**REPORT****OF**

PAPERS LAID	
DATE	11/02/2021
TABLED BY	M. W. W. P.
COMMITTEE	—
CLERK AT THE TABLE	D. O. O. O.

THE AUDITOR-GENERAL**ON**

**NAIROBI SANITATION OUTPUT BASED
AID PROJECT
(IDA GRANT NO. TF014251 AND NO. TF0A5607)**

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

**NAIROBI CITY WATER AND SEWERAGE
COMPANY LIMITED**

Nairobi Sanitation Output Based Aid project
Reports and Financial Statements
For the financial year ended June 30, 2020



Project Name: Nairobi Sanitation Output Based Aid project

Implementing Entity: Nairobi City Water and Sewerage Company Ltd

PROJECT GRANT NUMBER IDA CR NO.TF014251-KE/TF0A5607

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

...Improving Reliability

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1. PROJECT INFORMATION AND OVERALL PERFORMANCE

1.1 Name and registered office

Name: The project's official name is Nairobi Sanitation Output Based Aid project.

Objective: The key objective of the project is to increase access to sanitation and water services in selected low-income communities of Nairobi. The project provides subsidies to connect households to trunk infrastructure put in place in low-income areas of Nairobi. It also helps implementation of Nairobi City Water and Sewerage Company's (NCWSC's) social connection policy.

Address: The project headquarters offices are Nairobi, Nairobi County, Kenya.

The address of its registered office is:

Kampala Road, Industrial Area
P.O. Box 30656 – 00100, Nairobi
Kenya

Contacts: The following are the project contacts

Telephone: (254) 0703080000

E-mail: Email: info@nairobiwater.co.ke

Website: www.nairobiwater.co.ke

1.2 Project Information

Project Start Date:	The project start date is 26th February 2016
Project End Date:	The project end date is 30th June 2019
Project Manager:	The project Coordinator is Eng Lucy Njambi
Project Sponsor:	The project sponsor is the World Bank and NCWSC Ltd

1.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of the Ministry of Water and Sanitation
Project number	IDA CR NO.TF014251-KE /TF0A5607
Strategic goals of the project	The strategic goals of the project are as follows: (i) Extend the sewer and water services to parts of the Informal Settlement areas that are not well reticulated, (ii) Convert the existing Pit latrines and the septic tank toilets in the area to pour flush conventional sewer type toilets.
Achievement of strategic goals	The project management aims to achieve the goals through the following means:

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	<ul style="list-style-type: none"> i. Improve the area sanitation by creating better toilet facilities for this informal areas ii. Provide better and cheap waste water management as there will be no need for exhausting services which were far expensive for the landlords. iii. Create clean environment, which will be enhanced by the proper management of the waste water/sewer. iv. Increase access to water and sanitation services
Other important background information of the project	<p>The project scope includes</p> <ul style="list-style-type: none"> i. Upgrading 4,871 no. Existing Plots based pit latrines to conventional standard main sewers connection (Type A) ii. Upgrading 3,742 no. existing plots based pit latrines to conventional standard mains sewers connection (Type B) iii. 6,438 water connections iv. Maintenance during defect liability period of 12 Months
Current situation that the project was formed to intervene	The works were meant to improve sanitation in 12 informal settlements namely; Kayole Soweto, Riverbank, Matopeni, Mukuru/Makongeni, Mathare, Huruma, Kasarani, Maili Saba, Mowlem, Kawangware and Kibera
Project duration	The project started on 26th February 2016 and is expected to run until 30th June 2019

1.4 Bankers

Co-operative Bank of Kenya

Enterprise Road Branch

P.O. Box 67881 – 00200, Nairobi

Kenya

1.5 Auditors

The project is audited by the Auditor General in accordance with the Public Audit Act and the Companies Act.

1.6 Roles and Responsibilities

The relevant key stakeholders in the project are listed below;

Names	Title designation	Key qualification	Responsibilities
Eng. Nahason M. Muguna	Managing Director	Bsc.(Mechanical Eng) Msc-Eng, MBA	Client
Eng Lucy Njambi	Ag. Technical Director	Bsc Civil Eng, MSc Water and Sanitation	Project Manager overseeing project supervision, coordination and implementation as per the project design.
Mr. Paul E. Omondi	Ag. Finance Director	B.Com (Finance), MBA (Strategic Management), CPA(K)	Financial Reporting and follow up on financial resources flow.
Eng. Jackson Munuve	Resident Engineer	Bsc. (Civil Eng)	<ul style="list-style-type: none"> •Supervision of the Contractors works on site •Ensure the Contracting of the customers to be connected. •Issuance of the site instructions to the Contractor •Compilation of monthly progress report and status reports
Mr. Johnstone Mikwa	Financial Accountant	BA(Management studies), CPA(K), MBA	Financial reporting

1.7 Funding summary

The Project is for duration of 38 months from February 2016 to 30th June 2019. The project is co-financed by grant of US\$ 6,930,000 and a commercial loan of US\$ 6,000,000 from the co-operative bank of Kenya subject to interest rate as per KBBR. The project has an approved budget of US\$ 12,930,000 equivalent to KShs 1.293 billion plus borrowing costs US\$ 869,330 of loan amount as highlighted in the table below:

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Source of funds	Donor Commitment-		Amount received to date – (30-jun-2020)		Undrawn balance to date (30-Jun-2020)	
	Donor currency	KShs	Donor currency	KShs	Donor currency	KShs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Grant						
World bank	6,930,000	693,000,000	4,865,715	486,571,479	2,064,285	206,428,500
(ii) Loan						
Cooperative Bank of Kenya	6,000,000	600,000,000	5,292,013	529,201,331	707,987	70,798,700
(iii) Counterpart funds						
Own contribution	869,330	86,933,000	1,868,325	186,832,548	0	0
Total	13,799,330	1,379,933,000	12,026,053	1,202,605,358	2,772,272	277,227,200

1.8 Summary of Overall Project Performance:

1.8.1 Budget performance against actual amounts for current year and for cumulative to-date,
During the year under review and cumulatively to date there was no significant budget utilisation/performance difference.

1.8.2 Physical progress based on outputs, outcomes and impacts since project commencement,

Table No. 1: The Project Scope of Work per Informal Settlement

REGION	S/No.	TARGET SETTLEMENTS	TYPE A	TYPE B	WATER CONNS	TOTAL SEWER CONNS (2 No. Per HH)
EASTERN	1	Kayole Soweto	989	1,744	785	5,466
	2	River Bank	370	85	455	910
	3	Matopeni	1,350	700	2,050	4,100
EASTERN/ CENTRAL	4	Mukuru/Makongeni	260	605	865	1,730
NORTHERN	5	Mathare	50	40	90	180
	6	Huruma	141	15	156	312
NORTH EASTERN	7	Maili Saba	510	403	913	1,826
	8	Mowlem	320	10	279	660
	9	Canaan	230	10	109	480
	10	Mwengeny	112	10	122	244
WESTERN	11	Kawangware	419	100	474	1038
SOUTHERN	12	Kibera	120	20	140	280
TOTALS			4,871	3,742	6,438	
Total sewer connections (2 No. per HH)			9,742	7,484		17,226

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Sewer Connections

Table 2: Sewer Connection Progress

Target Settlements	Target Connections	Applied & Paid	% Applied & Paid Per Target	Connections Completed To Date	% Completed To Date In Line With The paid(Target)
1) Kayole Soweto	2,733	3284	120.1%	3284	100%
2) River Bank	455	704	154.7%	650	92.6%
3) Matopeni	2050	2846	138.8%	2846	100%
4) Mukuru/Makongeni	865	-	-	-	-
5) Mathare	90	-	-	-	-
6) Huruma	156	-	-	-	-
7) Maili Saba	913	-	-	-	-
8) Mowlem	330	986	298.5%	979	99.5%
9) Canaan	240	537	223.8%	526	98%
10) Mwengeny	122	-	-	-	-
11) Kawangware	519	262	50.5%	260	99.2%
12) Kibera	140	-	-	-	-
TOTALS	8,613	8,618	100.03%	8,545	99.3%

Water Connections

Table 3: Water Connection Progress

Target Settlements	Target Connections	Applied & Paid	% Applied & Paid Per Target	Connections Completed To Date	% Completed To Date as per The Applied and Paid Connections
Kayole Soweto	785	1189	151.5%	1189	100%
River Bank	455	704	154.3%	704	100%
Matopeni	2050	2846	138.8%	2846	100%
Mukuru/Makongeni	865	-	-	-	-
Mathare	90	-	-	-	-
Huruma	156	-	-	-	-
Maili Saba	913	-	-	-	-
Mowlem	279	939	336.6%	938	100%
Canaan	109	501	459.6%	497	99.2%
Mwengeny	122	-	-	-	-
Kawangware	474	262	53.8%	262	100%
Kibera	140	-	-	-	-
TOTALS	6,438	6,441	100.04%	6,436	99.9%

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Sewer and Water Reticulation

The Mowlem and Caanan were to be mostly reticulated with sewer and water network and the Matopeni and Riverbank were to be reticulated with water.

a) Water Reticulation Table 4

INFORMAL SETTLEMENT	PIPE SIZES (HDPE)				
	DN 25	DN 50	DN 75	DN 100	DN 150
1) Kayole Soweto	500	450			
2) Matopeni	4,300	3,500	1,550	1,670	15
3) Riverbank	2,700	726	265		
4) Mowlem	2,800	480	1,170		
5) Caanan	1,038	355	307		
6) Kawangware	1,170	500			
TOTAL LENGTHS (M)	12,508	6,011	3,292	1,670	15

b) Sewer Reticulation – Table 5

INFORMAL SETTLEMENT	PIPE SIZES (CONCRETE)	
	DN 225	DN 300
1) Kayole Soweto	40	
2) Mowlem	2,730	1,240
3) Caanan	1,640	325
TOTAL LENGTHS (M)	4,410	1,565

Overall Status

Table 5: The Status of Work done

Time Lapsed	38Months
% Time Lapsed	100%
Targeted Connection to Date as Per Work schedule	
a) Sewer Connection (Revised WP)	8,613
b) Water Connection	6,438
c) Sewer Connections Done	8,540
d) Water Connections Done	6,436
e) Percentage Connection to be achieved as per the Revised Work Schedule	100%
f) Percentage Of Actual Connection Achieved	99.8%
g) Mobilization as per work Schedule	100%
h) Mobilization to Date	100%
% Work Done (Approx.); inclusive of Mobilization	100%



1.8.3 Comment on value-for-money achievements

The project has had a number of benefits which include:-

- i. Increased number of customers in the informal settlement from 2,200 to over 10,000, this has also reduced the non-revenue water in these areas.
- ii. There is increased revenue to the company from the initial average of kshs 1 million before the project to current collection of kshs 3-4 million per month.
- iii. Proper sanitation in the slums which has reduced the cases of the waterborne diseases
- iv. Increased access to water hence reducing the man hours people here would spend looking for the water.
- v. The cartels have no control in this areas as NCWSC is in full control of water and sewer services which has given the people here a lot of confidence.
- vi. The project created a lot of job opportunities to residents during its implementation
- vii. The project has increased the sewer coverage for the Company by 6km for the works covering Canaan and Mowlem informal settlements

The absorption rate for each year since the commencement of the project is as shown below.

FY	2019/20	2018/19	2017/18	2016/17
Absorption rate	99%	77%	92%	90%

Implementation challenges and recommended way forward.

- i. Lack of advance payment of 20% of the contract sum to the Contractor which affected his performance of works more so the delays as his planned cash flow could not be effected well
- ii. Lack of the sewer lines in some of the informal settlements.
- iii. Hostile communities in some of this slums notably Canaan, Mowlem and Riverbank
- iv. During the implementation period we had a prolonged electioneering period from July 2017 - December 2017 as the August elections were nullified and repeat of the same in October 2017 and this being low income areas with high populations (Voters) were areas of the political rallies which in most cases turned violent affecting the works.
- v. Lack of way leaves in some of this areas as people are utilizing every space ; this affected the delivery of the materials to the working sites
- vi. Water deficiency affecting the applications as some parts are receiving water once in a week.

Way forward

Due to constant delays and lengthy procedure in disbursement of funds through the ministry, we propose and recommend that funds be channelled directly to the implementing agent.

1.9 Summary of Project Compliance:

The Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received were used for the eligible purposes for which they were intended and were properly accounted for.

2. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES

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

The Managing Director of Nairobi City Water and Sewerage Company Ltd and the Project Coordinator for Nairobi Sanitation Output Based Aid project accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Managing Director of Nairobi City Water and Sewerage Company Ltd and the Project Coordinator for Nairobi Sanitation Output Based Aid project are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year/period ended June 30, 2020, and of the Project's financial position as at that date. The Managing Director of Nairobi City Water and Sewerage Company Ltd and the Project Coordinator for Nairobi Sanitation Output Based Aid project further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

The Managing Director of Nairobi City Water and Sewerage Company Ltd and the Project Coordinator for Nairobi Sanitation Output Based Aid project confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project financial statements


The Project financial statements were approved by the Managing Director of Nairobi City Water and Sewerage Company Ltd and the Project Coordinator for Nairobi Sanitation Output Based Aid project on 28/9/2020 and signed by them.



Managing Director
Eng. Nahason Muguna



Project Coordinator
Eng. Lucy Njambi



Project Accountant:
Paul E. Omondi
ICPAK Member Number: 3647

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NAIROBI SANITATION OUTPUT BASED AID PROJECT (IDA GRANT NO. TF014251 AND NO. TF0A5607) FOR THE YEAR ENDED 30 JUNE, 2020 - NAIROBI CITY WATER AND SEWERAGE COMPANY LIMITED

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Nairobi Sanitation Output Based Aid Project set out on pages 1 to 16, which comprise the statement of financial assets as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and statement of comparative of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Nairobi Sanitation Output Based Aid Project as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Grant Agreements No. TF014251-KE and No. TF0A5607 and the Public Finance Management Act, 2012.

In addition, the special accounts statement presents fairly the special accounts transactions and the closing balance has been reconciled with the book balances.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Nairobi Sanitation Output Based Aid Project 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 opinion.

Key Audit Matters

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

Other Matter

1. Pending Bills

Note 9.1 to the financial statements reflects a pending bills amount of Kshs.1,075,378 as at 30 June, 2020 which as disclosed under Annex 2A related to unpaid consultancy fee. The Project is at risk of incurring interest costs and penalties with the continued delay in making payments.

2. Fixed Assets Management

As previously reported and as disclosed under the summary of fixed asset register at Annex 3 to the financial statements, the Project had assets valued at Kshs.10,800,000 as at 30 June, 2020. The assets, which include transport equipment and motor vehicles, were at the time of the audit being utilized by the Nairobi City Water and Sewerage Company. However, a report to show when the Project's assets were handed over to the Water and Sewerage Company was not availed for audit 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI-2315 and ISSAI-2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were

operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Project's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Project or 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 Project activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Project's financial reporting process, reviewing the effectiveness of how the entity 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 review 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 noncompliance. 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 Project's policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence 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 Project's ability to continue sustaining 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 Project 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 Project 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.


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

18 December, 2020


*Nairobi Sanitation Output Based Aid project
Reports and Financial Statements
For the financial year ended June 30, 2020*


4. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD ENDED 30TH JUNE 2020

	Note	2019/2020		2018/2019		Cumulative to-date (From inception)
		Receipts and payments controlled by the entity KShs	Payments made by third parties KShs	Receipts and payment controlled by the entity KShs	Payments made by third parties KShs	KShs
RECEIPTS						
Transfer from Government entities	8.3	0	0	0	0	0
Proceeds from domestic and foreign grants	8.4	0	0	210,475,870	0	486,571,479
Loan from external development partners	8.5	0	0		0	0
Miscellaneous receipts-co funding by NCWSC	8.6	155,257,398	0	55,566,030	0	716,033,971
TOTAL RECEIPTS		155,257,398	0	266,041,900	0	1,202,605,450
PAYMENTS						
Compensation of employees	8.7	0	0	0	0	0
Purchase of goods and services (Works/consultancy)	8.8	148,231,013	0	190,023,951	0	1,026,952,057
Social security benefits	8.9	0	0	0	0	0
Acquisition of non-financial assets	8.10	0	0	0	0	10,800,000
Transfers to other government entities	8.11	0	0	0	0	0
Finance costs on loan plus tax paid	8.12	54,613,538	0	55,464,572	0	164,853,302
TOTAL PAYMENTS		202,844,551	0	245,488,523	0	1,202,605,358
SURPLUS/(DEFICIT)		(47,587,153)	-	20,553,377	-	92

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


Managing Director
Eng Nahason Muguna


Project Coordinator
Eng. Lucy Njambi


Project Accountant
Paul E. Omondi
ICPAK Member Number: 3647

Nairobi Sanitation Output Based Aid project
Reports and Financial Statements
For the financial year ended June 30, 2020

5. STATEMENT OF FINANCIAL ASSETS AS AT 30TH JUNE 2020

	Note	2019-2020	2018-2019
		KShs	KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8.13.A	92	47,587,245
Cash Balances	8.13.B	0	0
Cash Equivalents (short-term deposits)	8.13.C	0	0
Total Cash and Cash Equivalents		92	47,587,245
Accounts receivables – Imprest and Advances	8.14	0	0
TOTAL FINANCIAL ASSETS		92	47,587,245
REPRESENTED BY			
Fund balance b/fwd	8.15	47,587,245	27,033,868
Prior year adjustments	8.16	0	0
(Deficit)/Surplus for the year		(47,587,153)	20,553,377
NET FINANCIAL POSITION		92	47,587,245

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 28/9/2020 and signed by:



Managing Director
Eng. Nahason Muguna



Project Coordinator
Eng. Lucy Njambi



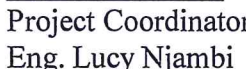
Project Accountant
Paul E. Omondi
ICPAK Member Number: 3647


6. STATEMENT OF CASHFLOW FOR THE PERIOD 30TH JUNE 2020

		2019-2020	2018-2019
	Note	KShs	KShs
Receipts for operating activities			
Transfer from Government entities	8.3	0	0
Proceeds from domestic and foreign grants	8.4	0	210,475,870
Own contribution (commercial loan and borrowing costs)	8.6	155,257,398	55,566,030
Sub total		155,257,398	266,041,900
Payments for operating activities			
Compensation of employees	8.7	0	0
Purchase of goods and services (consultancy and works)	8.8	(148,231,013)	(190,023,951)
Social security benefits	8.9	0	0
Transfers to other government entities	8.11	0	0
Other grants and transfers(Co-funding by NCWSC)	8.12	(54,613,538)	(55,464,572)
Adjustments during the year	8.16	0	0
Net cash flow from operating activities		(202,844,551)	(245,488,523)
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8.10	0	0
Net cash flows from Investing Activities		0	0
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Foreign Borrowings	8.5	0	0
Net cash flow from financing activities		0	0
NET INCREASE IN CASH AND CASH EQUIVALENT		(47,587,153)	20,553,377
Cash and cash equivalent at BEGINNING of the year		47,587,245	27,033,868
Cash and cash equivalent at END of the year		92	47,587,245

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 28/9/2020 and signed by:


Managing Director
Eng. Nahason Muguna


Project Coordinator
Eng. Lucy Njambi

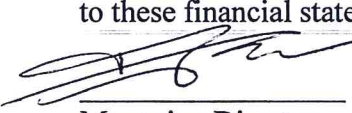

Project Accountant
Paul E. Omondi
ICPAK Member Number No: 3647


Nairobi Sanitation Output Based Aid project
Reports and Financial Statements
For the financial year ended June 30, 2020


7. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
Receipts						
Transfer from Government entities	0	0	0			
Proceeds from domestic and foreign grants	0	0	0	0	0	0%
Proceeds from borrowings						
Commercial loan and finance costs	157,051,378	0	157,051,378	155,257,398	1,793,980	1%
Total Receipts	157,051,378	0	157,051,378	155,257,398	1,793,980	1%
Payments						
Compensation of employees						
Works & consultancy (Purchase of goods and services)	100,651,378	0	100,651,378	100,651,378	0	0%
Social security benefits	0	0	0	0	0	0%
Acquisition of non-financial assets	0	0	0	0	0	0%
Transfers to other government entities	0	0	0	0	0	0%
Borrowing costs and bank charges	56,409,000		56,409,000	54,613,538	1,795,462	3%
Total Payments	157,060,378		157,060,378	155,264,916	1,795,462	1%

Note: The significant budget utilisation/performance differences in the last column are explained in **Annex 1** to these financial statements.


 Managing Director
 Eng. Nahason Muguna


 Project Coordinator
 Eng. Lucy Njambi


 Project Accountant
 Paul E. Omondi
 ICPAK Member Number No: 3647

8. NOTES TO THE FINANCIAL STATEMENTS

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

8.1. Basis of Preparation

8.1.1. Statement of compliance and basis of preparation

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

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

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

8.1.2. Reporting entity

The financial statements are for the Project Nairobi Sanitation Project Output Based Aid under National Government of Kenya. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 .

8.1.3. Reporting currency

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Project and all values are rounded to the nearest Kenya Shilling.

8.2. Significant Accounting Policies

a) Recognition of receipts

The Project recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Company.

• Transfers from the Exchequer

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

• External Assistance

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donations and grants

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

Proceeds from borrowing

Borrowing includes loans acquired by the Project from the Co-operative Bank of Kenya and are treated on cash basis and recognized as a receipt during the year they are received.

Undrawn external assistance

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

- **Other receipts**

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

b) Recognition of payments

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

- **Compensation of employees**

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid. No compensation was made during this period.

- **Use of goods and services**

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

- **Interest on borrowing**

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Repayment of borrowing (principal amount)**

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made.

Acquisition of fixed assets

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

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

c) In-kind donations

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

d) Cash and cash equivalents

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

Restriction on cash

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Accounts receivable

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

f) Pending bills

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

g) Budget

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

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

h) Third party payments

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

During the year Kshs 100,651,378 being loan disbursements were received in form of direct payments from third parties.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Exchange rate differences

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

j) Comparative figures

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

k) Subsequent events

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2020

l) Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. Restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8.3. RECEIPTS FROM GOVERNMENT OF KENYA

These represent counterpart funding and other receipts from government. There was no receipts from government during the period

8.4. PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

During the 12 months to 30 June 2020 there was no grants received from donors (2019: Kshs 210,475,870)

8.5. LOAN FROM EXTERNAL DEVELOPMENT PARTNERS

The project has not received any funding in form of loans from external development partners.

8.6. MISCELLANEOUS RECEIPTS/COMMERCIAL LOAN/BORROWING COSTS/TAX

	2019-2020		2018-2019	Cumulative to- date (from inception)
	Receipts controlled by the entity in Cash	Receipts controlled by third parties	Total Receipts	
	KShs	KShs	KShs	
Administrative fees (Own Contribution)	54,606,020	0	54,606,020	55,566,030
Commercial loan from cooperative bank of Kenya	100,651,378	-	100,651,378	-
	<u>155,257,398</u>	<u>=</u>	<u>155,257,398</u>	<u>55,566,030</u>
				<u>716,041,489</u>

Miscellaneous receipts comprises of commercial loan and interest thereon acquired from the cooperative bank of Kenya plus own contribution by the company in form of payment of withholding taxes.

8.7. COMPENSATION OF EMPLOYEES

Engineering staff attached to the project are paid site allowances by the contractor which are included as measured works.

8.8. PURCHASE OF GOODS AND SERVICES (WORKS AND CONSULTANCY)

	2019-2020			2018-2019	Cumulative to- date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments		
	KShs	KShs	KShs	KShs	KShs
Works and consultancy)	47,579,635	100,651,378	148,231,013	190,023,952	1,026,952,056
Total	47,579,635	100,651,378	148,231,013	<u>190,023,952</u>	<u>1,026,952,056</u>

This includes money paid to the contractor as civil works done and consultancy fees for independent verification of the project progress. It also includes other operating expenses such finance costs and bank charges.

8.9. SOCIAL SECURITY BENEFITS

No employee attached to the project was entitled to receive social security benefits other than as per employment contract with the employer.

8.10. ACQUISITION OF NON-FINANCIAL ASSETS

	9018/2020			2018/2019	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments		
	KShs	KShs	KShs	KShs	KShs
Purchase of vehicles & other transport equipment	-	-	-	0	10,800,000
Total	-	-	-	0	10,800,000

Two number vehicles were acquired in the period 2017/2018.

8.11. TRANSFERS TO OTHER GOVERNMENT ENTITIES

There was no transfer of funds to other reporting government entities.

8.12. OTHER GRANTS AND TRANSFERS AND PAYMENTS

	2019/20		2018/19	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	
	KShs	KShs	KShs	KShs
Misc payments (Finance costs and bank charges/taxes)	54,613,538		54,613,538	55,464,572
Total	<u>54,613,538</u>		<u>54,613,538</u>	<u>164,853,302</u>

This includes financing costs of borrowing and bank charges paid by NCWSC.

8.13. CASH AND CASH EQUIVALENTS CARRIED FORWARD

	2019/20	2018/19
	KShs	KShs
Bank accounts (Note 8.13A)	92	47,587,245
Cash in hand (Note 8. 13B)	-	-
Cash equivalents (short-term deposits) (Note 8.13C)	-	-
Total	<u>92</u>	<u>47,587,245</u>

The project has one number of project account spread within the project implementation area.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8.13. A Bank Accounts

Project Bank Accounts

	2019/20	2018/19
Foreign Currency Accounts	USD	USD
Central Bank of Kenya [A/c No1000237578.....]	0	750
Total Foreign Currency balances	0	750
	KShs	KShs
Local Currency Accounts		
Central Bank of Kenya [A/c No.....]	-	-
Co-operative Bank of Kenya [A/c No. 0113601361409]	92	47,587,245
Others (specify) none	-	-
Total local currency balances	<u>92</u>	<u>47,587,245</u>
Total bank account balances	<u>92</u>	<u>47,587,245</u>

Special Deposit Accounts

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

There was no external loans/grants received in the year.

Special Deposit Accounts Movement Schedule

	2019/20	2018/19
(i) A/C Name [A/c No.....]	USD	USD
Opening balance	750	750
Total amount deposited in the account	0	0
Total amount withdrawn (not yet claimed)	<u>(750)</u>	<u>(0)</u>
Closing balance (as per SDA bank account reconciliation attached)	<u>0</u>	<u>750</u>

There was no balance in the designated account as at 30th June 2020. A receivable of USD 750 is claimable from the Ministry of water and sanitation as the funds are disbursed through this Ministry. The project had not received this funds as at 30th June 2020.

8.13. B Cash In Hand

There was no cash at hand as the project did not provide for cash disbursements.

8.13. C Cash equivalents (short-term deposits)

There was no short term deposits in the period.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8.14. OUTSTANDING IMPRESTS AND ADVANCES

There was no imprests or advances issued during the period.

8.15. FUND BALANCE BROUGHT FORWARD

	2019/20	2018/19
	KShs	KShs
Bank accounts	92	47,587,245
Cash in hand	-	-
Cash equivalents (short-term deposits)	-	-
Outstanding imprests and advances	-	-
Total	92	47,587,245

8.16. OUTSTANDING IMPRESTS AND ADVANCES

There was no imprests or advances issued during the period.

8.17. FUND BALANCE BROUGHT FORWARD

	2019/20	2018/19
	KShs	KShs
Bank accounts	92	47,587,245
Cash in hand	-	-
Cash equivalents (short-term deposits)	-	-
Outstanding imprests and advances	-	-
Total	92	47,587,245

8.18. PRIOR YEAR ADJUSTMENT

There were no prior year adjustments on fund balance.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER IMPORTANT DISCLOSURES

9.1 PENDING ACCOUNTS PAYABLE (See Annex 2A)

	Balance b/f FY 2018/2019	Additions for the period	Paid during the year	Balance c/f FY 2019/2020
Description	Kshs	Kshs	Kshs	Kshs
Construction of buildings	0	0	(0)	0
Construction of civil works (Works)	43,838,987	0	(43,838,987)	0
Supply of goods	-	-	-	-
Supply of services (Consultancy fee)	4,816,026		(3,740,647)	1,075,378
Total	48,655,013		(47,579,634)	1,075,378

This relates to certified works by the contractor and consultancy fees approved at the end of the June 2019 paid during the period 2019/2020.

9.2 PENDING STAFF PAYABLES

There was no outstanding staff payables as at close of the period.

9.3 OTHER PENDING PAYABLES

There was no outstanding other payables as at close of the period

9.4 RETENTION MONIES

Retention at the rate of 10% is deducted from measured works and is payable after the defects liability period or as provided in the contract documents. The retention amount was paid within the period under review.

9.5 CONTINGENT LIABILITIES

This comprise of a pending suit instituted against the company by Interways Works Kenya Ltd for an advance payment claim of Kshs 166 Million. The likely outcome of this matter cannot be determined as at the date of signing these financial statements.

***Nairobi Sanitation Output Based Aid project
Reports and Financial Statements
For the financial year ended June 30, 2020***

10. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

The audit recommendations for the period 2018/2019 had not been provided as at the date of this report.



Managing Director

28/9/2020
Date



Project Coordinator

28/9/2020
Date

*Nairobi Sanitation Output Based Aid project
Reports and Financial Statements
For the financial year ended June 30, 2020*

ANNEX 1 – VARIANCE EXPLANATIONS – COMPARATIVE BUDGET AND ACTUAL AMOUNTS

Item	Actual Amount	Budget Amount	Variance Amount	% Variance	Comments on Variance
a	b	c=a-b	d=b/a %		
Receipts					
Transfer from Government entities	-	-	-	-	
Proceeds from domestic and foreign grants	0	0	0	0%	
Proceeds from borrowings	-	-	-	-	
Misc receipts(Commercial loan from co-operative bank/cofunding by NCWSC)	157,051,378	155,257,398	1,793,980	99%	
Total Receipts	157,051,378	155,257,398	1,793,980	99%	
Payments					
Compensation of employees	-	-	-	-	
Purchase of goods and services (Works and consultancy)	100,651,378	100,651,378	0	100%	
Other grants and transfers (Co-funding (finance costs) and bank charges)	56,409,000	54,613,538	1,795,462	97%	
Total payments	157,060,378	155,264,916	1,795,462	99%	

*Nairobi Sanitation Output Based Aid project
Reports and Financial Statements
For the financial year ended June 30, 2020*

ANNEX 2A – ANALYSIS OF PENDING BILLS

Supplier of Goods or Services	Original Amount	Date Contd. ed	Amount Paid Date	Outstanding Balance 2020	Outstanding Balance 2019	Comments
	a	b	c	d=a-c		
	kshs	kshs	kshs	kshs	Kshs	
Sub-Total						
Construction of civil works						
1. Interways works –invoice	43,838,987		43,838,987	0	43,838,987	Paid in full in 2019/20
2.						
3.						
Sub-Total	43,838,987		43,838,987	0	43,838,987	
Sub-Total						
Supply of services						
4. Elly Aguko- consultancy	457,500		457,500	0	457,500	Paid in full in 2019/20
5. Losai management ltd	4,358,526		3,283,147	1,075,378	4,358,526	Paid 3,283,147
6.						
Sub-Total	4,816,026		3,740,647	1,075,378	4,816,026	
Grand Total	48,655,013				48,655,013	

The pending bills includes certified works by the Contractor M/s Interways works ltd and consultancy fee for independent verification of the outputs due to M/s Elly Aguko and M/s Losai Management Ltd paid during the period.

ANNEX 2B - ANALYSIS OF PENDING STAFF BILLS

As explained in note 9.2 there were no pending staff bills during the period.

ANNEX 2C - ANALYSIS OF OTHER PENDING PAYABLES

As explained in note 9.3 there were no pending staff bills during the period.

*Nairobi Sanitation Output Based Aid project
Reports and Financial Statements
For the financial year ended June 30, 2020*

ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Opening Cost (KShs) 2017/18	*Purchases/Additions in the Year (KShs) 2018/19	**Disposals in the Year (KShs) 2018/19	Transfers in/(out) Kshs 2018/19	Closing Cost (KShs) 2020
	(a)	(b)	(c)	(d)	(e)= (a)+ (b)-(c)+(-)d
Land					
Transport equipment/Motor vehicles	10,800,000	-	-	-	10,800,000
Total	10,800,000	-	-	-	10,800,000

APPENDICES

- i. Bank Reconciliations
- ii. Special Deposit Account(s) reconciliation statement(s)

Nairobi Sanitation Output Based Aid project
Reports and Financial Statements
For the financial year ended June 30, 2019

ANNEX 4

FIXED ASSETS REGISTER

ASSET DESCRIPTION	ASSET CATEGORY	ASSET NO.	ACQUISITION DATE	PURCHASE COST(KSHS)	PHYSICAL LOCATION	CURRENT CONDITION
1 Isuzu Dmax 716 TFS Pickup	Motor Vehicle	KCR 073F	18/04/2018	5,400,000	Informal settlement Region	In good condition
2 Isuzu Dmax 716 TFS Pickup	Motor Vehicle	KCQ 914Z	18/04/2018	5,400,000	Ngethu Department	In good condition
				10,800,000		