza
Prisons Road, Off Nakuru-Eldama Ravine Highway
P O Box 2451-20100,
Nakuru
Telephone: (254) 51 2213 557/(254) 71 8313 557
E-mail: info@rvwsb.go.ke
Website: www.rvwsb.go.ke

g) Bankers

Kenya Commercial Bank
Kenyatta Avenue Branch,
P O Box 18-20100
Nakuru

h) Independent Auditors

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

i) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi.

II. THE BOARD OF DIRECTORS

Director's passport-size photo and name, and key profession/academic qualifications	A concise description of each Director. The date of birth, key qualifications and work experience, Indicating whether the director is independent or an executive director and which committee of the Board the director chairs where applicable.
1. Amb. Boniface Kamanga Muhia Deputy Ambassador and acting High Commissioner Uganda and Tanzania respectively Bachelor of Science in Marketing Diploma certificate Strategic Leadership Development Programe	➢ Born 1963 ➢ Non-executive Chairman of the Agency ➢ Appointed 9th April 2021.
2. Hon. Mathenge Nderitu Bachelor of Construction Management	➢ Born 1961 ➢ Independent Director ➢ Chair Corporate Services Committee
3. Eng. David N Kamau MSC Entrepreneurship Certified Professional Mediator BSC Agricultural Engineering Waste Water Management. Diploma Agricultural Engineering.	➢ Born 1964 ➢ Independent Director ➢ Chair Technical Services Committee

4. Mrs Lorna T. Nkouwa Teacher by profession Business Lady	➢ Born 1959 ➢ Independent Director
5 Mr Julius Kamau Muthanwa MBA Human Resource Management Bachelor of Laws (LLB) Diploma in Law Registered member LSK Advocate of the High Court	➢ Born 1967 ➢ Independent Director ➢ Appointed 9th April 2021
6 Dr Cynthia Jerotich Kipchillat PhD International Business Administration MBA Post Graduate Diploma Business Administration BSc Hospitality & Tourism Management	➢ Born 1964 ➢ Independent Director ➢ Appointed 9th April 2021

7 Mr Henry Mutwiri MBA Finance Option Bcom (Business Administration)	➢ Born 1971 ➢ Alternate to the CS/The National Treasury ➢ Over 23 years career in public service ➢ Currently Assistant Director Investment – The National Treasury.
8 Mr Douglas Murithi Mutai Bachelor of Science in Hydrogeology	➢ Born 1966 ➢ Alternate to the CS/Ministry of Water, Sanitation & Irrigation ➢ Natural Resource conservationist ➢ Over 30 years career in public service ➢ Currently serving as deputy Director- Ministry of Water, Sanitation & Irrigation.
9 Mr Peter N. Mwangi MBA BED (Double Business)	➢ Born 1963 ➢ Representative from Inspectorate of State Corporation ➢ Currently serving as deputy Inspector General. ➢ Over 30 years career in public service.
10 Eng. Samuel K. Oruma MSc. Integrated Water Resource and Watershed Management Bsc. Civil Engineering Advanced Diploma in Planning and Management of Development Projects Diploma Water Engineering Registered member of EBK Corporate member MIEK	➢ Born 1973 ➢ Appointment effective 1st May 2021 ➢ Experienced in engineering and management. ➢ Ag. Chief Executive Officer& Secretary to the Board.

III. MANAGEMENT TEAM

key manager's passport-size photo, and profession/academic qualifications	The main area of responsibility
1 Eng. Samuel K. Oruma MSc. Integrated Water Resource and Watershed Management Bsc. Civil Engineering Advanced Diploma in Planning and Management of Development Projects Diploma Water Engineering Registered member of EBK Corporate member MIEK	➢ Ag. Chief Executive Officer
2 Eng. Charles Murage Bachelor of Technology, Civil Engineering Higher Diploma Water Engineering Diploma Water Engineering Registered with EBK- Graduate Engineer	➢ Ag. General Manager – Technical Services
3 CPA Douglas M. Kaibos MSc. (Project Planning & Management) Bachelor of Business Administration (Finance Option) Registered Member-ICPAK	➢ General Manager – Corporate Services

4 Ms Caren C. Lagat Bachelor of Laws (LLB) Diploma in Law Registered member LSK Advocate of the High Court	➢ Legal Services Manager
5 Mr William R. Sakuda Bachelor of Science MBA CPA Diploma in Purchasing & Supplies Registered member-KISM	➢ Supplies Chain Manager
6 MSC BCOM CPA Registered Member IIA, ICPAK, & ISACA	➢ Internal Audit Manager

IV. CHAIRMAN'S STATEMENT

It is my pleasure to present the Annual Report and Financial Statements of the Central Rift Valley Water Works Development Agency for the financial year ended 30th June, 2021.

The organization has continued to implement its mandate to contribute to the achievement of the Water Sector objectives in its area of jurisdiction. This is geared towards the achievement of the Kenya Vision 2030 and the United Nations Sustainable Development Goals Agenda through development and management of the water and sanitation services infrastructure.

The Constitution of Kenya recognizes access to water as a basic Human Right to all citizens. The Agency is aware that this presents a challenge to all players in the sector to effectively respond and play their roles.

In this regard, the Agency has ensured that all its strategies are linked to Kenya Government's priorities as outlined in the Vision 2030, Medium Term Plans, the Big 4 Agenda, the annual approved budget, the Sector Performance Standards and other National policy documents.

In addition, the Agency undertook several Corporate Social Responsibility initiatives, in social welfare, environment conservation, education, sports and towards building capacity.

The Agency in collaboration with the Ministry of Water, Sanitation & Irrigation, Development Partners and other Stakeholders have implemented various projects across its expansive area most of which is arid and semi-arid lands (ASAL). Efforts to provide portable water in these areas is a costly undertaking and requires increased budgetary allocations to ensure water coverage targets are met by all sector players.

Amb. Boniface Kamanga Muhia
Chairman
Date: 28/03/2022.

V. REPORT OF THE CHIEF EXECUTIVE OFFICER

The Water Act, 2016 in section 68 provides the functions of the Agency as follows:

1. Undertake development, maintenance and management of National Public Water Works;
2. Hand over the water works to designated Water Services Providers for operation and management;
3. Provide water services when ordered by the Regulatory Authority (Reserve Capacity of the National Government on Water Services Provision);
4. Provide technical and capacity building services to County Governments and Water Services Providers upon request; and
5. Provide technical support to the Cabinet Secretary.

In order to perform its new mandate, the Agency updated its Strategic Plan to enable smooth transition from the Water Act, 2002 to Water Act, 2016. It aimed at attaining the Sustainable Development Goals for the Water and Sanitation Sub-Sector through implementation of the Vision 2030 Water Projects and other Government priority projects.

The Strategic Plan also set out a framework to ensure a seamless handing over of water services provision to the respective County Governments.

The Agency's Strategic Plan has set five (5) strategic objectives as follows:

1. To plan for development of water infrastructure;
2. To enhance the Agency's financial resource base to ensure operational sustainability;
3. To increase access to adequate & safe water and efficient sanitation services through development of water infrastructure;
4. To transfer and build the capacity of County Governments in the Agency's area of jurisdiction for efficient management of water and sanitation services; and
5. To enhance the Agency's institutional capacity for effective corporate performance.

This report is therefore based on the above strategic objectives and illustrates the achievements of the Agency during the year ended 30th June 2021.

During the year, the Agency finalized the preparation of the Strategic Plan to cover the period 2021/22 to 2025/26 and is expected to be launched by July 2021.

The acquisition of an Enterprise Resource Planning System and data server is being implemented.. The consultant was procured and begun the installation of the ERP system and end user training stood at 97% complete.

A Financial Statements

During the year under review, the recorded total income is Kshs. 546.89 Million as compared to Kshs 1.60 Billion previous year. Expenditure for the period under review was Kshs 1.75 Billion, as compares with Kshs 1.15 Billion previous year. The Agency's Assets base is Ksh 8.57 Billion compares with Kshs 9.23 Billion previous year.

B Quality Management Systems

The Agency is in the process of transiting from ISO 9001:2008 to ISO 9001:2015 Standard.

C Staff Competency Development

During year under review several trainings were carried out in various competencies; professional staffs were facilitated to attend professional seminars and workshops to enhance their career development. Some of the seminars attended are those for engineering, accounting, supplies chain management, human resources, team building, cross cutting issues workshop. The full implementation of the training plan was interrupted when the first case of COVID 19 was declared in the Country. To complement the work force gaps, the Agency engaged thirty five (35) staff members on a one year contract, ten (10) youths on internship programme and twenty two (22) students on attachment.

The Agency reviewed and completed its Staffing levels and Organogram, Career Progression guidelines, Human Resources Policy and Procedures Manual and the Salary Structure in line with the model salary advisory by the Salaries and Remuneration Commission of 2017. The report was adopted by the board and implementation commences in July 2021.

D Performance contracting

During year under review, the Agency signed the 18th cycle Performance Contract and implemented the targets which were set out on Financial Stewardship and Discipline, Service Delivery, Core Mandate, implementation of Presidential Directives, Access to Government Procurement Opportunities (AGPO), Promotion of Local Content in Procurement and Cross-Cutting issues. The Agency accomplished all the activities leading to the achievement of the set targets.

E Projects being implemented

1 Chemususu Dam Water Distribution Project

Chemususu Dam Water Distribution Project is one of the medium dams proposed under Kenya's Vision 2030 and the Big four Agenda in Baringo and Nakuru Counties. It is located 80 KM North West of Nakuru town and about 15 KM west of Eldama Ravine of Baringo. This is a Government

of Kenya wholly funded project. The dam was constructed by National Water Conservation & Pipeline Corporation. It is a 48M high rock fill dam with a capacity of 12 Million M^3.

The implementation of the distribution network is carried out by the Central Rift Valley Water Works Development Agency and is estimated to cost KShs 3.5 Billion. The scope of works includes; raw water main, treatment works, treated water gravity mains, distribution system mains and storage reservoirs. Other components include; supply of operation and maintenance equipment and rehabilitation of existing Chemususu water supply treatment. It will serve more than 300,000 people and their livestock in Eldama Ravine and Mogotio Sub Counties of Baringo County and parts of Rongai Sub County of Nakuru County. The project implementation is at 90%.

2 Naivasha Industrial Park Water Supply Project

The Agency engaged with the Ministry of Industrialization, which spearheaded the development of the Special Economic Zone and Inland Container Deport for identification of locations and sites for the boreholes. The project involves the supply of sufficient water to the Special Economic Zone and Inland Container Deport to meet the water demand and to support the Big 4 Agenda of the Government. The project has two components;

a) Short term intervention

The aim was to develop Water Sources capable of supplying 10,000m^3/day as a short term measure. Water supply from 25 Boreholes to be drilled in Naivasha and Narok areas. Investigations and feasibility studies were completed in the 25 sites. During the year under review drilling of Six (6) boreholes were completed and civil works completed, the construction of storage tank finalized and pipeline is ongoing. The overall progress stood at 91%

b) Long term intervention

Malewa Multi-Purpose Dam and 20,000m^3/day Water Supply. This project is being undertaken under the Kenya climate Resilience Project at the Ministry Headquarter. The status is that the project feasibility study was completed.

3 Kenya Towns Sustainable Water Supply and Sanitation Program

These projects are funded by African Development Bank (AfDB) with an estimated cost of Ksh 1.36 Billion. The programme is to improve management of Water Supply and Sewerage Services various urban centres in Kenya. The projects comprise of construction of sewerage systems in Narok town of Narok County, Ol'kalou town of Nyandarua County, Kapenguria and Chepararia of West Pokot County, Eldama Ravine of Baringo County and a Multi -purpose dam project in Beregei and Amaya of Baringo County. The Projects under this Programme include water supply projects and sewerage projects in the CRVWWDA, Lake Victoria North Water Works

Development Agency (LVNWWDA) and Lake Victoria South Water Works Development Agency (LVSWWDA) areas of jurisdiction and the CRVWWDA is the implementing agency.

During the year under review, Narok town sewerage project is at 62% complete, Kapenguria/ chepararia sewerage project the design report and tender documents are complete. olkalau town sewerage project the detailed designs and tender documents are complete, the Amaya and Bergei multipurpose dams the feasibility studies are complete and detailed geological investigations are ongoing. The feasibility study for Eldama Ravine sewerage project is complete while detailed design is ongoing. Kabarnet and Narok last mile connectivity design of works is ongoing. The overall Programme is under various stages of implementation. The Programme implementation is at 54%.

4 Itare Dam Water Project

This is one of the flagship projects identified and prioritised by the Government of Kenya under the Kenya's Vision 2030 for Nakuru and parts of Kericho County. The estimated project cost is Kshs. 34 Billion. It is funded by the Government of Kenya through Italian funding agency.

The project will supply 100,000m^{3}of water per day by gravity to serve over 1,000,000 people in Nakuru town and three small towns in Kericho County along the pipeline route. The project components include construction of a dam, water treatment plant, pipeline, bulk transfer tunnel and storage tanks in and around Nakuru town.

The contractor suspended works in September, 2018 alleging delayed payment. They did not resume work as they were experiencing what they called 'financial constraints' back in Italy. This issue was taken up with the highest authorities and various options were considered in liaison with the National Treasury, the Ministry of Water, Sanitation & Irrigation and the lending agencies. The Agency demanded from the contractor a refund of the advance payment and the performance guarantee as provided for in the contract before finally terminating on 4th February 2020. The overall progress remained at 27%. The Consultant was tasked to develop a budget of the remaining works in lots so as to assist in considering the best option to jump start the project.

5 Kirandich Phase II Water Project

This project is being implemented with a loan amounting to Ksh 1.80 Billion from the Government of Italy. The project components include expansion of water supply to Kabarnet town, construction of a sewerage system and generation of hydro-electric power to reduce electricity expenses in the running of the scheme. The implementation of the project commenced in December 2018.

Contractor mobilized to site, setting up of camp site. Works delayed requiring an addendum for extension and is expected to resume on 17th August 2020 after payment of IPC 1. The Contractor

has been instructed to fast tract the master list preparation in the new format required by the National Treasury as well as to justify the need for time extension. Overall completion rate of 15% was achieved during the period under review.

6 Water Supply and Sanitation Improvement Project (WaSSIP)

The project is being implemented with funds from World Bank through Lake Victoria North Water Works Development Agency. The objective of the project is to mitigate the effects of drought in the counties of Turkana, Baringo, West Pokot and Narok. The project is estimated to cost a total of Kshs. 800 Million. Phase I completed and works under phase II commenced and are ongoing. The programme was extended up to December 2019 due to the complexities encountered during implementation. Completion rate stood at 98%.

7 Rural Water Supply Borehole Project Baringo County

The projects objective is drilling and equipping seventy (100) boreholes in four (4) Sub Counties of Baringo County. The project is funded by Japan International Corporation Agency (*JICA)* and the Government of Kenya. The works is estimated to cost of KShs.1 Billion. Seventy (70) boreholes were equipped and completed. Thirteen (13) boreholes drilled and Civil works for fourteen (14) completed.

8 Lake Nakuru Biodiversity Conservation Project

This project involves improvement of waste water management, solid waste management and drainage in Nakuru town to conserve the biodiversity of the Lake Nakuru ecosystem. The project is funded by KfW a German Agency and is estimated to cost for feasibility study is Ksh 100 Million. During the period under review 'the Feasibility Studies and the appraisal of the project were completed. The project was approved for construction and the funding negotiations finalized. The procurement Consultant to undertake detailed designs and preparation of tender documents is ongoing.

F Projects Under Planning and Design

1 PESI Dam Water Project Nyandarua County

The objective of PESI dam is to provide domestic and industrial water supply. The estimated cost is Kshs.20 Billion. The proposed dam is to be constructed within PESI Settlement scheme in Nyandarua County. The project will benefit about 100,000 people in all the areas earmarked for supply. The Agency is procuring a consultant to undertake feasibility study review, design and preparation of tender documents. The consultancy works commenced on May 2021 and the inception report submitted.

2 Malewa Dam Water Project Nyandarua County

The objective of the dam is to provide domestic and industrial water supply. The estimated cost is Kshs.20 Billion. The proposed dam is to be constructed in a settlement area occupying parts of Nyandarua and Nakuru Counties at Malewa River. The population to benefit is 687,000. The feasibility studies were finalized and the procurement of consultant to undertake feasibility study review, design and preparation of tender documents commenced.

3 Kabazi Dam Water Project Nakuru County

The objective of the dam is to provide domestic water supply. The proposed dam shall be constructed in Kabazi area. The estimated cost is Kshs. 405 Million. The project is recommended for funding for design and preparation of tender document to enable the preparation of proposal for funding. The target population is 109,599. During the year under review the feasibility studies were completed.

4 Upper Solai Dam Water Project Nakuru County

The objective of the dam is to provide domestic water supply. The proposed dam is to be constructed in a settlement area in Nakuru County. The estimated Cost is Kshs.6 Billion. The target population is 110,041. The Agency undertook the feasibility study and the procurement of a consultant to undertake feasibility study review, design and preparation of tender documents commenced.

5 Chemolingot Dam Water Project Baringo County

The objective of the dam is to provide domestic water supply. The proposed dam shall be constructed in Kostei area. The estimated cost is Kshs.109 Million. The project is recommended for funding for design and preparation of tender document to enable the preparation of proposal for funding. The feasibility study for dam source is ongoing.

6 Narosura Dam Water Project Baringo County.

The objective of the dam is to provide adequate water supply. The estimated Cost is Kshs.389 Million. The target population is 65,000. The project is recommended for funding for design and preparation of tender document to enable the preparation of proposal for funding.

7 Kahurura Dam Water Project Laikipia County

The objective of the dam is to provide domestic and industrial water supply to Nanyuki town. The proposed dam is to be constructed in Mt Kenya Forest. The estimated Cost is Kshs.10 Billion. . The target population is 148,000. The Agency is procuring a consultant to undertake feasibility study review, design and preparation of tender documents. The design had been concluded and tendering

under Finance and Built initiated. The site was declared part of Natural World Heritage Site under UNESCO World Heritage Programme.

8 Naivasha Town Sewerage Project Nakuru County

The project is to ensure safe disposal of waste water into the lake in acceptable quality. The estimated project cost is Kshs 3 Billion. Naivasha town is a fast growing town. The town is also developing in terms of providing facilities to the newly developed Special Economic Zone and Inland Container Deport. The town has old sewerage facilities that need rehabilitation and construction of new system to meet the demand. The target population is 690,000. The estimated project duration is 36 months.

9 Gilgil Sewerage Project Nakuru County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 1.5 Billion. Gilgil town is one of the areas targeted by the proposed Malewa dam. The town does not have any sewerage facilities. The target population is 138500. The estimated project duration is 18 months

10 Molo Sewerage Project Nakuru County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 1 Billion. Molo town is among the areas to benefit from Itare Dam Water Project and hence requires ways of disposing the waste water. The town does not have any sewerage facilities. The estimated project duration is 18 months and the target population is 22000.

11 Keringet Olenguruine Kiptagich Water and Sewerage Project Nakuru County

The project is to ensure adequate water supply and safe disposal of waste water. The target is to serve communities living in the upper Itare Dam area. The estimated project cost is Kshs 2.5 Billion.The estimated project duration is 36 Months. The target population is 245500.

12 Subukia Water Supply & Sewerage Project Nakuru County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 1.5 Billion. Subukia town does not have a reliable water supply and requires improvement. The town does not have any sewerage facilities. The estimated project duration **is** 18 months. The target population is 21000 ultimate. Funding proposal submitted

13 Njabini Sewerage Project Nyandarua County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 700 Million. Njabini town is at the Southern part of Nyandarua County. The town does not have any sewerage facilities. The estimated project duration is 18 months. The target population is 15000. Funding proposal submitted

14 Mairo Inya Sewerage Project Nyandarua County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 800 Million. Mairo Inya town is along Nyahururu-Nyeri road serving parts of Nyandarua and Laikipia Counties. The town does not have any sewerage facilities. The estimated project duration is 18 months with a target population of 19000. Funding proposal submitted

15 Emining Sewerage Project Baringo County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 500 Million. Emining town is a fast growing area more so with water availability from Chemususu Phase II Water Project. The town does not have any sewerage facilities and estimated project duration 18 months. The target population is 15000. Funding proposal submitted

16 Marigat Water Supply and Sewerage Project Baringo County

The project is to ensure adequate water supply and safe disposal of the waste water. It is estimated to cost Kshs 1.6 Billion. Marigat town does not have any sewerage facilities while the current water supply is unable to meet the current water demand. The estimated project duration is 36 months and the target population 38,000. The preparation of the feasibility studies and engineering designs is ongoing. Funding proposal submitted

17 Mogotio Sewerage Project Baringo County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 700 Million. Mogotio town is a fast growing area more so with water availability from Chemususu water project. The town does not have any sewerage facilities. The estimated project duration is 18 months. The target population is 19000. Funding proposal submitted.

18 Rumuruti Water Supply and Sewerage Project Laikipia County

The project is to ensure adequate water supply and safe disposal of waste water. The estimated project cost is Kshs 2 Billion. Rumuruti town does not have any sewerage facilities while the current water supply is unable to meet the current water demand. The estimated project duration is 36 months and the target population is 38,000.

19 Suswa Sewerage Project Narok County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 500 Million. Suswa town is currently the Standard Gauge Railway terminus town. The inland Container Deport and Special Econiomic Zone are close to the town. The town does not have any sewerage facilities. The estimated project duration is 18 months and the target population is 15000.

20 Kilgoris Sewerage Project Narok County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 800 Million. Kilgoris town does not have any sewerage facilities. The estimated project duration is 18 months and target population is 23000. Mulot,Kilgoris and Lolgorian benefiting on water supply under ADB funding

21 Lolgorian Sewerage Project Narok County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 600 Million. Lolgorian town does not have any sewerage facilities. The estimated project duration is 18 months. The target population is 12500. Mulot,Kilgoris and Lolgorian benefiting on water supply under ADB funding

G Projects funded under emergency interventions

The Agency is implementing several small rural water supply projects under the Equalization program, Drought Mitigation program, Public Priority projects, other Strategic Initiative water supply projects like Small Pans and Dams programme and Water for Schools programme, National Water Harvesting & Ground Water Exploration, Cross County Bulk Water & Sanitation Services Improvement Programme. These are expected to boost supply in the rural areas. These projects include borehole development, rehabilitation of water supplies and associated storage works, laying of new pipelines and construction of small dams in strategic areas and rain water harvesting. Most of the projects commenced and stands at various stages of completion.

H Engagement with the Counties

The provision of water services is a devolved function of the County Governments and it became necessary to harmonize the Agency's water activities with those of the Counties. In addition to participating in the Water Sector Transition and Reforms – Consensus Building Forums with the Counties organized by the Ministry of Water Sanitation and Irrigation. The Agency has engaged the Counties to capacity build them in the area of management of water service provision including monitoring and developing management tools to be used, constituting of Water Service Providers boards and recruitment of its directors, and preparation and monitoring of Service Provision Agreements (SPA) with WSPs and other governance issues.

The Agency has remained on course in its strategy to develop and enhance water supply and sanitation infrastructure in its area of jurisdiction.

The Board of Directors provided effective policy direction and was at hand to work with management while implementing policies into water and sanitation infrastructure decisions. The

success achieved in realizing completed, ongoing and planned projects has also been due to the collaboration between the Agency's staff and its stakeholders.

The compounded efforts enabled us overcome surmountable challenges that came our way during the year.

We remain committed to our mission **'To plan, develop and deliver efficient and dependable water infrastructure'**

My appreciation to our partners, stakeholders, the Board of directors and members of staff for the efforts put in throughout the year and let us continue to pull together to ensure every Kenyan the right to sustainable Water and Sanitation Services.

Eng. Samuel K. Oruma
Chief Executive Officer
Date 28.03.2022

VI. REVIEW OF THE AGENCY'S PERFOMANCE FOR FY 2019/2020

The Central Rift Valley Water Works Development Agency has six (6) pillars and objectives within its strategic plan for the FY 2018/2019 – 2022/2023. They are as follows:

Pillar 1: Investigations and Investment Planning.

Pillar 2: Resources Mobilization.

Pillar 3: Implementation of Priority Projects

Pillar 4: Management of National Water Services Assets

Pillar: 5: Capacity Building the County Governments to develop County Water Services Management systems

Pillar 6: Institutional strengthening.

The CRVWWDA develops its annual work plans based on the above six (6) pillar. 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 2019/ 2020 for its six (6) pillars, as indicated in the table below:

Strategic Pillar	Objective	Key Performance Indicator	Activities	Achievements
Pillar 1.	To plan for development of water infrastructure.	1. Project Concept Notes 2. The number of Projects moved from concepts to Implementation. 3. Number of County Water & Sanitation Master plans prepared	1. Baseline water and Sanitation Infrastructure data mapping in Baringo County 2. Feasibility studies & designs for: i. Naivasha Industrial Park Water Supply Project ii. Lake Nakuru Biodiversity Conservation programme iii. Sewerage projects for Olkalou, Kapenguria, Chepareria, Eldama Ravine, Amaya Dam Water Supply Project, Bergei Dam Water Supply among others Project, last Mile Water Connectivity Projects for Kabarnet Town. among others	1. Baseline water and Sanitation Infrastructure data mapping in Baringo County done 2. Feasibility studies for the following projects were completed: i. Naivasha Industrial Park Water Supply Project ii. Lake Nakuru Biodiversity Conservation programme iii. Sewerage projects for Olkalou, Kapenguria, Chepareria, Eldama Ravine, among others iv. Amaya Dam Water Supply Project, Bergei Dam Water Supply Project, among others, v. Last Mile Water Connectivity Projects for Kabarnet, among others 3. Water Supply and Sanitation Master Plan was prepared for

			3. To prepare Water Master Plan for Baringo County.	Baringo County.
Pillar 2	To enhance the Agency's financial resource base to ensure operational sustainability.	1. Funding Agreement/ Budget 2. Number of Project proposals written and forwarded 3. Quarterly and Annual Financial reports 4. Number of new projects funded	1. Facilitate the signing of project funding agreement between GoK and KfW. 2. Sign Subsidiary Loan Agreement with GoK 3. Repay kshs. 54,289,000 instalment of the ADB on lent loan.	1. GoK signed the Loan & Grant Agreement with KfW 2. The Agency signed and on lending loan agreement with GoK 3. This amount iswas paid to the National Treasury.
Pillar 3	To increase access to adequate & safe water and efficient sewerage services through the development of Water infrastructure.	1. Number of projects implemented to completion. 2. Number of people accessing water supply services due to newly completed projects. 3. Number of people accessing sanitation services due to newly completed projects. 4. Volume of Surface Water Storage Capacity created 5. Capacity of Water Production Per day. 6. Water treatment capacity per day.	Implement the following projects: 1. Chemususu dam Water Supply Project from 70% to 90% 2. Maintain security and wayleaves for Itare Dam Water supply Project and construct a fence around the dam. 3. Implement Naivasha Industrial Park Water Supply Project from 15% to 91%. 4. Implement Kirandich Dam Phase II Water supply and Sanitation project from 12.5% to 15%. 5. Implement Kenya Town Water Supply and Sewerage Programme to achieve from 45% to 54% during the period 6. Implement Kaptumo Water Supply Phase III to 80%. 7. Implement all other prioritized projects	Implemented the projects as listed below. 1. Chemususu – from 70% to 90%. 2. Security and the wayleaves for Itare Dam Water Supply Project was maintained. The dam area was fenced off. 3. 91% progress was achieved on Naivasha Industrial Park Water Supply. 4. Achieved 15% progress on Kirandich Dam Water Supply project due to issues of Master List and contractual issues. 5. Achieved 54% progress on the Kenya Town Water Supply and Sewerage Programme. 6. 15% progress achieved 7. All other funded projects were implemented as per respective plans.
Pillar 4	To transfer and build the capacity of the County Governments	1. framework for engaging with the County Governments 2. External Services	1. Support County Governments to establish and manage Water Services Providers.	1. Supported Baringo County Government to establish two (2) Water Supply and Sanitation Companies Ltd. 2. Carried out induction of the

	in the Agency's area of jurisdiction for efficient management of Water Services.	Unit created to provide client services 3. Agreement with County Governments and WSPs on repayment of specific on lent loans 4. Number of projects initiated, planned and executed in collaboration with County Governments.		Directors of NAWASSCO and NARUWASCO
Pillar: 5			1. To prepare one County Water Master plan 2. Support Water Services Providers to improve water5 and sewerage service levels.	1. The Agency supported Baringo County Government to develop a Water Supply and Sewerage Master Plan. 2. Implemented projects to augment water supply and sanitation services 3. All project investigations, designs and implementation were done in close collaboration with County Governments
Pillar 6	To enhance the Agency's institutional capacity for effective corporate performance.	1. Number of staff trained 2. Number of staff indiscipline cases 3. Number of staff recruited 4. Number of staff registered with professional bodies 5. Computer to technical staff ratio 6. Number of new vehicles acquired	1. Develop staff competencies in accordance with the training plan. 2. Enforce relevant rules and regulations to ensure staff discipline. 3. Acquire additional skills through recruitment of staff on contract. 4. Support staff to register and meet continuous professional development requirements during the year. 5. Acquire additional computer hardware and software to ensure compatibility and efficiency. 6. Acquire additional vehicles through project budgets	1. Staffs were trained in accordance with the approved training plan for the year. 2. Rules and regulations were followed and no staff indiscipline case was reported. 3. Thirty-one (35) staff was recruited on one-year contract to support achievement of the Agency's mandate. 4. Staff with professional bodies that require membership were supported to join and retain membership by settling membership and annual subscription fees. 5. vehicles were purchased to support project implementation.

VII. CORPORATE GOVERNANCE STATEMENT

The Board of Directors of the Central Rift Valley Water Works Development Agency are appointed by the Cabinet Secretary, Ministry of Water, Sanitation & Irrigation from time to time for a term specified by regulations. They are drawn from some Government Ministries and private sector representing a wide cross section of stakeholders within the Agency's area with a mix of skills, age, qualifications, gender and experience.

They are given the responsibility of enhancing corporate governance practices to bring the level of governance in line with International Standards. The essence of good corporate governance practice is to promote and protect stakeholders' interests. They include the Government, Water Works Development Agencies, the Water Services Regulatory Authority, other Statutory Institutions, Water Services Providers, Development Partners, Communities and Water Consumers.

They exercise leadership, enterprise, integrity and judgment in directing the Board and acts in its best interest in a transparent, accountable and responsible way. The Agency is governed at policy level by a 6 (six) independent member Board of Directors, drawn from a cross-section of Stakeholders and 2 (two) number from the Government Departments of the National Treasury and the Parent Ministry of Water, Sanitation & Irrigation. A representative from Inspectorate of State Corporations attends the meetings for advisory purposes.

Board Committees

To ensure the efficient running of the Agency's operations, the Board has established three standing Committees which meet and make recommendations to the Board on issues delegated to them. Each Committee has a Charter to guide its operations.

During the year under review the Board had the following Committees in place:

1. Finance & Corporate Services Committee
2. Technical Services Committee
3. Audit and Risk Management Committee

In order to ensure that the Board's expenditure on meetings is within the approved budget, a calendar of the Board meetings is adhered to.

Conflict of interest is an agenda item in all Board meetings and a register is maintained for record purposes.

The Board of Directors are paid sitting allowance for every meeting attended as well as accommodation allowance while on Agency's duty as per Government guidelines. The Chairman is also paid a monthly honorarium.

The chairman of the Board and two members of the board were appointed on 9th April 2021 and have been inducted, to adequately prepare them for the task ahead.

Amb. Boniface Kamanga Muhia

Chairman

Date: 28/03/2022

VIII. MANAGEMENT DISCUSSION AND ANALYSIS

A Financial Statements

During the year under review, the recorded total income is Kshs. 546.89 Million as compared to Kshs 1.60 Billion previous year. Expenditure for the period under review was Kshs 1.75 Billion, as compares with Kshs 1.15 Billion previous year. The Agency's Assets base is Ksh 8.57 Billion compares with Kshs 9.23 Billion previous year.

B Quality Management Systems

The Agency is in the process of transiting from ISO 9001:2008 to ISO 9001:2015 Standard.

C Staff Competency Development

During year under review several trainings were carried out in various competencies; professional staffs were facilitated to attend professional seminars and workshops to enhance their career development. Some of the seminars attended are those for engineering, accounting, supplies chain management, human resources, team building, cross cutting issues workshop. To complement the work force gaps, the Agency engaged thirty five (35) staff members on a one year contract, ten (10) youths on internship programme and twenty two (22) students on attachment.

D Performance contracting

During period under review, the Agency implemented the targets which were set out on the performance contact. The Agency accomplished all the activities leading to the achievement of the targets.

E Projects being implemented

1 Chemususu Dam Water Distribution Project

During the period under review, the project implementation was done to 90%.

2 Naivasha Industrial Park Water Supply Project

The project has two components,

a) Short term intervention

The Agency has completed investigations and feasibility studies in the 25 sites and has carried out detailed designs and drilling of Six (6) boreholes was completed and procurement for civil works commenced. The overall progress stood at 91%

b) Long term intervention

Malewa Multi-Purpose dam and 20,000M^3/day water supply. This project is being undertaken under the Kenya climate Resilience Project at the Ministry Headquarter. The status is that the project is at the final feasibility study.

3 Kenya Towns Sustainable Water Supply and Sanitation Program

The progress attained in the Programme implementation was about 54% during the period under review.

4 Kirandich Phase II Water Project

The contractor mobilized to site and commenced the set up of a camp and the locating of the project components. Overall completion rate of 15% was achieved during the period under review.

5 Itare Dam Water Project

During the period under review, overall completion rate is at 27%. Works were suspended since September 2018.

6 Water Supply and Sanitation Improvement Project (WaSSIP) Kapindaram phase II, Suswa, and Kapenguria

The project benefits Kapindaram, Kapnosgei, Kamasai, Suswa, Kapenguria and Makutano

During period the works are at 98% completed

7 Rural Water Supply Borehole Project - Baringo County

During period under review, Civil works for fourteen (14) is ongoing.

8 Lake Nakuru Biodiversity Conservation Project

During the period under review the feasibility Studies and the appraisal of the project were completed and approved construction. The progress of works stood at 24%.

F Projects under Planning and Design

1 PESI Dam Water Project Nyandarua County

The objective of PESI dam is to provide domestic and industrial water supply. The estimated cost is Kshs.20 Billion. The project will benefit about 100,000 people. The Agency is procuring a consultant to undertake feasibility study review, design and preparation of tender documents.

2 Malewa Dam Water Project Nyandarua County

The objective of the dam is to provide domestic and industrial water supply. The estimated cost is Kshs.20 Billion. The population to benefit is 687,000. The feasibility studies were finalized and the procurement of consultant to undertake feasibility study review, design and preparation of tender documents commenced.

3 Kabazi Dam Water Project Nakuru County

The objective of the dam is to provide domestic water supply. The estimated cost is Kshs. 405 Million. The target population is 109,599.

4 Upper Solai Dam Water Project Nakuru County

The objective of the dam is to provide domestic water supply. The estimated Cost is Kshs.6 Billion. The target population is 110,041. The Agency undertook the feasibility study and the procurement of a consultant to undertake feasibility study review, design and preparation of tender documents commenced.

5 Chemolingot Dam Water Project Baringo County

The objective of the dam is to provide domestic water supply. The proposed dam shall be constructed in Kostei area. The estimated cost is Kshs.109 Million. The feasibility study for dam source is ongoing.

6 Narosura Dam Water Project Baringo County.

The objective of the dam is to provide adequate water supply. The estimated Cost is Kshs.389 Million. The target population is 65,000.

7 Kahurura Dam Water Project Laikipia County

The objective of the dam is to provide domestic and industrial water supply to Nanyuki town. The proposed dam is to be constructed in Mt Kenya Forest. The estimated Cost is Kshs.10 Billion. . The target population is 148,000. The Agency is procuring a consultant to undertake feasibility study review, design and preparation of tender documents. The design had been concluded and tendering under Finance and Built initiated.

8 Naivasha Town Sewerage Project Nakuru County

The project is to ensure safe disposal of waste water into the lake in acceptable quality. The estimated project cost is Kshs 3 Billion. The target population is 690,000.

9 Gilgil Sewerage Project Nakuru County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 1.5 Million. The target population is 138500.

10 Molo Sewerage Project Nakuru County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 1 Billion. The target population is 22000.

11 Keringet Olenguruine Kiptagich Water and Sewerage Project Nakuru County

The project is to ensure adequate water supply and safe disposal of waste water. The target is to serve communities living in the upper Itare Dam area. The estimated project cost is Kshs 2.5 Billion.. The target population is 245500.

12 Subukia Water Supply & Sewerage Project Nakuru County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 1.5 Million. The target population is 21000 ultimate

13 Njabini Sewerage Project Nyandarua County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 700 Million. The target population is 15000.

14 Mairo Inya Sewerage Project Nyandarua County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 800 Million. The target population of 19000.

15 Emining Sewerage Project Baringo County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 500 Million. The target population is 15000.

16 Marigat Water Supply and Sewerage Project Baringo County

The project is to ensure adequate water supply and safe disposal of the waste water. It is estimated to cost Kshs 1.6 Billion. The target population is 38,000. The preparation of the feasibility studies and engineering designs is ongoing.

17 Mogotio Sewerage Project Baringo County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 700 Million. The target population is 19000.

18 Rumuruti Water Supply and Sewerage Project Laikipia County

The project is to ensure adequate water supply and safe disposal of waste water. The estimated project cost is Kshs 2 Billion. The target population is 38,000.

19 Suswa Sewerage Project Narok County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 500 Million.The target population is 15000.

20 Kilgoris Sewerage Project Narok County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 800 Million. The target population is 23000.

21 Lolgorian Sewerage Project Narok County

The project is to ensure safe disposal of waste water. The estimated project cost is Kshs 600 Million. The target population is 12500.

G Projects funded under emergency interventions

During the period under review, implementation of most of the projects was ongoing and stands at various stages of completion.

H Engagement with the Counties

During the year under review, the Agency supported Counties in its area of jurisdiction in identifying viable projects and collaborated while implementing projects funded under emergency interventions.

IX. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Our Commitment

The Agency exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on 6 pillars: putting the customer/Citizen first, delivering services, and improving operational excellence.

Social and environmental responsibilities plays an important role in our overall business practice, our Corporate Social Responsibility Policy guides all the Agency's Corporate Social Responsibility activities. The Agency takes note of the social and environmental responsibility while at the same time executing towards its mandate.

The activities provide our staff an opportunity to also make a contribution to the society.

The Board of Directors takes the overall responsibility at policy level for the continued development and implementation of appropriate social and environmental policies of the Agency.

Below is a brief highlight of our achievements in each pillar

Sustainability strategy and profile

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

1. Effective mobilization and prudent utilization of resource.
2. Development and Improvement of the water and sanitation infrastructure.
3. Management of the water and sanitation infrastructure developed.
4. Enhancement of institutional framework and capacity.
5. Customer and stakeholder management.

The Agency believes that pursuing impact in these five key result areas will enable achievement of sufficient and resilient infrastructure that will continually and sustainably support attainment of the universal access to improved water supply and sanitation services in its area of jurisdiction. This aspiration is aligned to the National initiatives under the Big Four Agenda which is attendant to the Vision 2030, the Sustainable Development Goal Number six of the United Nation and the Africa

Unions Agenda 2064. We have done our best with considerable success in each of the key result areas and we remain committed to achieving the National Government's development goals by our short term local interventions.

Environmental performance

The Environmental Management and Coordination Act 1999 (EMCA) and 2015 guides the Agency project/ program implementation. Through the Act, the public and the society are empowered through Public participation that in turn supports the project implementation leading to its success. On the other hand, the EMCA Act makes reference to the Constitution of Kenya which empowers communities on project implementation which sometimes leads to project rejection and aversion i.e. Sewerage Projects. The Agency, working closely with other stakeholders promotes and sustain tree planting exercise which seeks to mitigate climate change and promote biodiversity. In its efforts to reduce environmental impacts, the Agency undertakes the Environmental Impact Assessment studies which outlines the possible impacts and propose mitigation measures which are implemented during project implementation which also include regular Environmental audits.

Employee welfare

The Agency has a Human Resources Policy and Procedures Manual which stipulates the guidelines on recruitment and selection and further requires that a third (I/3) gender rule is adhered to in the recruitment process. A documented Human Resources and Administration Standard Operating Procedure manual also guides recruitment process. Further, the Agency has in place career progression guidelines and reviews the staffing levels of the institution from time to time. On safety and compliance with Occupational Safety and Health Act of 2007, (OSHA), An approved Health and Safety Policy is in place and is well adhered to and has been availed to all staff.

Market place practices

a) **Responsible competition practice**

The Agency ensures that laws relating to The Constitution of Kenya 2010, The Public Procurement and Asset Disposal Act 2015 And Public Procurement and Asset Disposal Regulations 2020 are followed. The Agency strictly adopts the most preferred method of procurement-Open tendering. Players in the market are given chances and level ground to compete. Information on the available tender opportunities is relayed to the bidders through the Public Procurement Information Portals, The Agency's website and the national newspapers to ensure universal and free access to information. To enhance fair competition, evaluation is based on set criteria favourable to all bidders, where price takes precedence without prejudicing on quality. Vulnerable groups are given preference to ensure they are not edged out of market and are therefore given a favourable and

conducive business environment. The Agency ensures that specifications development does not give undue influence or reference to a particular product or service in the market that will give a competitive advantage to a particular supplier

b) Responsible supply chain and supply relations

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

c) Responsible marketing and advertisement

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

d) Product stewardship

i. **Environmental and Social Impact Assessments-**

The Agency undertakes ESIA on many of its projects to ensure that consumers and the environment are protected from harmful effects after undertaking projects. The assessment is carried out before commencement of the project to determine if and how the project will be undertaken with minimal negative impact on the environment and local community, the Agency strives towards the promotion of green procurement to reinforce with an aim of incorporating human health and environmental concerns into the search for high quality products and services at competitive prices

ii. **Non- Revenue Water Management-**

The Agency has prioritized the procurement of non-revenue equipment to increase efficiency and capacity to deal with leaks and other sources of non-revenue water.

(NRWM) increases affordability and sustainability of water supply and sewerage services thus saving tax payers money while increasing value for money

iii. **Consumer and public participation and education-**

The Agency has made a lot of efforts to ensure public participation and education on most of its projects through the media and also by updating its official website to a more user-friendly interface. It has also done this by involving local authorities in most of its projects.

iv. **Performance Guarantees, Advance Payment Guarantees and Retention-**

The Agency has always complied by the law to ensure that performance guarantees are provided by service providers to safe guard against risks associated with non-performance, for contracts that require the payment of advance payment, the necessary advance payments are provided and retention money is kept over reasonable timelines to ensure that projects are undertaken according to the expected standards of quality and avoid exposure of the Agency to risks associated with poor quality of products .

v. **Promoting settlement of disputes through litigation-**

The Agency has always welcomed settlement of disputes through litigation to promote fairness and justice through legally accepted means. In line with this, the Agency increased efforts to investigate complaints and provide feedback to stakeholders in order to ensure compliance with statutory obligations

vi. **Cooperation with other water sector institutions-**

The Agency has enhanced cooperation with other water sector institutions to promote efficiency, economies of scale and capacity building. This in turn has promoted service delivery within the water sector to the benefit of the consumers.

Community Engagements

During the year under review, the Agency continued to implement its Corporate Social Responsibility (CSR) Program in line with its policy. This Policy builds and support the execution of the Agency's mandate as part of integrating community concerns in the Agency's operation and interactions with their stakeholders and customers.

The Agency's CSR policy is anchored on five main pillars;

1. **Nurturing of Sports and Education**

The Agency aims at nurturing local sports by supporting and participating in marathons, In the year under review, the Agency supported and participated in three regional marathons namely; Chemususu Dam Half Marathon, Eldama Ravine Half Marathon and Kirandich Dam Road race that

aimed at preservation of Chemususu and Kirandich Dam catchment areas as well as infrastructure support to Uzalendo School.

2. Environmental Conservation

Environmental conservation is a key component of the program under our policy. Consequently, participating and supporting tree planting campaigns thereby contributing to raise the country's protection of the water catchment and forest cover.

During the year under review, the Presidential directive was allocation of 10% of the CSR budget in planting tree seedlings that can be distributed so as to achieve 10% forest cover by 2022. The Agency implemented the annual Tree Planting campaign targeting to plant more than 20,000 indigenous tree seedlings in a number of water catchments points within our area of jurisdiction. The Agency supported planting of more than 10,000 seedlings in Molo, and Nakuru Counties and Kirandich, Chemususu Dams catchment in Baringo County, Pesi Dam Nyandarua and Laikipia Counties and Inkorienito Dam in Narok County. The Agency also supported the Kaptagat Forest Tree Planting at Kaptagat Forest, ElgeyoMarakwet County by procuring seedlings worth Kshs. 500,000. In addition, a donation of one 10,000 ltr plastic tank and additional four 1500 ltr plastic tanks to the local tree nursery groups. The Agency also supported and participated in the Muchongoi Tulwapso, Olarabel forest block by planting 10,000 indigenous seedlings and also scaling up tree nursery for environmental conservation. It also supported the launch of the Ministerial Tree Planting Campaign at Mwache Dam Water Catchment area, Kwale County by donating 2,000 indigenous seedlings.

3 Health Care

The Agency aims at supporting health care and health sectors within our areas of operation as part of supporting the Big 4 Agenda. The Covid-19 pandemic in the country called for all service government entities to support, being a service entity; the Agency ran a hand washing campaign in its area of jurisdiction and worked with its respective County Governments and Water Service Providers to ensure that the general public gets the relevant support in terms of provision of reliable and quality water. It also identified target groups and beneficiaries such as Schools, hospitals and Health Centres, Police Stations, Markets places and Churches that benefited from the distribution of plastic tanks, sanitizers and face masks. Approximately 500 plastic tanks that constituted 1000ltr, 1500ltr, 5000ltr and 10,000ltr were distributed. The Agency donated Aqua-tabs (water treatment) and purification tablets to floods and landslide victims in West Pokot County for domestic use and also 15. boxes of 100 g of PUR chemicals for improving domestic water quality. Further a donation of 100 plastic. tanks, 230 ltr and 5 plastic tanks 5000 ltr were distributed in the affected areas and

families living in camps in West county. Food supplies were donated to Kihoto residents of Nakuru County as a concern for the rampant mulnutrition in the Low Income area.

4 Boy- Girl Child support

The Agency mentored and empowered vulnerable boys and girls within the area of jurisdiction. by supporting the donation of sanitary towels to unprivileged rural schools in West Pokot County and and Athinai Seconadary School in Nakuru County. The Agency mentored /coach young boys and girls during the holidays. This was done in three schools

5 Towards building capacity

With the view of supporting the young people actively engaged in water improvement, the Agency took in over 32 (thirty two) young graduates as interns and students on attachment attached to project engineers in the field and assigned various managers in the office for on the job training and 35 (thirty five) youths on a one year contract expiring August and October 2021. The young participants then may have an opportunity to grow and to gain new ideas to enhance water related issues.

Amb. Boniface Kamanga Muhia
Chairman
Date 28/03/2022

Eng. Samuel K. Oruma
Chief Executive Officer
Date 28.03.2022

X. REPORT OF THE DIRECTORS

The Directors submit their report together with the audited Financial Statements for the year ended 30th June 2021 which show the state of the Agency's affairs.

Principal activities

The principal activities of the Agency are:

1. Undertake development, maintenance and management of national public water works;
2. Hand over the waterworks to designated water services provider for operation and management;
3. Provide water services when ordered by the Regulatory Board (Reserve Capacity of the National Government on Water Services Provision);
4. Provide technical and capacity building services to County Governments and Water Services Providers upon request; and
5. Provide technical support to the Cabinet Secretary.

Results

The results of the Agency for the year ended 30th June, 2021 are set out on pages 39-57

Directors

The members of the Board of Directors who served during the year are as shown on pages 3-5 in accordance to the guidelines. They are appointed by the Cabinet Secretary for the line Ministry.

During the year, the Chairman and two independent directors were appointed for a term of three years. Mr Douglas Murithi Mutai was appointed as alternate to the CS/Ministry of Water, Sanitation & Irrigation this position was earlier held by Mr Isaac Kimani.

The terms of three members was revoked they are; the former chairman Brig. (Rtd) Stephen Njung'e Kihu,EBS, directors; Ms Francisca Jelagat Kamuren, and Mr Johnson Mburu Mwamba Kinyanjui.

Auditors

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

Eng. Samuel K. Oruma
Chief Executive Officer & Secretary to the Board.
Date 18.03.2022

XI. STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Board of Directors is required under the Water Act, 2016, the Public Finance Management Act, 2012, and the State Corporations Act to prepare Financial Statements in respect of that Agency, which give a true and fair view of the state of affairs of the Agency at the end of the financial year and the operating results of the Agency for that year. The Board of Directors are also required to ensure that the Agency 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 Board of Directors are responsible for the preparation and presentation of the Agency's Financial Statements, which give a true and fair view of the state of affairs of the Agency for and as at the end of the year ended on 30th June 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 Board of Directors accept responsibility for the Agency's Financial Statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the Public Finance Management Act, 2012.

The Board of Directors are of the opinion that the Agency's Financial Statements give a true and fair view of the state of Agency's transactions during the year ended 30th June 2021, and of the Agency's financial position as at that date.

The Board of 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 systems of internal financial control.

Nothing has come to the attention of the Board of Directors to indicate that the Agency 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 Central Rift Valley Water Works Development Agency's Financial Statements were approved on 24th September 2021 and signed on its behalf by:

Amb. Boniface Kamanga Muhia
Chairman
Date 28/03/2022

Eng. Samuel K. Oruma
Chief Executive Officer
Date 28.03.2022

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON CENTRAL RIFT VALLEY 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 Central Rift Valley Water Works Development Agency set out on pages 39 to 54, 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 Central Rift Valley 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 Water Act, 2016 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Loan Repayment

The statement of financial position and as disclosed in Note 4 reflects account receivables balance of Kshs.795,456,908 which includes a balance of Kshs.71,827,599 relating to loan repayment for Nakuru - Water and Sanitation Company Limited (NAWASCO). However, the loan agreement, loan statement and/or the ledger in support of the loan repayment balance were not provided for audit verification.

In the circumstances, the accuracy, propriety and fair statement of the reported loan balance of Kshs.71,827,599 as at 30 June, 2021 could not be confirmed.

2. Unsupported Accounts Payables

The statement of financial position and as disclosed in Note 7 reflects accounts payable balances of Kshs.558,034,076. However, the balance includes an amount of Kshs.266,017,726 due to The National Treasury which has not been supported by detailed schedules to show what the payables relate to. Further, the account payables balance reflects general development retention amount of Kshs. 236,171,886 which was not supported with the ledger.

Consequently, the accuracy, and fair presentation of the accounts payable balance of Kshs.558,034,076 could not be confirmed as at 30 June, 2021.

3. Unvalued Assets - Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment balance of Kshs.2,155,297,199. As reported previously, the Agency inherited water distribution infrastructure owned in the past by the Sanitation and the National Water Harvesting and Storage Authority. The assets have not been valued and incorporated in the Agency's

financial statements despite continued usage to generate revenue. The Management attributed this to lack of formal transfer of the assets, but no action has been taken to resolve this matter.

In the circumstance, the accuracy and fair presentation of property, plant and equipment balance of Kshs.2,155,297,199 as at 30 June, 2021 could not be confirmed.

4. Itare Dam Water Supply

The statement of financial position as disclosed in Note 12 to the financial statements reflects work-in-progress balance of Kshs.5,633,661,169. However, included in the work in progress balance is an amount of Kshs.679,291,210 in respect of Itare Dam, for which an expenditure of Kshs.22,770,105 was incurred during the year under review despite the project having stalled after the contractor suspended works in September, 2018 citing delayed payments and finally the Agency terminated the project on 4 February, 2020 after demanding for a refund of the advanced payment and the performance guarantee as provided in the contract agreement.

As a result, the expenditure of Kshs.679,291,210 included in the work in progress balances was not effective as the objective of the Itare Dam of supplying 100,000 cubic meters of water to the public was not achieved. In addition, the expenditure of Kshs.22,770,105 was made irregularly after the project was terminated and details of the payee were not provided.

Therefore, validity of the payment of Kshs.22,770,105 could not be confirmed as at 30 June, 2021.

5. Unsupported Expenditure-Kirandich Phase II

The statement of financial position as at 30 June, 2021 reflects work in progress in respect of Kirandich Phase II amount of Kshs.202,436,188 as detailed under Note 12 to the financial statements. However, included in the amount were additions acquired during the year amounting to Kshs.2,370,360 which were not supported with payment vouchers and other accounting records.

In the circumstances, the expenditure on the project of Kshs.2,370,360 and its status as at 30 June, 2021 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Central Rift valley 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.

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, I confirm that, nothing 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

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

Basis for Conclusion

1. Poorly Maintained Fixed Assets Register

Review of the fixed assets register provided for audit revealed that the register was not properly maintained as it lacked important information which include date of acquisition of the assets, cost of acquisition and additions made during the year.

In the circumstances, the fixed asset register may not provide an accurate record of the assets owned by the Agency.

2. Risk and Fire Management Strategy

The Agency does not have in place a Risk Management Policy to guide it on assessment and evaluation of risks and strategies to mitigate the risks. This is contrary to Regulation 165(1) of the Public Finance Management Regulations, 2015.

In the circumstances, the service delivery may be adversely affected as the risks may not be identified and mitigation measures applied accordingly.

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 the 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 governance.

In preparing the financial statements, Management is responsible for assessing the Rift Valley Water Works Development Agency ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the basis of accounting unless Management is aware of the intention to liquidate the Rift Valley Water Works Development Agency or to cease operations.

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

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

The Board of Directors is responsible for overseeing the Agency 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 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 Rift Valley Water Works Development Agency 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 the Management.

- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the Agency's ability 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 continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Rift Valley Water Works Development Agency to express an opinion on the financial statements.

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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to 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

15 July, 2022

XIII. STATEMENT OF FINANCIAL PERFORMANCE

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2021

		2020/2021 KSHS	2019/2020 KSHS
INCOME	**10**	**546,893,154**	**1,598,379,547**
EXPENDITURE			
Administrative Expenses	**11**	166,617,580	158,204,182
Bank Charges		3,378,655	3,192,656
Audit Fees		348,000	348,000
Training Expenses (Conferences and Seminars)		14,075,487	10,627,318
Transport Operating Expenses		13,747,426	13,038,692
Honoraria		880,000	880,000
Repairs, Maintenance and Support to W/S schemes	**13**	643,973,921	891,957,696
Board Expenses		29,886,222	27,361,959
Contracted professional services		19,061,061	5,677,548
contracted guards & cleaning services		2,760,391	2,118,888
Depreciation	2	5,777,185	3,053,839
Corporate Social Responsibility (CSR)		2,017,200	7,718,356
Finance cost (Loan Interest)		19,465,916	22,439,153
Contracted prof services-strategic plan		5,072,000	-
Legal charges &compensation payments		1,822,814	-
TOTAL EXPENDITURE		**928,883,858**	**1,146,618,288**
SUPLUS/(DEFICIT)		**(381,990,704)**	**451,761,258**

XIV. STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	NOTES	2020/2021 KSHS	2019/2020 KSHS
ASSETS			
Non-Current Assets	1 & 2		
Property, Plant & Equipment		2,155,297,199	2,153,280,903
Work In Progress	12	5,633,661,169	3,949,585,929
Total Non-Current Assets		**7,788,958,368**	**6,102,866,832**
Current assets			
Accounts Receivables	4	795,456,908	1,143,971,499
Deposits	5	95,000	95,000
Bank	6	753,038,990	1,986,084,525
Total Current assets		**1,548,590,898**	**3,130,151,023**
TOTAL ASSETS		**9,337,549,266**	**9,233,017,855**
EQUITY AND LIABILITIES			
Capital	9		
-General Fund		4,664,579,913	4,258,085,204
-Reserves		2,230,005,852	2,611,996,556
Loans ADf	14	1,269,997,571	1,279,797,571
Loans interest ADf	14	614,931,854	595,465,938
Total Non-Current Liabilities		**8,779,515,190**	**8,745,345,269**
Accounts Payables			
Accounts Payables	7	558,034,076	487,672,586
Total Accounts Payables		**558,034,076**	**487,672,586**
TOTAL EQUITY AND LIABILITIES		**9,337,549,266**	**9,233,017,855**

The Financial Statements on pages 39 -57 were approved for issue by the Board of Directors on 24th of September, 2021

Signed:	Signed:	Signed
Amb. Boniface K Muhia	**Eng. Samuel K. Oruma**	**CPA Douglas K Murei**
Chairman	**Chief Executive Officer**	**GM-Corporate Services**
Date: 28/03/2022	**Date:** 28.03.2022	**Date** 28.3.2022

XIII STATEMENT OF CHANGES IN NET ASSETS

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2021

	General Fund Kshs	Revenue Reserves Kshs	Totals Kshs
year ended 30 June 2021			
Balances at start of year	4,258,085,204	2,611,996,556	6,870,081,760
Funds received during the period	406,494,709	-	406,494,709
Surplus for the year	-	(381,990,704)	(381,990,704)
Balances at end of year	**4,664,579,913**	**2,230,005,852**	**6,894,585,765**

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH JUNE 2020

	General Fund Kshs	Revenue Reserves Kshs	Totals Kshs
Period ended 30 June 2020			
Balances at start of year	3,188,085,204	2,160,235,298	5,348,320,502
Funds received during the period	1,070,000,000	-	1,070,000,000
Surplus for the year	-	451,761,258	451,761,258
Balances at end of year	**4,258,085,204**	**2,611,996,556**	**6,870,081,760**

XIV STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

		2020/2021 KSHS.	2019/2020 KSHS.
A.OPERATING ACTIVITIES			
Cash generated from operations		(381,990,704)	451,761,258
Depreciation Adjustment		5,777,185	3,053,839
Decrease(Increase) in Accounts Receivables	4	348,514,591	(80,112,146)
Increase(Decrease) in Accounts Payables	7	70,403,507	(36,820,253)
CASH FLOW FROM OPERATING ACTIVITIES		**42,704,579**	**337,882,699**
B. INVESTING ACTIVITIES			
Non-Current Assets acquired	2 & 12	(1,692,044,922)	(878,359,200)
CASH FLOW FROM INVESTING ACTIVITIES		**(1,692,044,922)**	**(878,359,200)**
C.FINANCING ACTIVITIES			
Loans		-	-
Loan redemption + Interests	14	9,800,000	4,314,036
Grants 9	9	406,494,709	1,070,000,000
CASH FLOW FROM FINANCING ACTIVITIES		**416,294,709**	**1,074,314,036**
D.TOTAL CASH FLOW (A +C)		**458,999,288**	**1,412,196,735**
NET CASH FLOW (D+B)		**(1,233,045,634)**	**533,837,535**
MOVEMENT IN CASH AND CASH EQUIVALENTS			
As at June 2020		1,986,084,624	1,452,246,989
Increase/(Decrease) for the year		(1,233,045,634)	533,837,635
As at June 2021		**753,038,990**	**1,986,084,624**

XV STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	Original Budget 2020/2021	Adjustments 2020/2021	Revised Budget 2020/2021	Actual on Comparable 2020/2021	Performance Difference 2020/2021
	Ksh	Ksh	Ksh	Ksh	Ksh
REVENUE 4					
Other Misc incomes	17,435,000	(23,163,255)	40,598,255	40,598,255	-
GoK Grants-development	945,000,000	254,250,000	690,750,000	690,750,000	-
GoK Grants-Recurrent	183,000,000	15,250,000	167,750,000	167,750,000	-
WSPs Loan Repayment	54,225,000	(64,608)	54,289,608	54,289,608	-
Other Gvnts- KIDDP	-	-	-	-	-
TOTAL INCOME	**1,199,660,000**		**953,387,863**	**953,387,863**	-
					-
EXPENSES					-
Staff emoluments 11	80,000,000	(1,082,386)	81,082,386	81,082,386	-
Operating expenses	55,050,000	(99,849,270)	154,899,270	154,899,270	-
Repairs and Maintenance 13	36,385,000	(607,588,921)	643,973,921	643,973,921	-
Board expenses	27,435,000	(3,331,222)	30,766,222	30,766,222	-
Depreciation	1,565,000	(4,212,185)	5,777,185	5,777,185	-
The National Treasury	54,225,000	44,425,000	9,800,000	9,800,000	-
TOTAL EXPENDITURE	**254,660,000**		**926,298,984**	**926,298,984**	-
Surplus/Deficit					-
DEVELOPMENT					-
projects under capital dev	945,000,000	(739,075,239)	1,684,075,239	1,684,075,239	-
	1,199,660,000		**2,610,374,223**	**2,610,374,223**	

XVI NOTES TO THE FINANCIAL STATEMENTS

1. Statement of Compliance and Basis of preparation

The Agency'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 the Agency and all values are rounded to the nearest shilling. The accounting policies have been consistently applied.

The Financial Statements have been prepared on the basis of historical cost, unless stated otherwise.

The cash flow statement is prepared using the direct method. The Financial Statements are prepared using Accrual basis.

i) Summary of Significant Accounting Policies

a) Revenue Recognition

The Agency recognizes revenue of goods and services in the period in which the board delivers the services to the customer and the Customer has accepted. Government grants are recognized when received.

b) Deferred income

Deferred income is recognized instead of revenue. Other non exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

c) Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

d) 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.

e) Property, Plant andEquipment–IPSAS17

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value. Land has been taken at cost though on leasehold status to be converted to the freehold. Depreciation is calculated using the straight line method to write down the cost of the assets to their residual value over the estimated useful lives, as follows;

Asset Description	% Per annum	Years
Motor Vehicles	25	4
Furniture and fittings	12.5	8
Plant and Machinery	12.5	8
Computers and office equipment	33.3	3
Water pipelines	5	20
Sewerage line	5	20
Buildings	2	50
Water Reservoirs & Storage	2	50
Electro-mechanical, Tools & Equipment	6.67	15
Boreholes	2	50
Intangible Assets	33.3	3

The assets are not depreciated in the year of acquisition. WSPs and CBOs Assets acquired on behalf of Water Services Providers (WSPs) and Community Based Organizations (CBOs) shall not be depreciated.

f) Employee benefits – IPSAS 25
Retirement benefit plans

The Entity provides retirement benefits for its employees as prescribed by regulations issued by Government from time to time. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

g) Financial Risk

The Entity assumes that no un-expected changes in level of funding required for supporting its investment plans this may be due to changes in national priorities which currently places water at a high level against competing national needs or unreliable donor support.

h) Taxation

The Entity is a Non Commercial Parastatal under the Ministry of Water, Sanitation & Irrigation dealing with water development and water is a non taxable commodity, tax has not been provided for.

j) Borrowing costs – IPSAS 5

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

k) Related parties – IPSAS 20

The Entity regards a related party as an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa and for this reason Water Service Providers are related parties to the Agency.

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 commercial banks at the end of the financial year.

m) Changes in accounting policies and estimates–IPSAS3

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

n) Subsequent events – IPSAS 14

There have been no events subsequent to the financial year end with a significant impact on the Financial Statements for the year.

2. Non-current Assets Movement Schedule

Asset Class	Cost (Kshs)	Additions (Kshs)	Totals (Kshs)	Accumulated Depreciation B/F (Kshs)	Depreciation (Kshs)	Accumulated Depreciation C/F (Kshs)	Net book Value as at 30/06/2021 (Kshs)	Net book Value as at 30/06/2020 (Kshs)
Furniture & Fittings 12.5%	6,679,612	2,281,520	8,961,132	3,812,033	352,911	4,164,944	4,796,188	2,867,579
Motor vehicles 25%	7,778,720	-	7,778,720	3,510,470	1,422,750	4,933,220	2,845,500	4,268,250
Plant & Machinery 12.5%	2,328,737	-	2,328,737	2,328,737	-	2,328,737	-	-
Land 0%	8,401,550	-	8,401,550	-	-	-	8,401,550	8,401,550
Computers, UPS & Printers, office Equip 33.3%	14,225,711	5,085,347	19,311,058	7,306,475	4,001,523	11,307,998	8,003,059	6,919,236
Sub Total	**39,414,330**	**7,366,867**	**46,781,197**	**16,957,715**	**5,777,185**	**22,734,900**	**24,046,297**	**22,456,615**
Assets Acquired under ADB project								
Water Pipelines 5%	658,501,343	-	658,501,343	-		-	658,501,343	658,501,343
Sewerage Lines 5%	131,276,646	-	131,276,646	-		-	131,276,646	131,276,646
Buildings 2%	162,773,515	-	162,773,515	-		-	162,773,515	162,773,515
Storage Tanks & Reservoirs 2%	74,233,062	-	74,233,062	-		-	74,233,062	74,233,062
Electro-Mechanical Tools & Equipment 6.67%	184,300,452	-	184,300,452	-		-	184,300,452	184,300,452
Fixtures & Fittings 12.5%	1,910,115	-	1,910,115	-		-	1,910,115	1,910,115
Computers, UPS & Printers 33.3%	15,834,053	-	15,834,053	-		-	15,834,053	15,834,053
Meters 20%	103,239,739	-	103,239,739	-		-	103,239,739	103,239,739
Boreholes 2%	167,126,009	-	167,126,009	-		-	167,126,009	167,126,009
Motor vehicles 25%	22,235,391	-	22,235,391	-		-	22,235,391	22,235,391
Intangible Assets* 33.33%	609,820,577	-	609,820,577	-		-	609,820,577	609,820,577
Prior year adjustment								(426,614)
Sub Total	2,131,250,902	-	2,131,250,902	-	-	-	2,131,250,903	2,130,824,288
TOTAL	**2,170,665,232**	**7,366,867**	**2,178,032,099**	**16,957,715**	**5,777,185**	**22,734,900**	**2,155,297,199**	**2,153,280,903**

*Intangible assets: this is made up of consultancies under the project

*Assets acquired under ADB project have not been depreciated since the Generally Accepted Accounting Principles (GAAPs) principle on "matching expense to income" was not met

3.Inventories

The Board did not have any stocks as at end of the financial year.
Inventories are stated at the lower of cost and net realizable value.

4. Accounts Receivables

Receivables are recognised at fair value. No provision is made for impairment of receivables as
there is no objective evidence that the Board will not be able to collect the amounts due to it
according to the terms of original receivable

	2020/2021 Kshs	2019/2020 Kshs
WSPs Administration Fees	649,241,619	649,241,619
WSPs Loan Repayment(NAWASSCO)	71,827,599	58,671,417
WSPs Loan Repayment(Others)	44,463,188	29,642,125
Staff	254,860	-
Guangxi Hydroelectric construction bureau	-	227,821,204
HP Gauff	15,542,442	16,426,701
GIBB International	2,823,982	2,823,982
China civil Engineers	9,119,670	149,309,499
SMS Consulting Engineering	-	1,758,592
COSPIN	-	8,276,360
Machine Centre	2,183,548	-
	795,456,908	**1,143,971,499**

5. Deposits

	2020/2021 Kshs	2019/2020 Kshs
Rent (Mugi Properties)	60,000	60,000
Electricity (KPLC)	30,000	30,000
Water (NAWASSCO)	5,000	5,000
	95,000	**95,000**

6. Cash and Cash Equivalents	Account Numbers	2020/2021 Kshs	2019/2020 Kshs
KCB General Account	1101849835	97,870,479	118,320,714
KCB Development funds -GOK	1101792388	242,152,974	333,059,785
KCB Revenue Account*	1101850973	202,312,947	1,293,316,577
KCB Kenya/Italy Account	1116841347	7,914,593	7,917,983
Cash in Hand	-	-	-
KCB Consumer Deposit Account	1107427126	4,061,414	4,061,414
KCB JICA Rural W/S Account	1152558781	165,448,733	183,513,421
KCB Loan ADf Account	1156932475	26,374,279	9,865,906
KCB Equalization Account	1210825724	6,903,570	36,028,725
		753,038,990	**1,986,084,525**

7. Accounts Payables	2020/2021 KSHS	2019/2020 KSHS
Administration-		
Staff Gratuity and Pension	4,559,990	5,176,963
Voluntary Salary Deduction	593,750	593,750
Trade creditors-		
KCB Consumer deposits Account	4,061,414	4,061,414
KCB ADf Loan Account	26,374,279	9,865,906
General trade creditors	3,982,516	3,299,264
Unicef Creditors-		
Retention Unicef		774,992
H.P Gauff	-	8,364,229
Nairobi Iron Mongers	279,523	279,523
Machiri LTD	1,175,641	1,175,641
Retention money Olkalou	5,708,813	5,708,813
Retention money adb	198,502	198,502
General Development Creditors	8,910,036	17,370,934
General Development Retentions	236,171,886	164,742,911
The National Treasury	266,017,726	266,017,726
	558,034,076	**487,630,568**

8 Assets and liabilities from the National Water Conservation and Pipeline Corporation and the Ministry of Water, Sanitation &Irrigation have not been formally transferred to the Agency. Once these assets are transferred they will appear in the Agency's Accounts.

9. Capital and Reserves

Year ended June 2021	Capital Fund Kshs	Revenue Reserves Kshs	TOTAL Ksh
Balances at start of period	4,258,085,204	2,611,996,556	6,870,081,760
Funds received during the qtr	406,494,709	-	406,494,709
Surplus for the year	-	(381,990,704)	(381,990,704)
Balances end of the period	**4,664,579,913**	**2,230,005,852**	**6,894,585,765**

10. Income

		2020/2021 Kshs	2019/2020 Kshs
Government Grants		452,005,291	1,509,459,842
WSPs Loan Repayment		54,289,608	54,289,608
KIDDP		-	6,237,004
JICA Rural W/S		-	-
Other Incomes	19	40,598,255	28,393,093
Total		**546,893,154**	**1,598,379,547**

11. Administrative Expenses

	2020/2021 Kshs	2019/2020 Kshs
Accessories for computers & printers	5,200,600	3,225,817
Advertising, Publicity & Trade shows	2,866,726	4,964,827
Courier & Postal Services	564,405	279,540
Electricity & Water	1,060,566	838,139
General Office expenses/supplies	3,418,883	3,681,875
Publishing & Printing	1,690,056	371,186
Subscription to newspapers & publication&	292,730	120,720
prof bodies Insurance expenses	10,200,752	9,771,840
Telephone & Internet Expenses	427,855	747,136
Official Entertainment	3,052,091	2,833,228
Personnel Emoluments	81,082,386	78,320,968
Staff Welfare expenses	3,330,170	5,351,510
Travelling & Accommodation	47,807,707	47,605,057
Medical Exp	132,592	92,339
ERP Support Exp	5,490,060	-
Total	**166,617,580**	**158,204,182**

12. Work-in-Progress

Part of the assets acquired under the Olkalou Water Project whose works are continuing have been treated as work-in-progress in the accounts until that project component is completed and handed over.

	2020/2021 Kshs	2019/2020 Kshs
Olkalou Town Water Project	115,602,391	115,602,391
Itare Dam W/S	679,291,210	656,521,105
Chemususu Phase II W/S	3,027,779,867	2,618,027,085
Kirandich Phase II W/S	202,436,188	200,065,828
Iten Sabor Water Project	167,618,647	167,618,647
AfDB Funded Projects	377,089,539	191,750,874
Naivasha Industrial Park	803,356,215	-
Dams & Pans	260,487,112	-
	5,633,661,169	**3,949,585,929**

13. Repairs of Water Supplies and support to schemes

	2020/2021 Kshs	2019/2020 Kshs
Drought Mitigation, borehole dev,rehab of W/S, support to IDPs & W/S schemes and Maintenance, Repairs & dev.		
support to communities strategic funding	60,585,346	18,592,668
Support JICA funded Rural W/S	29,588,359	28,689,547
Support to Communities world Bank	-	171,400
Rehabilitation of water supplies	5,886,618	5,051,973
Maintenance	2,025,639	7,334,256
support to communities public priority	312,652,652	381,360,764
drought/borehole	50,806,090	67,160,298
support WSP	445,200	212,800
Support Equalization	36,492,963	111,060,443
dams pans		53,448,152
Support Naivasha Industrial Park		182,070,130
Support water for schools	58,667,628	36,805,264
Support NRWWDA	21,399,574	-
Support Universal Health Coverage	14,801,119	-
Support KFW	761,359	-
Monitoring & Evaluation	2,512,800	-
Support National Water Harvesting	31,998,818	-
Support cross county water programme	15,349,759	-
	643,973,921	**891,957,696**

14. Loan ADf

The ADf loan is on-lending to the Board. The Government of Kenya took the loan from ADf. However, there was no funds in relation to loans received during the period

(a) Principal outstanding	2020/2021 Kshs	2019/2020 Kshs
Balance B/F	1,279,797,571	1,352,212,296
Remittances during the year	9,800,000	72,414,725
	1,269,997,571	1,279,797,571

(b) Principal Repayments	2020/2021 Kshs	2019/2020 Kshs
The National Treasury	9,800,000	72,414,725
	9,800,000	**72,414,725**

(c) Loan	2020/2021 Kshs	2019/2020 Kshs
The National Treasury(Redemption)	54,289,608	54,289,608
	54,289,608	**54,289,608**

(d) Loan interest	2020/2021 Kshs	2019/2020 Kshs
Balance B/F	595,465,938	595,465,938
charge for the year	19,465,916	
	614,931,854	**595,465,938**

15 Transfers from other Government	2020/2021 Kshs	2019/2020 Kshs
Government Grants	452,005,291	1,509,459,842
KIDDP	-	6,237,004
JICA	-	-
Total Government Grants & Subsidies	**452,005,291**	**1,515,696,846**

16 Rental Services	2020/2021 Kshs	2019/2020 Kshs
Bill Board	214,000	-
	214,000	-

17. Income	**2020/2021**	**2019/2020**
	Kshs	**Kshs**
WSPs Loan Repayment	54,289,608	54,289,608
	54,289,608	54,289,608

	2020/2021	**2019/2020**
18 Other Income	**Kshs**	**Kshs**
Laboratory /Tender fees	601,100	983,800
Interest current Accounts	20,809,522	19,438,317
WHT Contractors AfDB	18,973,633	7,970,976
	40,384,255	**28,393,093**
Totals (16)+(18)	**40,598,255**	**28,393,093**

19. Related Party Relations

The Water Act 2016 establishes relations with the County Governments. In this regard the Agency provided technical and capacity building services to County Governments and Water Services Providers upon them requesting. It also assisted in the areas of management of water service provision including monitoring and developing management tools.

20. Reporting Currency

The currency used is Kenya Shillings (KSHS)

XV. APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments to that which were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below witl the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Comments	Timeframe

(i)Use the same reference numbers as contained in the external audit report;

(ii)Obtain the Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management

(iii)Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;

(iv)Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury

Remarks

The Agency has not received the external audit report 2019/2020.Tthe above appendix has therefore not been completed.

Amb. Boniface Kamanga Muhia
Chairman
Date 28/03/2022.

Eng.Samuel K. Oruma
Chief Executive Officer
Date 28.03.2022

XVI. APPENDIX II: PROJECTS IMPLEMENTED BY THE ENTITY

Projects implemented by the Agency Funded by development partners

Project title	Project Number	Donor	Period / duration in Months	Donor commitment Ksh '000'	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
Chemususu Phase II W/S	RVWSB/AD/WORKS/14/1	GoK	24	3,500,000	N	Y
Kirandich Phase II W/S	KIRANDICH/II/02/LOT 1	GoK/	24	1,800,000	N	Y
AfDB Funded- Kenya Towns Sustainable Water Supply And Sanitation Programme	*Annex 1*	GoK/AfDB	48	1,360,000	Y	Y
Itare Dam W/S	RVWSB/AD/WORKS/13/1 (works)	GoK/Itallian Cooperation	48	34,000,000	N	Y
Naivasha Industrial Park	RVWWDA/NIP/WORKS/2018-2019	GoK	18	1,300,000	N	Y
Lake Nakuru Biodiversity Conservation program(LNBCP)	RVWSB/PROC/CTC/277	GoK/KfW	12	177,000	N	Y
JICA funded Baringo projects	*Annex 2*	GoK/	36	345,100	N	Y
Water for Schools programme	*Annex 3*	GoK/			N	Y
Equalization fund projects	*Annex 4*	GoK/			N	Y
Public Priority fund projects	*Annex 5*	GoK/			N	Y
Drought mitigation /borehole projects	*Annex 6*	GoK/			N	Y
Strategic funded Projects		GoK/			N	Y
Dams & Pans	*Annex 7*	GoK/			N	Y
world bank funded projects	*Annex 8*	Gok Counterpart			N	Y
Rehabilitation of water supplies		GoK/			N	Y
Maintenances of building & station		GoK/			N	Y
Support WSPs		GoK/			N	Y

Status of Projects completion

(Summarize the status of project completion at the end of each quarter, ie total costs incurred, stage which the project is etc)

No	Project	project Cost Ksh '000'	expended to date Ksh '000'	Completion % to date	Budget Kshs '000'	Actual Kshs '000' 2019/2020	Sources of funds
1	Chemususu Phase II W/P	3,500,000	3,304,553	90	700,000	650,000	GoK
2	Kirandich Phase II W/S	1,800,000	202,436	15	20,000	20,000	Gok
3	AfDB Funded Projects	1,360,000		54	450,000	350,000	GoK
4	Itare Dam W/S	34,000,000		27	0	0	GoK/Counterpart
5	Naivasha Industrial Park	1,300,000	803,356	91	500,000	550,000	GoK
6	JICA funded Baringo projects	345,100	*Annex 2*		0	0	JICA
7	world bank funded projects		*Annex 8*	98	0	0	Gok Counterpart
8	Lake Nakuru Biodiversity			24	50,000	0	GoK/KfW
9	Water for Schools programme		*Annex 3*		0	29,850	GoK
10	Equalization fund projects		*Annex 4*		0	53,610	GoK
11	Public Priority fund projects		*Annex 5*		75,000	163,500	GoK
12	Drought mitigation /borehole projects		*Annex 6*		0	20,000	GoK
13	Strategic funded Projects				0	0	GoK
14	Dams & Pans		*Annex 7*		0	250,000	GoK
15	Rehabilitation of water supplies				45,000	6,237	GoK
16	Maintenances of building & station				0	0	GoK
17	Support WSPs				0	0	GoK

XVII. APPENDIX III: INTER-ENTITY TRANSFERS

	ENTITY NAME:	**Central Rift Valley Water Works Development Agency**			
	Break down of Transfers from the MWSI financial year 2020/2021				
		Bank Statement Date	**Amount (KShs)**	**Financial Year**	**Details**
a.	**Recurrent Grants**				
1		25/9/2020	15,250,000	2020/21	Budget
2.		25/9/2020	15,250,000	2020/21	Budget
3		7/10/2020	15,250,000	2020/21	Budget
4		6/11/2020	15,250,000	2020/21	Budget
5		18/12/2020	15,250,000	2020/21	Budget
6		18/1/2021	15,250,000	2020/21	Budget
7		4/2/2021	15,250,000	2020/21	Budget
8		4/3/2021	15,250,000	2020/21	Budget
		9/4/2021	15,250,000	2020/21	Budget
9		5/5/2021	15,250,000	2020/21	Budget
10		23/6/2021	15,250,000	2020/21	Budget
		Total	**167,750,000**		
b.	**Development Grants**				
1		8/7/2020	250,000,000	2019/20	budget balance
2		8/7/2020	70,000,000	2019/20	Supplementary Estimates
3		25/9/2020	236,250,000	2020/21	budget
		Total	**556,750,000**		
c.	**Direct Payments**				
			-		
		Total	-		
d.	**Donor Receipts**				
			-		
		Total	-		
e	**Grants for Specific Projects**				
		8/7/2020	22,000,000	2019/20	water for schools
		8/7/2020	10,000,000	2019/20	water for schools
		8/7/2020	102,500,000	2019/20	national water harvesting
		Total	**134,500,000**		

XVIII. ANNEXES

Annex 1

AfDB funded Kenya Towns Sustainable Water Supply and Sanitation Programme

Project title	Project No	Cost Ksh '000'	Status %
Narok Town Sewerage Project-consultancy	RVWSB/KTSWSSP/C/NAROK/2017-2018	185,115	72
Narok Town Sewerage Project-works	RVWSB/KTSWSSP/W/NAROK/2017-2018	1,477480	99
Olkalou Town Sewerage Project-consultancy	RVWWDA/AFDB/KTSWSSP/C/OLKALOU/2017-18	40,895	21
Olkalou Town Sewerage Project-works	RVWWDA/AFDB/KTSWSSP/W/OLKALOU/2019-20	589,937	55
Kapenguria and Chepareria Sewerage Project- consultancy	RVWWDA/AfDB/KTSWSSP/W/KAPENGURIA/2019-20	61,263	53
Kapenguria Sewerage Project--works	RVWWDA/AfDB/KTSWSSP/W/CHEPARERIA/2019-20	217096	33
Chepareria Sewerage Project--works		482,110	0
Feasibility Study, Design and Preparation of Tender Documents for Amaya Dam Water Supply Project		81,076	56
Feasibility Study, Design and Preparation of Tender Documents for Bergei Dam Water Supply Project	RVWSB/KTSWWSP/C/BERGEI/2017-18	93,600	39
Feasibility Study, Detailed Design and Preparation of Tender Documents for Eldama Ravine Sewerage Project	RVWSB/KTWSWSSP/C/ELDAMA RAVINE/2017-18	34,803	100

Annex2

JICA Projects

Project title	Project No	Cost Ksh '000'	Status %
Construction and civil works for Naminito borehole	RVWWDA/17/2019 -2020	2,328	100
Construction and civil works for Katungura borehole	RVWWDA/14/2019-2020	2,400	100
Drilling of Nyalilbuch community borehole	RVWWDA/76/19-20	2,687	100
Civil works for Ndongei & Kangiuru boreholes	RVWWDA/114/2018 -2019	3,999	100
Civil works for Pkomo,Sukut and Ngelelo boreholes	RVWWDA/C/EP/JCA/CIV/2018-2019-LOT 4	3,776	100
Civil works for Monambalei,Lomuyeki and Chebilat boreholes	RVWSB/C/EP/JCA/CIV/2018-2019-LOT2	6,032	100
Civil works for Riongo,Akwichatis and Kashokon boreholes	RVWWDA/114/2018-2019	6,032	100
Pipe distribution lines,Pump house and Tank Fencing for Cheptaran & Ngoron Boreholes	RVWWDA/117/2018-2019	2,130	100
AsenweCommunitty Borehole Wp	CRVWWDA/C/BAR/JICA/TASENWE/2019-2020	7,724	60
Kaptir Community BorholeWp	CRVWWDA/C/BAR/JICA/TKAPTIR/2019-2020	8,171	30
Barkatiew Community Borehole Wp	CRVWWDA/C/BAR/JICA/TBARKATIEW/2019-2020	8,271	10
Lelnane Community Borehole Wp	CRVWWDA/C/BAR/JICA/LELNANE/2019-2020	7,620	50
Kimoriot Community Borehole Wp	CRVWWDA/C/BAR/JICA/TKIMORIOT/2019-2020	7,724	
Lemelok Community Borehole Wp	CRVWWDA/C/BAR/JICA/LEMELOK/2019-2020	8,171	60

Kapsiloi Community Borehole Wp	CRVWWDA/C/BAR/JICA/KAPSILOI/2019-2020	8,271	30
Kupotwin Community Borehole Wp	CRVWWDA/C/BAR/JICA/KUPOTWIN/2019-2020	8,069	10
Nato Community Borehole Wp	CRVWWDA/C/BAR/JICA/TNATO/2019-2020	7,510	60
Kaiso Community Borehole Wp	CRVWWDA/C/BAR/JICA/TKAISO/2019 -2020	7,805	55
Kabergei Community Borehole Wp	CRVWWDA/C/BAR/JICA/TKABERAGEI/2019-2020	8,300	60
Marram (Kacheptuyo) Community Borehole Wp	CRVWWDA/C/BAR/JICA/TMARRAM/2019	7,674	60
Tenges Community Borehole Wp	CRVWWDA/C/BAR/JICA/TENGES/2019 -2020	7,459	50
Pkaghit Community Borehole Wp	CRVWWDA/C/BAR/JICA/PKAGHIT/2019-2020	7,539	5
Tabagon Community Borehole Wp	CRVWWDA/C/BAR/JICA/TABAGON/2019-2020	7,549	50
Rimo Community Borehole Wp	CRVWWDA/C/BAR/JICA/RIMO/2019-2020	7,802	60
Sesoche Community Borehole Wp	CRVWWDA/C/BAR/JICA/SESOCHE/2019-2020	7,782	85
Kabarbaya Community Borehole Wp	CRVWWDA/C/BAR/JICA/TKABARBAYA/2019-2020	7,577	60
Kapyemit Community Borehole Wp	CRVWWDA/C/BAR/JICA/TKAPYEMIT/2019-2020	8,256	60
Mosuro Community Borehole Wp	CRVWWDA/C/BAR/JICA/TMOSURO/2019-2020	8,882	
Sorti Community Borehole Wp	CRVWWDA/C/BAR/JICA/ SORTI/2019-2020	7.657	50

Annex 3
Water for Schools Water Projects

Project title	Project No	Cost Ksh '000'	Status %
Drilling and capping of Molosirwe,Orinie and Solian school boreholes	RVWSB/SCP/2018-2019-LOT 1	6,387	100
Drilling and capping of Eroret,Siyabei and Kiluli school boreholes	RVWSB/C/SCP/2018-201-LOT 3	5,971	100
Drilling and capping of Saptet primary school borehole	RVWWDA/37/2019 -2020	2,645	100
Drilling and capping of Tipis secondary school borehole	RVWWDA/89/19-20	1,785	100
Drilling and capping of Piave secondary school borehole	RVWWDA/88/2019/2020	2,562	100
Drilling and capping of Kanjogo primary school borehole	RVWWDA/67/19-20	2,500	100
Drilling and capping of Beres ECD Borehole	RVWWDA/CBRS/BH/WFS/EQ &C/2019-2020	2,179	100
Equipping & Civil Works for Tipis secondary school borehole	RVWWDA/146/2019-2020	3,975	100
Equipping & Civil Works for Heni Secondary School borehole	RVWWDA/113/2019-2020	3,299	100
Equipping & Civil Works for Tandui Primary school borehole	RVWWDA/141/19-20	3,986	100
Equipping & Civil Works for Kapsogo Primary school borehole	RVWWDA/131/19-20	3,981	100
Civil Works for Oterit secondary school	RVWWDA/96/2018-2019	3,989	100

Annex 4
Equalization Fund Projects

Project title	Project No	Cost Ksh '000'	Status %
Lodwar Water Project	RVWSB/TUR/EQ/LODWAR/2016/2017	69,183	90%
Equipping and civil works forNasiger,Kakongu, Narengewoi,Nariamawoi, Teremgus,Loturerei Boreholes	RVWSB/TUR/C/EP/EQ/2018-2019	25,188	98%
Kopro-weiwei water project	RVWSB/WP/EQ/KOPRO/WEIWEI/2016/2017	34,749	80%
Manguara dam water supply project	RVWSB/NAR/EQ/MANGUARA/2016/2017	27,980	100%
Kalokol water supply	RVWSB/TUR/EQ/KALOKOL/2016/2017	80,641	95%
Inkorienito (Nairage Engare)	RVWSB/NAR/EQ/INKORIENITO/2016-2017	70,000	85%
Suswa water project	RVWSB/TUR/EQ/KOPRO/WEIWEI/2016/2017	49,000	100%
Construction of Sonngot,Nakururum,Naremeto,Naipekar & Teremugus(Naremeto water project)	RVWSB/C/NARE/EQ/2018/2019	9,689	100%
Manguara Phase II water project	RVWSB/MANGUARRA-2/2017-2018	7,798,	98%
Riet mini dam(Kaaruko) Water Project	RVWSB/TUR/EQ/RIET ROCK/2016/2017	20,988	100%
Morijo Loita Ilkerin dams	RVWSB/NAR/EQ/LOITA/2016/2017-LOT 1	8,415	100%

Annex 5
Public Priority Projects

Project title	Project No	Cost Ksh '000'	Status %
Equipping and civil works for Kapkures,Wei sec sch,Mau summit boreholes	RVWSB/C/NAK/PPP/2018-2019-LOT 2	14,293	100
Equipping and civil works for Marigu,Endao,Twendane and Mauche	RVWSB/C/NAK/PPP/2018-2019-LOT 1	21,317,	100
Equipping and civil works for Charagita,Hianyu,Miayu,Muhonia & Lerashua water supply	RVWSB/C/NYDAT/PPP/2018-2019-LOT 2	33,147,	100
Reinstatement works for Tuiseru water project	RVWWDA/117/2018 -2019	3,966	100
Construction of Tegat water supply	RVWSB/C/TEGAT/PPP/2018-2019	33,807	100
Equipping and civil works for Rurii,Kaugi pri school,Surgoi pri school,Kandutura,mayu boreholes	RVWWDA/NYDA/PP/2018-2019 LOT 1	31,584	100
Upper kiptoim water project	RVWSB/C/KIPTO/PPP/2018-2019	14,059	100
Rehabilitation works for Ramacha borehole	RVWWDA/118/2018 -2019	2,691	100
Luita water projects	RVWSB/BAR/PPP/LUITA/2016-2017	25,454	75
Tolmo water project	RVWSB/C/TOL/PPP/2018-2019	5,222	100
Construction works for Kaptumo Phase II	RVWSB/C/KAP-PH 2/PPP/2018-2019	8,429	100
Drilling and capping of Muungano Borehole	RVWWDA/12/2019 -2020	2,496	100
Drilling and capping of Tabalap Chebon borehole	RVWWDA/18-19	2,921	100
Rehabilitation works for Chebinyiny borehole	RVWWDA/128/2018 -2019	1,287	100
Equipping works for Muungano borehole	RVWWDA/50/19-20	3,893	100

Drilling and capping of Olendem borehole	RVWWDA/48/19-20	3,175	100
Construction works for Katuda borehole	RVWSB/94/2018-2019	2,975	100
Cleaning and test pumping of Lereshwa borehole	RVWWDA/23/19-20	727	100
Camera inspection,Fishing and equipping of Jikaze borehole	RVWWDA/27/19-20	2,598	100
Drilling and capping of Oloolaroi borehole	RVWWDA/47/19-20	3,175	100
Drilling and capping of Oineptich borehole	RVWWDA/35/19-20	2,872	100
Drilling and capping of Mutiumwe borehole	RVWWDA/41/2019-2020	2,557	100
Drilling and capping of Kipteragon primary school borehole	RVWWDA/38/19-20	3,218	100
Equipping works for Kwandeki borehole	RVWWDA//19-20	3,895	100
Solar Equipping for Kwandeki borehole	RVWWDA//19-20	3,160	100
Drilling and capping of Bararget borehole	RVWWDA/30/19-20	3,104	100
Drilling and capping of Kiptenden borehole	RVWWDA/55/19-20	2,530	100
Equipping works for Mutiumwe borehole	RVWWDA/42/2019/2020	3,835	100
Equipping & Civil works for Nyimbei brorehole	RVWWDA/130/2018 -2019	1,994	100
Construction works for Kaboro water supply phase 2	RVWWDA/C/KAB-PH2/PPP/2018-2019	8,070	100
Equipping and civil works for Tulwapsoo-Lontrim phase 2	RVWSB/16/2018 -2019	3,874	100
Reinstatement of Tuiseru phase 2 water project	RVWWDA/117/2018 -2019	3,966	100
Drilling of Kipnyunguny Primary borehole	RVWWDA/75/19-20	2,496	100
Civil works for L.Solai Secondary school borehole	RVWWDA/32/19-20	3,982	100
Drilling of Mulwang community borehole	RVWWDA/73/19-20	2,898	100
Equipping of L.Solai Secondary school borehole	RVWWDA/32/19-20	3,685	100
Construction and rehabilitation works for Oldebes community water project	RVWWDA/172/2019-2020	3,939	100
Equipping and civil works for Mulwang borehole	RVWWDA/134/19/20	3,993	100
Equipping and civil works for Solian girls secondary school borehole	RVWWDA/139/2019-2020	3,766	100
Civil works for Muhonia tarasha water project	RVWSB/C/NYDAT/PPP/2018-2019-LOT 2	8,111	100
Equipping and civil works for Molo sirwe secondary school borehole	RVWWDA/172/2019-2020	3,980	100
Drilling of Mirangine community borehole	RVWWDA/169/19-20	2,692	100
Gicheha community elevated steel tank 1 water project	RVWWDA/166/2019-2020	3,988	100
Drilling of Mugathika primary school borehole	RVWWDA/170/19-20	2,697	100
Drilling of Kipkures health centre borehole	RVWSB/57/2018 -2019	1,322	100
Drilling of Barut community borehole	RVWSB/58/2018 -2019	1,114	100
Barut community borehole	RVWWDA/179/19-20	3,244	100
Civil works for Mauche borehole	RVWWDA/175/2019-2020	2,270	100
Solar Equipping for Metta community borehole	RVWWDA/202/2019-2020	3,825	100
Equipping and Civil works for Ngwataniro borehole	RVWWDA/107/19-20	3,975	100
Drilling of Suka farmers borehole	RVWWDA/74/19-20	1,997	100
Civil works for Kitibei water project	RVWWDA/53/19-20	3,490	95
Equipping of pump houses and reinstatement of Kabulyot-Torongo water project	RVWWDA/110/19-20	3,974	100
Construction of Mochongoi water supply	RVWSB/C/SMDP/BAR/MOCHONGOI/2019-2020	17,909	100

Construction of Olosirua (oloserian) water pan	RVWSB/C/SMDS/NWH/NKR/2018-2019-LOT 3	5,978	100
Construction of Lokoiwo water project	RVWWDA/83/2019/2020	3,985,	100
Mutarakwa/Kanjau and ndothua water project	RVWWDA/C/MUT/PPP/2018-2019-LOT1	7,644	100
Construction works for Rutara Dam water project	RVWWDA/NYR/PPP/DAM/RUT/2018/2019	39,883	90
Equipping of Kitecho Community borehole	RVWWDA/129/2019-2020	2,649	100
Drilling of Kuresoi health centre borehole	RVWWDA/145/19-20	2,941	100
Equipping of Oterit Secondary school borehole	RVWWDA/95/19-20	3,746	100
Drilling of Sobea,Ntarakwa borehole	RVWWDA/77/19-20	3,999,	
Rehabilitation of Tuiyotich chemichemi,Kamosop and Murram sigito	RVWWDA/46/19-20	2,671	100
Drilling of Gacicio farmers borehole	RVWWDA/61/19-20	2,399	100
Equipping of Sobea water project	RVWWDA/167/2019-2020		100
Equipping of Nyalilbuch water project	RVWWDA/94/2019/2020	2,263	100
Drilling of Heni secondary school borehole	RVWWDA/7/19/2020	3,299	100
Drilling of Kipseynan Borehole	RVWSB/13/2018 -2019	3,190	100
Solar Equipping for Kariaini borehole	RVWWDA/107/19-20	3,691	100
Drilling of Mukungugu borehole	RVWWDA/168/2019-2020	3,998	100
Pump retreival and test pumping of Kitecho Community borehole	RVWWDA/104/19/20	398	100
Drilling of Lelgel Primary school borehole	RVWWDA/93/19-20	2,688	100
Gicheha community 2 borehole water project	RVWWDA/163/2019-2020	3,991	100
Sobea community elevated steel tank 2	RVWWDA/160/2019-2020	3,989	100
Gicheha community last mile pipeline connectivity water project	RVWWDA/164/2019-2020	3,988	100
Nasur water pan	RVWSB/C/SMDS/NHW/BRNG/2018-2019-LOT 3	4,012	90
Supply and installation of solar pv generator Oldebes borehole	RVWSB/197/2018-2019	2,041	100

Annex6

Drought Mitigation, Emergencies Interventions & Borehole Projects

Project title	Project No	Cost Ksh '000'	Status %
Equipping & Civil works for Kiptoim,Kabisaga ,Oldebes and Tabalan boreholes	RVWSB/BRG/C/DM/2018-2019-LOT 1	17,153	80
Drilling of Liwan Borehole	RVWWDA/91/19-20	2,559	100
Equipping and civil works for Mwalel,Tonoiwo and Losomburmbur boreholes water projects	RVWSB/BRG/C/DM/2018-2019-LOT 2	11,321	100
Oldebes water supply project	RVWWDA/172/2019-2020	3,940	100
Equipping and pump replacement for Oldebes community water project	RVWWDA/137/2019/2020	1,576	98
Drilling of Kareng'atuny borehole	RVWWDA/92/19-2020	2,545	100
Drilling of Ondong borehole	RVWSB/35/2017 -2018	2,625	100

Annex 7

Small Dams, Pans

Project title	Project No	Cost Ksh '000'	Status %
Construction works for Ngeny water Pan	RVWSB/C/SMDS/NHW/BRNG/2018-2019-LOT 1	5,292	100
Construction works for Nasur Water Pan	RVWSB/C/SMDS/NHW/BRNG/2018-2019-LOT 3	6,248	80
Construction works for Gathara Water Pan	RVWSB/C/SMDS/NHW/NYR/2018-2019-LOT 3	4,854	88
Construction works for Oleserian Water Project	RVWSB/C/SMDS/NHW/NKR/2018-2019-LOT 3	7,426	90
Construction of Kases Dam	RVWWDA/KASES/DAM/2019-2020	249,754	95

Annex 8

World Bank Funded Projects

Project title	Project No	Cost Ksh '000'	Status %
Expansion and Rehabilitation of Kapindaram Water Supply Project	LVNWSB/WaSSIP-AF/DM/WRK/KAP/01/2016		98