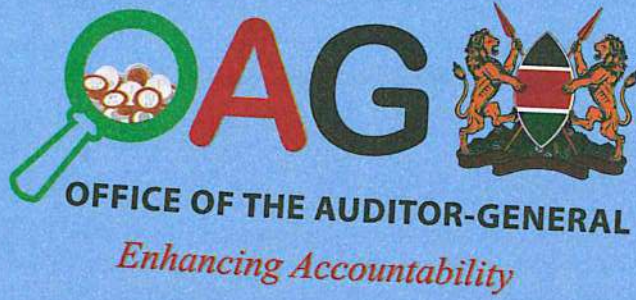


REPUBLIC OF KENYA



REPORT
OF
THE AUDITOR-GENERAL
ON
NATIONAL IRRIGATION AUTHORITY
FOR THE YEAR ENDED
30 JUNE, 2023



NATIONAL IRRIGATION AUTHORITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2023

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

National Irrigation Authority
Annual Report and Financial Statements
For the year ended June 30, 2023.



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1. Acronyms, Abbreviations and Glossary of Terms

A. Acronyms and Abbreviations

CEO	Chief Executive Officer
NIA	National Irrigation Authority
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OAG	Office of the Auditor General
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
MIAD	Mwea Irrigation Agricultural Development Centre
AIRS	Ahero Irrigation Research Station
MRM	Mwea Rice Mills Ltd
WKRM	Western Kenya Rice Mills
O & M	Operations and Maintenance
PAP	Project Affected Persons
M&E	Monitoring and Evaluation
JICA	Japan International Cooperation Agency
BADEA	Arab Bank for Economic Development in Africa
OPEC	Organization of the Petroleum Exporting Countries
FIEM	Fund for Internationalization of the Spanish companies
GOK	Government of Kenya
ENG	Engineer
A/C	Account
NO.	Number
B/F	Brought forward

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C/F Carried forward
FY Financial Year

B. Glossary of Terms

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

Comparative Year- June 30 2022

2. Key Entity Information and Management

(a) Background information

The Irrigation Act No. 14 of 2019 established the National Irrigation Authority (NIA), a successor institution of the National Irrigation Board, on August 16, 2019. This was after His Excellency the President assented to the Irrigation Bill of 2019 on July 29, 2019 paving way for its gazettment via Kenya Gazette Supplement No. 136 (Acts No. 14) of August 2, 2019. The object of the Act is “to provide for the development, management and regulation of Irrigation, to support sustainable food security and socioeconomic development in Kenya, and for connected purposes”.

The National Irrigation Authority vision of “water to every irrigable acre” is anchored on five key pillars namely: Sustainable Irrigation Development; Sustainable Irrigation Water Harvesting and Storage; Sustainable Irrigation Management; Irrigation Oriented Research and Governance & Institutional Capacity Development. The Authority’s functional departments are currently structured as follows: -

- i) Irrigation Infrastructure Development Services
- ii) Operations and Irrigation Management Services Department
- iii) Research Planning and Strategy Department
- iv) Corporate Services (Finance & Accounts, Procurement, Human Resources, Administration, ICT, Corporate Communication and Legal Services)

Notably, the Authority is currently managing seven (7) public Irrigation Schemes namely, Mwea, Perkerra, Hola, Ahero, West Kano, Bunyala and Bura. In these Schemes, the Authority undertakes the development, operation and maintenance of Irrigation infrastructure through which it conveys

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Irrigation water to the cropland. The Authority conducts operational research and has demonstration farms in its Research Stations including Mwea Irrigation Agricultural Development Centre (MIAD), Ahero Irrigation Research Station (AIRS), Hola Irrigation Research Station (HIRS) and Bura Irrigation Research Station (BIRS). The Authority runs two (2) subsidiary companies namely Mwea Rice Mills Ltd (MRM) and Western Kenya Rice Mills (WCRM) that serve as processing plants for milling and packaging rice bought from farmers in the respective schemes.

(b) Principal Activities

The principal activity of the National Irrigation Authority is to provide water for sustainable farming through development, rehabilitation, modernization and promotion of Irrigation and drainage for improved livelihoods, food security and economic growth in Kenya. This is achieved through the Authority's vision of Water to every Irrigable Acre and a mission to provide and coordinate Sustainable Development and Management of Irrigation services in Kenya.

(c) Key Management

The National Irrigation Authority's day-to-day management is under the following key organs:

- i. Board of Directors
- ii. Chief Executive Officer/ General Manager
- iii. Senior Management

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30 JUNE 2023 and who had direct fiduciary responsibility were:

	Designation	Name
1.	- Chief Executive Officer - Ag. Chief Executive Officer	Mr. Gitonga Muketha Mugambi, 'EBS' Eng. Charles Mutinda Muasya Eng. Vincent Njuguna Kabuti, 'OGW'
2.	Deputy General Manager (Research, Planning & Strategy)	Eng. Loise Wanjiku Kahiga
3.	Ag. Deputy General Manager (Infrastructure & Irrigation Development Services)	Mr. Joel Kipkemboi Tanui
4.	Deputy General Manager (Operations & Irrigation Management Services)	Mr. Daniel Atula Masatia CPA. Jedidah Narocho Oduori Ms. Victoria Akinyi Aloo
5.	Deputy General Manager (Corporate Services)	
6.	Head of Finance	
7.	Head of Human Resource and Administration	

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8.	Head of ICT/Ag. Corporation Secretary	Ms. Nancy Muthoni Wambugu
9.	Ag. Principal Planning Officer (M&E) /Ag. Corporation Secretary	Ms. Jullyanne Awino Okello
10.	Head of Corporate Communication	Mr. Daniel Mwanzi Nzonzo
11.	Head of Procurement	Ms. Evaline Akoth Ochieng
12.	Head of Internal Audit	Mr. Joseph Karuku Kigotho

(e) Fiduciary Oversight Arrangements

The Board of Directors exercise the oversight role on the Authority. The Board of Directors who held office during the financial year ended 30th June 2023 were:

No.	Name	Board Position
1.	Hon. Eng. Joshua N. Toro	Chairman
	Eng. Gilbert Mutua Maluki	Chairman
2.	Mr. Mauricius Mutugi	Representative of the irrigation farmers Associations
3.	Ms. Fatma A. El-maawy	Representative of a Registered Association
4.	Aboud Moeva	Alternate, Principal Secretary State Department of Irrigation
5.	Eng. Laban Kiplagat	Alternate, Principal Secretary State Department of Crop Development
6.	Charles Kairu	Representative of The National Treasury
7.	Eng. Samuel O. Alima	Alternate, Principal Secretary State Department of Water and Sanitation
8.	Peter Waweru	Inspectorate of State Corporations
9.	Victor Momanyi	Alternate ,Inspectorate of State Corporations
10.	-Gitonga Mugambi, EBS	Chief Executive Officer
	-Eng. Charles Muasya	Ag. Chief Executive Officer

Board of Directors

The following committees of the Board and Parliament provide fiduciary oversight to National Irrigation Authority.

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1. Development and General Purpose Committee

This is a committee of the Board whose key responsibilities are to:

- i) Review, approve and/or recommend for Board's approval:
 - a) Financial policies and procedures.
 - b) Estimates of Receipts and expenditures including their revisions,
 - c) Re-allocation of Funds between budget heads,
 - d) Special funding proposals including borrowings and grants,
 - e) Proposals for opening bank accounts, and change of bank account signatories,
 - f) Proposals for investments and their returns,
 - g) Annual Corporate Social Responsibility activities.

- ii) The Committee also ensures that:
 - a) Proper books accounts and records are maintained for Authority's transactions,
 - b) All expenditures are within the approved budget,
 - c) Proper records are maintained on property and material liabilities.

2. Audit and Risk Committee

This is a committee of the Board whose key responsibilities are to;

- i) Review, approve and/or recommend for Board's approval:
 - a) The external auditor's management letter and management's response to the external auditor's findings and recommendations
 - b) The Board's procedures for detecting fraud and to review the investigations and remediation of an of any alleged or suspected fraud,
 - c) At least annually, review the status of the enterprise risk management program
 - d) The annual internal audit work plan.

- ii) Ensure that:
 - a) Unsettled and unimplemented Public Investment Committee's (PIC) issues are resolved,
 - b) Clarity of disclosure in financial reporting and the presentation of a balanced and

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understandable assessment of the Authority's financial position.

- c) Recommendations of the Auditor General are implemented.
- d) Integrity of financial statements of the Board is maintained.
- e) Disagreements between management and any auditor regarding Authority's financial reporting are resolved.
- f) Special audit/ investigation on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency are conducted.

3. Public Investments Committee

The Public Investments Committee (PIC) is a parliamentary select committee charged with the responsibility of examining the activities of state agencies. It receives audit reports from the Clerk of the National Assembly who in turn would have received them from the Authority.

Its key responsibilities as appertains to tile Authority are to:

- i) Examine the reports of the Auditor General on the financial statements of the Authority,
- ii) Examine in the context of the autonomy and efficiency of the public investments, whether the affairs of the public investments are being managed in accordance with sound financial or business principles and prudent commercial practices.
- iii) Within three months after receiving the PIC report, Parliament shall debate and consider the report and take appropriate action.

(f) National Irrigation Authority Headquarters

Irrigation House
Lenana Road
P.O. Box 30372-00100
Nairobi, Kenya

(g) National Irrigation Authority Contacts

Telephone: (254) 711061000
E-mail: ceo@irrigation.go.ke and communication@irrigation.go.ke
Website: www.irrigation.go.ke

(h) National Irrigation Authority Bankers

Co-operative Bank of Kenya Ltd
Nairobi Business Centre Branch.
P.O. Box 19555-00202
Nairobi, Kenya

Equity Bank Kenya Limited
Equity Centre, Hospital Road, Upper Hill
P.O. Box 75104-00200
Nairobi, Kenya

Kenya Commercial Bank Group Limited
Kecom House 6th Floor Moi Avenue
P.O. Box 48400-00100
Nairobi, Kenya

NIC Bank
ICEA Lion Centre
P.O. Box 45599-00100
Nairobi, Kenya

Absa Bank Kenya PLC
Absa HQS Level 4 Waiyaki Way
P. O Box 30120-00100
Nairobi Kenya

(i) Independent Auditors

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

(j) Principal Legal Adviser

The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

3. The Board of Directors



Hon. Eng Joshua Toro

Hon. Eng. Joshua Toro- Chairman


Hon. Eng. Joshua Ngugi Toro was born on 30/8/1952. . He was appointed as the Chairman of NIA Board of Directors on May 3, 2019 via the Kenya Gazette special issue Vol. CXXI.56 and served up and until May 19,2023. He holds Bachelor of Science Degree in Mechanical Engineering from the University of Nairobi. He is a registered Engineer by Engineers Registration Board and a member of the Institution of Engineers of Kenya.

His Engineering career started immediately after graduating in 1977 at Kenya Railways Corporation (KRC). While at KRC, he was seconded to the Union of African Railways Headquarters in Kinshasa, Democratic Republic of Congo as Head of Engineering between 1989 and 1992. The Union is a specialized agency of the African Union (AU) responsible for the promotion of railway network interconnection and transportation of goods and passengers within African Countries. As Head of Engineering he was responsible for research and feasibility studies, policy development for acquisition, design, renewal and standardization of rolling stock and equipment and evolution of maintenance standards for the members' railways. He was accorded Diplomatic status by the Government of Kenya during this period (1989 to 1992).

Hon. Eng. Toro served as a Member of Parliament for Kandara Constituency for ten (10) years from 1997 to 2007. H.E Mwai Kibaki, who was the Official Leader of Opposition then, appointed him shadow Minister for Roads, Public Works and Housing in parliament for five (5) years between 1997 and 2002. He also served as the vice chairman of the Parliamentary Committee for Labour, Health, Housing and Social Welfare between 1997 and 2002.

He was appointed by the then President H.E Mwai Kibaki as an Assistant Minister for Roads, Public Works and Housing for five (5) years between 2003 and 2007. While in Parliament, he served as Member of African Parliamentarians Network Against Corruption (APNAC) which is affiliated to the Global Organization of Parliamentarians Against Corruption between 1997 and 2009.

Hon. Eng. Toro was one of the pioneer members of the Board of Directors of Kenya National Highways Authority (KeNHA) that established it from scratch to the current formidable organization it is today. He was a Board member at KeNHA for five (5) years between 2008 and 2012 where he also served as the chairman of the Board's Technical committee alongside being a member of the Audit and the Procurement Oversight Committees.

	<p>His background in Engineering and experience in the various leadership roles will help him lead NIA in implementing its mandate so as to effect and promote the Government’s Big4 Agenda on Food Security and Nutrition.</p> <p>He is a registered Engineer with Engineers Board of Kenya (EBK) and a Corporate Member of Institution of Engineers of Kenya.</p>
 <p>Eng. Gilbert Mutua Maluki</p>	<p>Eng. Gilbert Mutua Maluki</p> <p>Eng. Gilbert Mutua Maluki was appointed as the Chairman of National Irrigation Authority Board of Directors through Kenya Gazette Notice No. 6281 of the Kenya Gazette Vol. CXXV-No. 116, dated on May 19, 2023. He holds a Bachelor of Science Degree in Agricultural Engineering from Jomo Kenyatta University of Agriculture and Technology (JKUAT) and certificates in Finance Management and Sales & Marketing. Some of his key achievements include the design and development of a token-based Smart Meter for Liquefied Petroleum Gas (LPG) cylinders and facilitating its implementation and rollout in the East Africa region (Kenya, Uganda, and Tanzania) at M-Gas PLC. He was also a principal member of the team involved in building Pro Gas from inception to become the regional leader in LPG, with a 48% market share. He is a proactive, conscientious and adaptable professional with over ten years of experience in multi-layered projects and operational works in the oil and gas industry in East and Southern Africa (Kenya, Tanzania, and Mozambique), with an impeccable track record of performance. He has outstanding leadership and management skills that have ensured exemplary achievements which have propelled organizations he has worked for to higher levels.</p> <p>His background in Agricultural Engineering, coupled with his experience in various leadership and management roles from M-Gas Kenya PLC, Proto Energy Kenya Limited, Oryx Energy PLC, and Total Kenya PLC, will enable him to lead the National Irrigation Authority Board in implementing the Authority’s mandate and vision of providing water to every irrigable acre. This will contribute towards reducing the cost of living by improving agricultural productivity within the framework of the Bottom-Up Economic Transformation Agenda (BeTA).</p>

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Ms. Fatma A. El-Maawy

Ms. Fatma A. El-Maawy

Ms. Fatma A. El-Maawy was born on 1/1/1961. She was appointed to the Board on August 28, 2020 as a representative of a registered association representing the largest number of entities in the private sector in Kenya. She holds a Master of Business Administration in Strategic Management (Minor in Entrepreneurship) and a Bachelor of Arts degrees from the University of Nairobi. She is a versatile management professional with extensive diverse experience.

Ms Fatma is currently the Managing Partner, Milestones Resource Solutions and has previously worked a Business Consultant & Managing Partner, Auto Village; Country Manager, Qatar Airways, Sales Manager – Indian Ocean, West and Central Africa, Emirates Nairobi among others.

She is the 2nd Vice President, Kenya National Chamber of Commerce & Industry (focuses on SME Growth); Member, Professional Trainers Association of Kenya; Advisory board member, World Youth Parliament – Kenya Chapter and a Member of the Gulf Banks’ panel of experts for women entrepreneurs among others.



Mr. Mauricious Mutugi Maingi



Mr. Mauricious Mutugi Maingi

Mr. Mauricious Mutugi Maingi was born in 1946. He was appointed to the Board on August 28, 2020 as a representative of the irrigation farmers associations.

He graduated in 1969 with a certificate in Typing and Book Keeping from Thika Rebel College. He is a rice farmer with a wide knowledge in participatory irrigation management transfer and has acquired leadership skills through his potencies.

He has represented farmers as an advisor assisting the Scheme Manager in solving land disputes, plot allocation, solving conflicts among the farmers, and dissemination of information to the farmers from Scheme Manager and vice versa among others. Mr. Mutugi has also worked as the treasurer and subsequently Chairman of the Irrigation Water Users Association (IWUA) in Mwea Irrigation Scheme (Largest irrigation scheme in Kenya).

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 <p>Mr. Charles Kairu</p>	<p>Mr. Charles Kairu – Alternate To Principal Secretary, National Treasury</p> <p>Mr. Charles Kairu was born on 5/5/1959. He was appointed to the Board on 20th May 2020 as alternate Director to the Principal Secretary, National Treasury. He is holder of a Master Degree in Development Economics from Williams College, USA and a Bachelor’s Degree in Economics from the University of Nairobi. He has over 30 years’ experience in the Public Service and is currently serving as Deputy Director in the Public Debt Management Office at the National Treasury.</p>
 <p>Eng. Laban Kiplagat</p>	<p>Eng. Laban Kiplagat, Alternate Representative Of The Principal Secretary, State Department Of Crop Development, Ministry Of Agriculture Livestock Fisheries And Irrigation.</p> <p>Eng. Kiplagat was born on 20/12/1966. He was appointed to the Board on 10th February 2020 as an alternate to the Principal Secretary State Department for Crop Development. He is currently the Director/ Chief Engineer, Agricultural Land and Environment Management. Eng. Kiplagat has a Bachelor’s Degree in Agricultural Engineering from Egerton University and a Master’s Degree in Project Planning and Management from the University of Nairobi and is currently pursuing a PhD in Project Management at Jomo Kenyatta University of Agriculture and Technology.</p> <p>Eng. Kiplagat has attended several seminars and workshops both locally and internationally on Irrigation management and is a member of the Engineer’s Board and Institution of Engineers of Kenya, Kenya Institute of Management as well as certified Monitoring and evaluation professional from the Kenya Institute of Management, Kenya. He has been in the Civil Service for over 29 years working in different stations and institution including NIB.</p>



Mr Aboud Moeva

**Mr. Aboud Moeva, Alternate, Principal Secretary ,State
Department Of Irrigation**

Mr. Moeva was born on 18/8/1963. He was appointed to the Board on April 22, 2020. He is a holder of a Master in Business Administration (MBA) Degree in Strategic Management and a Bachelor's Degree in General Agriculture both from the University of Nairobi. He possesses vast expertise in Agriculture and is an Agriculturalist/Community mobilizer. He has acquired an extensive professional profile of over 21 years' experience in management of Irrigation development. He has done several professional courses such as Irrigation Project Preparation Course, Ministry of Agriculture (1989), Farmers Organization and Development, Ministry of Agriculture (1989) and Smallholder Irrigation Promotion Course, Tsukuba International Center-Japan (1999) among others.

He currently holds office as the Irrigation Sectary and has previously held several responsibilities including: Head of Planning, Monitoring and Information Management-Ministry of Water and Irrigation, Head of Budget and Project Coordination Branch- Ministry of Agriculture, District Agricultural Officer-Lamu district among others.



Eng. Samuel O. Alima

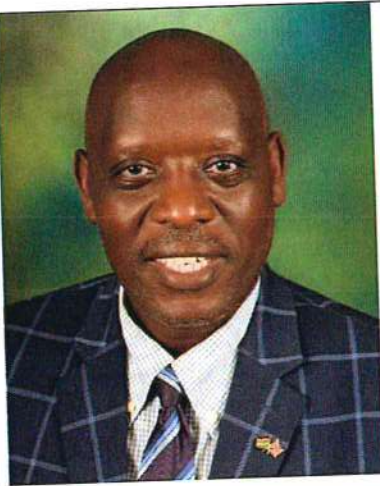
**Eng. Samuel O. Alima-Alternate Representative Of Water
,Sanitation And Irrigation.**

Eng. Samuel O. Alima was born on 15/12/1968. He was appointed to the Board on 22nd April 2020

He is a Civil Engineer by profession and holds Masters Degree in Civil Engineering, Masters Degree in Business Administration (MBA), Operations Management and Bachelor's Degree in Civil Engineering, all from University of Nairobi. He is currently undertaking a PHD in Project Planning and Management.

He currently holds the office as the Water Secretary and has previously worked as a Director of Water, Sewerage and Sanitation, Deputy Director Operations and Maintenance, Deputy Director Construction, Technical Manager, Water sector Trust Fund, Provincial Development Engineer, Central Province, Provincial Water Officer, Nyanza Province, Provincial Water Officer Rift Valley Province, District Water Officer, Koibatek and District Water Officer Taita/Taveta.

He is a registered Engineer with Engineers Board of Kenya (EBK) and a Corporate Member of Institution of Engineers of Kenya.



Mr. Victor Momanyi , Alternate Representative Of Inspector General, State Corporations.

Mr Victor Momanyi was appointed to the Board on 8th June 2022. He is a holder of Masters Degree in Public Sector Management from Africa University and Bachelor's Degree in Education from Kenyatta University.

He currently holds the office as Deputy Inspector General (Investigations), Inspectorate of State Corporations ,Cabinet Affairs office. He is a member of Association of Public Administration and Management(APAM)(Kenyan Chapter).



Mr. Gitonga Mugambi, Ebs- Chief Executive Officer

Mr. Gitonga Mugambi was born on 24th Dec. 1967. He was appointed the General Manager of National Irrigation Authority on 1st August 2017 and exited on 30th November 2022. He holds Bachelor of Science degree in Agriculture from University of Nairobi and MBA in Strategic Management from Kenya Methodist University. Mr Gitonga Mugambi is a well accomplished agriculturist with experience of over 25 years in Planning and Strategy, Resource Mobilization, Formulation of Irrigation development programmes such as Economic Stimulus Programme. His experience is valuable in policy formulation, implementation and management of National Irrigation Authority.

Mr. Gitonga Mugambi



Eng. Charles Muasya – Ag. Chief Executive Officer.

Eng. Charles Muasya was appointed the Ag. General Manager on November 6, 2022. He has a Masters in Civil Engineering from University of South Australia and B.Sc. Agricultural Engineering from Egerton University. He is a proficient Engineer with 19 years of experience in the Engineering field. Preceding his appointment as Ag. Deputy General Manager, Irrigation and Infrastructure Development Services, he was the Chief Engineer for Planning and Design at the Authority. He is a registered Engineer with Engineers Board of Kenya (EBK) and a Corporate Member of Institution of Engineers of Kenya and JICA Ex-Participants.

Eng. Charles Muasya

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Ms. Nancy M. Wambugu

Nancy M. Wambugu, Head Of Ict And Ag, Corporation Secretary

Ms. Nancy Muthoni Wambugu, Head Of Ict And Ag, Corporation Secretary

Ms. Nancy is currently the Head of ICT Services. She was appointed as the Ag. Corporation Secretary of the Authority on 12th February 2019 and exited on 20th February 2023. She has over 15 years of experience in ICT Infrastructure Operations, Information Security and Innovations both in Private and Public Sectors. She is a holder of MSC Information Security from Strathmore University and BSc. in Computer Studies. She also holds a Diploma in Computer Studies, CCNP, A+ and N+ Certifications. Her immersive contribution in ICT Service delivery in the Public Service has seen her awarded a Certificate of Excellence in Public Sector Innovation, 2011 Edition, by the Head of Public Sector in Kenya. She has greatly contributed to the transformation of National Irrigation Authority in Digitization and Automation Processes.

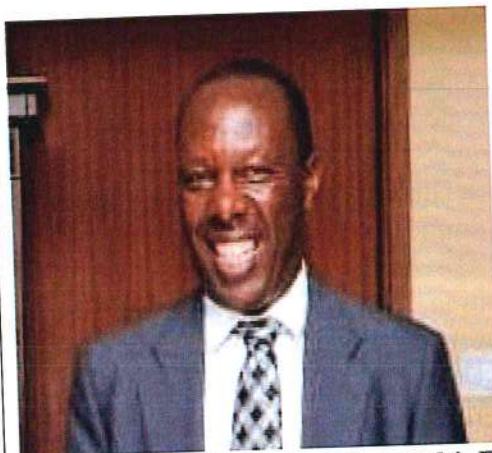


Ms. Jullyanne Awino Okello

Ms. Jullyanne Awino Okello – Ag. Principal Planning Officer (M&E) / Ag. Corporation Secretary

Ms. Jullyanne is the Ag. Corporation Secretary of the Authority since 28th February 2023. She provides Board Secretarial Duties and ensures that the Board has the resources required to fulfil its fiduciary duties. She is also the Ag. Principal Planning Officer, heading the Monitoring and Evaluation function of the Institution. Ms. Okello holds a Bachelor of Science from Kenyatta University, a Master of Business Administration from The University of Nairobi and a Master of Science in Project Management from Jomo Kenyatta University of Agriculture and Technology. She is currently pursuing a Master of Science in Monitoring and Evaluation and a Doctor of Philosophy in Project Management both at Jomo Kenyatta University of Agriculture and Technology.

4. Key Management Team



Mr. Gitonga Muketha Mugambi, EBS

Mr. Gitonga Muketha Mugambi, Ebs – Chief Executive Officer

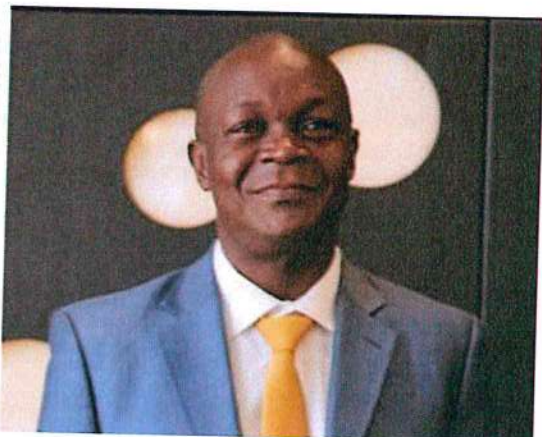
Mr. Gitonga M. Mugambi was appointed the Chief Executive Officer (CEO) of National Irrigation Authority on 1st August 2017 and exited on 30th November 2022. He holds an MBA in Strategic Management from Kenya Methodist University and Bachelor of Science degree in Agriculture from University of Nairobi. Mr Gitonga Mugambi is a well accomplished agriculturist with experience of over 30 years in Planning and Strategy, Resource Mobilization, Formulation of Irrigation Development Programmes such as Economic Stimulus Programme. His experience is valuable in Policy Formulation, Implementation and Management of National Irrigation Authority.



Eng. Charles Mutinda Muasya

Eng. Charles Mutinda Muasya – Ag. Chief Executive Officer.

Eng. Charles M. Muasya was appointed the Ag. Chief Executive Officer on November 6, 2022. He has a Masters in Civil Engineering from University of South Australia and BSc. Agricultural Engineering from Egerton University. He is a proficient Engineer with 19 years of experience in the Engineering field. Preceding his appointment as Ag. Deputy General Manager, Infrastructure and Irrigation Development Services, he was the Chief Engineer for Planning and Design at the Authority. He is a registered Engineer with Engineers Board of Kenya (EBK) and a Corporate Member of Institution of Engineers of Kenya and JICA Ex-Participants.

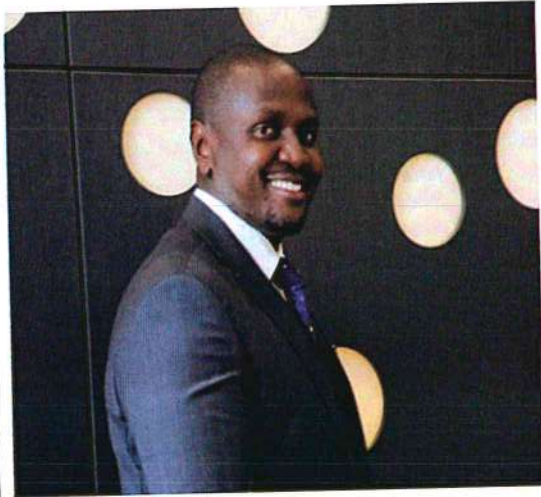


Mr. Daniel Atula Masatia

Mr. Daniel Atula Masatia - Deputy General Manager – Corporate Services.

Mr. Daniel Atula Masatia was appointed the Deputy General Manager (Corporate Services) on 1st February 2023 having acted in that capacity for 3 years. Preceding his appointment as the Deputy General Manager (CS), he was the Deputy General Manager, Operations & Irrigation Management Services of National Irrigation Authority since 2018. He holds an MBA in Strategic Management and Bachelor of Science degree in Agriculture from University of Nairobi.

He is an accomplished Agriculturalist and Manager with experience of over 30 years in Scheme, Projects and Research Operations, Planning and Strategy Formulation and Implementation, Resource Mobilization, Formulation and execution of Irrigation Programmes ranging from Development to Operations. His experience and expertise is valuable in Policy Formulation and in the provision of Irrigation Services.



Eng. Vincent Njuguna Kabuti, OGW

Eng. Vincent Njuguna Kabuti, OGW- Deputy General Manager Research, Planning And Strategy

Eng. Kabuti was appointed the Deputy General Manager (Research, Planning and Strategy) on 1st February 2018. He holds a MSc. Water Science and Engineering, Hydraulic Engineering, Land and Water Development with distinction from UNESCO-IHE, Delft, Netherlands and BSc. Civil Engineering, Jomo Kenyatta University of Agriculture and Technology, Kenya.

He has over 15 years' experience in Strategy Formulation, Strategic Planning and Budgeting. He also has experience in Performance Contracting and Monitoring and Evaluation of Irrigation Schemes, Performance and Implementing of QMS system in ISO Environment Irrigation Projects Identification, Scoping, Evaluation, Irrigation planning and Design, Project Management and Construction Supervision, Implementing Participatory Irrigation Management, Operation and Maintenance Scheduling and Implementation, Farmers Training and Community Mobilization.



Eng. Loise Wanjiku Kahiga

Eng. Loise Wanjiku Kahiga – Ag. Deputy General Manager (Infrastructure & Irrigation Development Services)

Eng. Loise W. Kahiga was appointed the Ag. Deputy General Manager (Infrastructure & Irrigation Development Services) on February 2nd 2023. She has a Masters degree in Project Planning & Management from The University of Nairobi and BSc. Civil Engineering from Jomo Kenyatta University of Agriculture & Technology. She is a proficient Engineer with 13 years of experience in the Engineering field. Preceding her appointment as Ag. Deputy General Manager, Infrastructure and Irrigation Development Services, she was the Chief Engineer (Planning and Design) in the Department. She is a registered Engineer with Engineers Board of Kenya (EBK) and a Corporate Member of Institution of Engineers of Kenya.



Mr. Joel Kipkemboi Tanui

Mr. Joel Kipkemboi Tanui – Ag. Deputy General Manager - Operations & Irrigation Management Services / Chief Officer (Oims)

Mr. Tanui is the Ag. Deputy General Manager, Operations and Irrigation Management Services beginning 1st February 2023. He is also the Chief Officer (OIMS). In this position, he is in charge of all Irrigation Schemes in the country. Preceding his appointment, he served as the Scheme Manager, Western Kenya Schemes for 6 years and a Regional Co-ordinator, Nyanza Region for 2 years.


Mr. Tanui holds a Master of Science in Agricultural Production Chain Management from Van Hall Laventein University, the Netherlands and a Master of Business Administration in Strategic Management from Maseno University. He holds a Certificate in Irrigated Rice Cultivation and Post-Harvest Management from Yamagata University, Japan; Post Graduate Fellowship in Irrigation and Water Resource Management from University of Queensland, Australia as well as Diploma in Innovations Management from International Business Management Institute, Germany.



Ms. Nancy Muthoni Wambugu

Ms. Nancy Muthoni Wambugu, Head Of Ict And Ag, Corporation Secretary

Ms. Nancy is currently the Head of ICT Services. She was appointed as the Ag. Corporation Secretary of the Authority on 12th February 2019 and exited on 20th February 2023. She has over 15 years of experience in ICT Infrastructure Operations, Information Security and Innovations both in Private and Public Sectors. She is a holder of MSC Information Security from Strathmore University and BSc. in Computer Studies. She also holds a Diploma in Computer Studies, CCNP, A+ and N+ Certifications. Her immersive contribution in ICT Service delivery in the Public Service has seen her awarded a Certificate of Excellence in Public Sector Innovation, 2011 Edition, by the Head of Public Sector in Kenya. She has greatly contributed to the

	<p>transformation of National Irrigation Authority in Digitization and Automation Processes.</p>
 <p>Ms. Jedidah Narocho Oduori</p>	<p>Ms. Jedidah Narocho Oduori, Head Of Finance</p> <p>Ms. Jedidah is currently the Head of Finance. Prior to this appointment, she had served in various capacities within the Finance and Audit Sections of the Authority both at the Head Office and in the Western Kenya Schemes. She has a Master in Business Administration and Strategic Management degree from Daystar University, a Bachelor of Commerce (Accounting Option) degree from Punjab University, India. She is also a CPA (K) holder. She has over 25 years of experience in Audit and Finance. Having diverse experience in the Finance and Audit Sections, she brings in a lot of expertise to the Authority.</p>
 <p>Ms. Victoria Akinyi Aloo</p>	<p>Ms. Victoria Akinyi Aloo, Head Of Human Resource And Administration</p> <p>Ms. Victoria is the Chief Officer- HR & Administration. She joined the Authority in January 2009. Prior to joining the Authority, she worked in the private sector both in Manufacturing and Hospitality industries as a Human Resources practitioner before joining the Public sector.</p> <p>She is a holder of Bachelor of Arts in Social Development from Agra University – India and a Master of Science in HR Management from Jomo Kenyatta University of Agriculture and Technology. She has over 18 years’ wealth of experience in Human capital management, performance management, reward management and Employee relations. She is a Full member of the Institute of Human Resource Management (IHRM).</p>



Ms. Jullyanne Awino Okello

Ms. Jullyanne Awino Okello – Ag. Principal Planning Officer (M&E) / Ag. Corporation Secretary

Ms. Jullyanne is the Ag. Corporation Secretary of the Authority since 28th February 2023. She provides Board Secretarial Duties and ensures that the Board has the resources required to fulfil its fiduciary duties. She is also the Ag. Principal Planning Officer, heading the Monitoring and Evaluation function of the Institution. Ms. Okello holds a Bachelor of Science from Kenyatta University, a Master of Business Administration from The University of Nairobi and a Master of Science in Project Management from Jomo Kenyatta University of Agriculture and Technology. She is currently pursuing a Master of Science in Monitoring and Evaluation and a Doctor of Philosophy in Project Management both at Jomo Kenyatta University of Agriculture and Technology.



Mr. Joseph Karuku Kigotho

Mr. Joseph Karuku Kigotho, Head Of Internal Audit

Mr. Kigotho was appointed as the Head of Internal Audit on December 7th 2021. Before his appointment he was serving as a Senior Accountant in the Finance Division. He is a holder of Bachelor of Commerce (Accounting Option) degree. He is also a holder of CPA (K). He is a member of Institute of Internal Auditors and ICPAK. He has attended various management seminars, workshops, conferences and trainings locally. Owing to his wide experience in the field of Finance, Audit and Project Management, he brings in a wealth of expertise to the Authority.

He has over 25 years' experience in Finance. Prior to joining National Irrigation Authority, he served as an Auditor in an Audit firm in the Private Sector.



Mr. Daniel Mwanzi Nzonzo, HSC

Mr. Daniel Mwanzi Nzonzo, Hsc- Head Of Corporate Communication

Mr. Nzonzo re-joined the Authority as the Head of Corporate Communication on March 19, 2018. He was previously the Public Relations and Communication Officer at Brand Kenya Board and Communication Officer at the National Irrigation Authority. He is a Communication and Public Relations expert with more than six (6) years' experience in Public Service Corporate Communication. He has been involved in development and execution of Public Relations and Communication Strategies, Campaigns, Media Management and Monitoring, Events Planning and execution among others.

Mr. Nzonzo holds a Master of Arts degree in Communication specializing in Public Relations and a Bachelor of Arts degree with a double major in Communication, Political Science and Public Administration both from the University of Nairobi. He is a full member of the Public Relations Society of Kenya.



Ms. Evaline Akoth Ochieng

Ms. Evaline Akoth Ochieng - Head Of Procurement

Ms. Evaline Akoth was appointed the Head of Procurement function in June 2018. She holds a Bachelor of Commerce (Purchasing and Supplies Option) from University of Nairobi, Kenya, Diploma in Purchasing and Supplies from Kenya institute of Management, and a member of KISM.

She has over 10 years' experience in management of Public Procurement and Asset Disposal for the purpose of ensuring compliance with obligations such as timely delivery, quality and quantity inspection, acceptance, negotiation among others. Prior to her appointment she had been working as a Procurement Officer at the Authority.

5. Chairman's Statement

The year saw the transition from the Big Four Agenda to the Bottom up Economic Transformation Agenda (BeTA) under the new Government. This place water under the infrastructure sector, a big milestone of ensuring water is treated as an economic and not just a social good. Irrigation is identified as a key enabler to the realization of the Government plan on generation of food and alleviation of hunger as captured under the Sustainable Development Goals.

With a vision of providing water to every irrigable acre and a mission to provide and coordinate Sustainable Development and Management of Irrigation services in Kenya, the Authority continued with the implementation of the NIA Strategic Plan 2019-2023 with a view of establishing a new plan after finalisation of the MTP4 and guidelines. The following strategic objectives remains the guiding opportunities for the Authority:

- i. Increase area under Irrigation by 518,000 acres in the plan period
- ii. Increase Irrigation water storage capacity by 400MCM
- iii. Achieve at least 200% utilization in each Irrigation scheme.
- iv. Form and strengthen at least one farmer organization in every NIA developed scheme to enter into agreements.
- v. Identify and implement Irrigation development advancement technologies
- vi. Develop and adopt sustainable Irrigation management frameworks
- vii. Develop and implement a transition plan to the Irrigation act.
- viii. Develop and implement management systems to improve efficiency.

Towards this end, to build on achievements realised to date, the Authority continued implementing the programmes in the FY2022/2023 programme based budget as approved during the MTEF process and published in the Budget Policy Statement. The Authority continues to explore alternative financing options including Public Private Partnerships, Climate financing and follow up on Development partners and Donors.

During the year under review, the Performance Contract results from the previous (FY2022-2023) were released and the Authority scored excellent performance as captured in the Public Service Performance

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Management and Monitoring Unit. NIA emerged the best overall among the 239 State corporations, scoring 1.889 Composite score, and looking forward to even better results this Financial Year.

Implementation of development projects, Irrigation activities and schemes operations progressed well. In deed during the year, the Authority achieved another milestone of successfully completing and impounding of Thiba Dam, testing and completing the Defects Liability Period in readiness of being handed over. The dam will be expected to double the production of rice in Mwea.



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Eng. Gilbert Mutua Maluki

Chairman

Date 25/03/2024

6. Report of the Chief Executive Officer

The Authority plays a leading role in actualising the Government agenda of bringing down the cost of living, eradicating hunger, creating jobs, improving foreign exchange balance and delivering inclusive growth through irrigation in line with the Bottom up Economic Transformation Agenda (BeTA). The overall goal of the National Irrigation Authority is best captured by the mission; “**Provide and coordinate Sustainable Development and Management of irrigation services in Kenya**” thus bestowing the responsibility of the lead role in Irrigation development and management in Kenya.

The Authority has made significant progress in expansion and enhancement of irrigation infrastructure for continuous agricultural production across the country. Currently, the total area under irrigation across the country stands at 670,000 acres against a potential of 1.913million acres potential.

During the year, the Authority continued to implement the presidential directives on Galana Kulallu Food Security Project. Following the new Government agenda, adoption of Public Private Partnerships (PPP), including measures in place to enable attraction of financing from climate financing and development partner’s donors.

To deliver this, the Authority is implementing the following development programmes: -

- 1) Mwea Irrigation Development Project
- 2) Bura Irrigation Rehabilitation Project
- 3) National Expanded Irrigation Programmes
- 4) Rwabura Irrigation Development Project
- 5) Turkana Irrigation Development Project
- 6) Lower Kuja Irrigation Scheme
- 7) Household Irrigation Water Harvesting Project
- 8) Galana Kulalu Irrigation project
- 9) Spate Irrigation for Climate Resilience Project
- 10) Water Security and Climate Adaptation Project
- 11) Rehabilitation of Strategic Water Facilities
- 12) Development of Large Scale Multipurpose Dams

i. Mwea Irrigation Development Project (Thiba Dam and Irrigation Area)

The objective of the project is to improve the reliability of Irrigation water and increase area under Irrigation and Irrigation intensity for Mwea Irrigation scheme. The project is financed by JICA and Government of Kenya. The component of the project includes ICB Package I construction of the 11 Million cubic meters (MCM) Thiba dam, ICB Package II construction of Irrigation and drainage facilities in the expansion area (Mutithi section) covering 10,000 acres, procurement works of O&M equipment and resettlement of Project affected Persons (PAP) from the Dam area through community

site development. Resettlement and land compensation has been concluded in the dam site. During the FY2022/2024, the Authority fast-tracked the implementation of Thiba Dam to 100% completion. This will ensure reliable supply of irrigation water, increase the area under irrigation from the current 25,000 acres to 35,000 in a single season, and support double cropping in Mwea irrigation scheme putting 70,000 acres under irrigation in a year. This will increase rice production from the current 114,000 MT to 200,000 MT in Mwea and thus inject more income in the local economy from the current Kshs.10 billion to Kshs. 16 billion annually, as well as create additional 100,000 jobs. The overall progress of the project works was approximately 86% with ongoing works for the irrigation area in ICB Package II as at 30th June 2023.

ii. Bura Irrigation Settlement Scheme

The objective of the project is to change the water abstraction technology from diesel driven pumps to gravity intake as well as increase the area under Irrigation to 25,000 acres. The project components include construction of diversion facilities at Korakora site, river bank protection works and silting basin; construction and lining of 26 Km connecting canal with a discharge capacity of 11m³/sec; rehabilitation and lining of 64 Km existing main canal, secondary Irrigation canals and drainage infrastructure and rehabilitation of buildings, domestic water supply and electricity supply. The project estimated cost is Kes. 7,355,829,104 jointly financed by the Government of Kenya (GoK) at 70% (Kes 5,149,080,372.80) while 30% (Kes 2,206,748,731.20) is financed by Arab partners comprising of Kuwait Fund for International Development, Arab Bank for Economic Development in Africa (BADEA) and OPEC Fund for International Development (OFID).

The project is implemented in two lots namely: - Lot 1 and Lot 2 which comprises of sheet piling and associated Korakora intake works and construction of new main canal and associated intake works from Korakora to Naninghi. During the FY2022/2023, the Authority was able to realize 89% completion of Lot 1 and Lot 2 works for Bura Irrigation project against a target of 60% as a result of increased construction works in the main canal Korakora to Naninghi as well as diversion canal, head regulator and sedimentation basin. Lot 1 construction of Diversion canal, head regulator, sedimentation basin and site works realized a completion rate of 89.9% while Lot 2 construction of 75% of the new main canal Korakora to Naninghi realized 33.6% achievement.

iii. National Expanded Irrigation Programme

The Authority has made huge strides in Irrigation development in Kenya through this programme. It is entirely financed by GoK development funds and comprises of development of large scale and smallholder Irrigation projects some are under construction while others are under detailed investigations and designs; and the expansion and/or rehabilitation of public irrigation schemes. NIA has provided Irrigation infrastructure for all the regions in the country particularly the arid areas through

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the NEIP. Through these interventions, communities that have benefited have been shielded from the devastating effects of the current drought.

To date since the start of the programme in 2011, over 120,000 acres have been put under Irrigation benefitting over 400,000 farmers countrywide and generating an estimated annual revenue of Kes 8 billion. The Authority targets to roll out more projects under this programme to lessen the food security burden to many in the country. During the FY2022/2023, the acreage under irrigation achieved was 24,000 acres. The Authority achieved 5,100 acres from expansion and rehabilitation of the public irrigation schemes, and completed 17 smallholder irrigation projects under this program thus realizing 13,900 acres.

iv. Rwabura Irrigation Development Project

Rwabura Irrigation development project is located in Gatundu South Constituency in Kiambu County, sourcing water from Rivers Rwabura and Thiririka. The Spanish government expressed interest in financing the implementation of the phase 1 of the project and consequently provided KES 750,831,193.2 towards the construction works covering 1500 acres.

During the FY2022/2023, the Authority progressed the completion of the pipeline works construction as well as 10% of the conveyance pipeline (4.8km of 11km pipeline). The overall progress of works is currently at 63% completion.

v. Turkana Irrigation Development Project

This programme was extracted from the National Expanded Irrigation Project to give the region a strategic approach with a view of empowering residents embrace irrigated agriculture. The project aims at harnessing surface water that has the potential of irrigating up to 33,000 acres using both perennial rivers (R. Turkwel and R. Kerio) and extensive water harvesting for micro-Irrigation and also undertake the rehabilitation of existing Irrigation schemes to realise their full potentials notably Katilu scheme, Elelea, Morulem, Turkwel and others. The project also aims at utilizing the ground water in the discovered aquifers in the region through sinking of boreholes to be used for Irrigation development using water efficient Irrigation technologies of center pivots and drip to enhance food production. The Lotikipi aquifer alone has renewable water (slightly saline) amounting to 3.224BCM/year and can irrigate approximately 425,000 acres.

During the FY2022/2023, the Authority managed to carry out construction works and bush clearing for development of additional irrigation area. Wayleave issues from the community affected speedy project completion especially in Naipa, Katilu and Lokapel. The Authority managed to expand existing irrigation projects in Turkana County to 1,630 acres for Naipa, Lotikipi and Lokapel Projects inputs support from the WFP. Moving forward, the Authority will develop groundwater Irrigation using the numerous aquifers in Turkana region as envisaged in the Government plan.

vi. Lower Kuja Irrigation Scheme

Lower Kuja is located in Nyatike sub county, Migori County close to the shores of Lake Victoria within the River Kuja Basin. The project aims to bring 19,292.5 acres to Irrigation on full development which was to be executed in 5 lots. A phased implementation plan was proposed due to its size and cost of construction. During the period under the review, the Authority resolved the land compensation issues, enhanced community mobilization and embarked on production. Currently, the project realized 3,250 acres under irrigation and crop production is ongoing.

vii. Household Irrigation Water Harvesting Project.

During FY2022/2023, the Authority continued with implementation of the water for household project in 32 counties. These program targets harvesting and storage of surface runoff at household level for supplementary Irrigation. The capacities of the targeted water pans range between 1000 to 3000 m³ which can irrigate at least 1 acre each. The proposed crops to be grown using the installed system include maize (green maize), tomatoes, onions, capsicums, bananas and watermelons. It is projected that productivity for all the other proposed crops will increase by more than 100%; with tomatoes being the highest at 240%. This has enabled the project to increase food security and access to water for the benefiting households, thus contributing to the BeTA agenda of the government. During the FY 2022/23, the Authority was able to construct and rehabilitate water pans with a total cumulative capacity of 48.81 MCM against a target of 125,000,000m³. This has contributed towards increased area under irrigation by 48,810 acres.

viii. Galana Kulalu Food Security Irrigation Development Project

The Government initiated the implementation of the project to enhance food security in the country. The phased implementation of the project comprises of 10,000-acre model farm as phase 1, followed by 400,000-acre pilot farm for phase II. Phase I is under implementation and entailed construction of Irrigation infrastructure for 10,000 acres.

The components include construction of 2 No. intakes, installation of pipelines, installation of 24 No. centre pivot Irrigation systems covering 4,735 acres, installation of drip Irrigation systems covering 5,265 acres and production of maize for two seasons.

The implementation of the project is estimated at 85% with Irrigation infrastructure for 5,100 acres. After extension of the contract, the contractor was expected to complete all the pending activities by January 2018 but the contractor failed to complete. National Irrigation Authority resolved to disengage from the contractor, call on the performance bond and identify other contractors to complete the pending works. NIA procured a contractor to complete the 15% of the works which remained when the contract was terminated. The remaining works is to put additional 5,000 acres under irrigation and have been divided in two lots as summarized below:

1. LOT 1: Electro- Mechanical works involving modification of the intake works, installation of 6 No. of pumps and supply of Generator

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2. LOT 2: Installation of 36 km pipeline of varying sizes (710 mm to 225 mm), 25 No. of centre Pivots each covering 200 acres and supply of 15 NO. (15 KVA Gensets) and 3 No. (1MVA) During the financial year, the Authority delivered and installed all the 25 No. CPs for 5,100 acres pending testing; and completed the installation of the main conveyance and distribution pipeline of 29Km out of 36.9 Km. It was in this Financial year, that the Authority received a Presidential directive on development of Galana under PPP framework. By end of the Fy 2022/23 planting of the trial phase by the Private investor had been commenced in 538 acres.

ix. Spate Irrigation for Climate Resilience Project

The project intends to put additional 30,000 acres under irrigation in Samburu, Marsabit and Isiolo counties within five (5) years and to ultimately contribute to the achievement of the target of 1 million acres under irrigation by 2030 across the country. The project aims to increase food security in these counties as well as meet the water requirements for domestic and livestock needs.

It will also support production of rice (NERICA) with an expected 1000kg/ha, production of fodder and horticultural crops to supplement nutrition needs for communities contributing directly to the achievement of food and eradication of hunger. In addition, the project will enhance ground water recharge in the region that has numerous boreholes whose yield has been declining. The planned main project activities include construction and lining of water pans, Installation of drip irrigation systems and greenhouses, supply of storage tanks and pumps.

During the period under review, the Authority was able to realize a irrigation water storage capacity of 475,000 cubic metres for an additional 316 acres under crop production.

x. Water Security and Climate Adaptation Project

The project intends to put additional 20,000 acres under irrigation in Wajir and Mandera counties within five (5) years and to ultimately contribute to the achievement of the target of 1 million acres under irrigation by 2030 across the country. It aims at supporting institutional capacity in interventions addressing the impacts of climate change by supporting local approaches to climate change adaptation and enhancing resilience in the priority areas of water and food security, river erosion, and sustainable energy. The planned main project activities include construction and lining of water pans, installation of drip irrigation systems and greenhouses, supply of storage tanks and pumps. During the period under review, the project constructed water harvesting structures with total water storage capacity of 760,000 to put an additional 506 acres under irrigation.

xi. Rehabilitation of Strategic Water Facilities

The project entails the rehabilitation of existing colonial dams and water pans to restore and increase access to water totalling 7.2M cubic metres for the communities that depend on them for their livelihood. The key expected output of this program is de-silted strategic water harvesting facilities. During the period under review, the Authority had targeted to rehabilitate strategic water facilities

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cumulating a capacity of 4.2M cubic metres. During the financial year, the Authority managed to rehabilitate water pans with irrigation water storage capacity of 24.86 M cubic metres to put 16.586 acres under irrigation.

xii. Operation and maintenance for public Irrigation schemes and provision of Irrigation management services in other schemes developed by NIA on request by farmers.

This involves operation and maintenance of the primary Irrigation and drainage infrastructure for the 7 public Irrigation schemes (Mwea, Ahero, Perkerra, Bura, Tana, Bunyala, West Kano and Katilu Irrigation Schemes) to ensure that the production is sustained. It entails, maintenance of canals, drains, water control structures and intakes (gravity or pump stations), cropping programme development and implementation, capacity building of farmers, extension services on irrigated agriculture and linkages for access to credit and market for products.

This is done through the Participatory Irrigation Management (PIM) and Irrigation Management Transfer (IMT) model. The services are also extended to other smallholder Irrigation schemes developed by the Authority and managed/owned by farmers on request by farmers. During the FY 2022/23; 10,462 acres were expanded across all the schemes.

In conclusion, investment in Irrigation remains vital in Kenya since it would increase the area under Irrigation and sustain the country's food production which is a guaranteed means of creating employment, improving the trade balance, spur growth of agro-industries and service sector, enhance internal security by minimizing conflicts between communities and minimizing radicalization. The Authority initiated additional projects to be implemented under PPP, climate proofing concept, and renewable energy.



.....
Eng. Charles Muasya

Chief Executive Officer

Date...25/03/2024.....

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7. Statement of Performance against Predetermined Objectives for F/Y 2022/2023

The National Irrigation Authority has five strategic pillars and objectives within its Strategic Plan covering the FY 2018/2019- 2022/2023 period. These strategic pillars are as follows:

- Pillar 1: Sustainable Irrigation Development
- Pillar 2: Sustainable Irrigation Water Harvesting and Storage
- Pillar 3: Sustainable Irrigation Management
- Pillar 4: Irrigation Oriented Research
- Pillar 5: Governance and Institutional Capacity Development

The Authority develops its annual work plans based on the above five pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Authority achieved its performance targets set for the FY 2022/2023 period for its five strategic pillars, as indicated in the table below:

	Strategic Pillar	Objective	Key Performance Indicators	Activities FY2022/2023	Achievements FY2022/2023
1.	Sustainable Irrigation Development	Increase area under irrigation by 518,000 acres by 2023	No. of acres developed	Develop large scale irrigation projects	Ongoing. Achieved 38,681 acres against 92,500 acres
			No. of acres developed	Construction of new small scale irrigation projects	Ongoing Achieved 55,289 acres against a target of 53,125 acres
			Acres under irrigation	Construction of household irrigation water pans	Cumulatively achieved 39, 640 acres against 72,750 acres targeted.
2.	Sustainable Irrigation Water Harvesting and Storage	Increase irrigation water storage holding capacity to 400million m3 by 2023	Volume of water potential to be harvested for irrigation	Carry out feasibility studies, detailed designs for household irrigation water pans	Feasibility studies, detailed designs were done prior to construction of all the household irrigation water pans constructed within the period.
			Volume of water harvested for irrigation; Acres under irrigation	Construction of household irrigation water pans	Cumulative household water pans with 39.59 million M ³ water storage capacity constructed creating a total storage of 42.9 million M ³
			Volume of water stored	Rehabilitation and expansion of existing	Rehabilitated and expanded water pans

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	Strategic Pillar	Objective	Key Performance Indicators	Activities FY2022/2023	Achievements FY2022/2023
				community water pans and small dams	with a capacity of 15.62MCM
			Volume of water harvested for irrigation; Acres under irrigation	Construction of new community water pans/small dams	Constructed new water pans with a cumulative volume of 29.007 million M ³
3.	Sustainable Irrigation Management	Achieve at least 200% utilization in each of the irrigation schemes by 2023	No. of plans	Develop and implement scheme sustainability plans for public schemes including other schemes with NIA Offices	Sustainability plans to be developed in subsequent years; (6 No.) FY2022/23 crop intensification and annual work plans developed and implemented for 200% utilization of irrigation infrastructure in all schemes.
			No. of Manuals	Formulate water allocation and management plan within the schemes	Manuals to be developed in subsequent years; Monthly schemes water allocation programme maintained.
		Improve operation and maintenance service in irrigation schemes	% O&M Fees collected per Scheme	Collect 100% O&M fees for schemes under NIA Management	103% O&M fees for public schemes under NIA management were collected
			No. of O&M Manuals	Operate and maintain primary irrigation infrastructure including the main water storage facilities	36 out of 115 achieved
			No. of Interventions	Mitigate against environmental degradation out of operation of irrigation schemes	(1 only intervened) Fruit tree seedlings were established in various schemes from which the Authority grafted 104,050 fruit

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	Strategic Pillar	Objective	Key Performance Indicators	Activities FY2022/2023	Achievements FY2022/2023
					tree of Hass avocado, coconut, cashew nuts and mangoes seedlings ready for transplanting as part of realizing 10% forest cover through tree planting.
			No. of cropping programs	Develop typical cropping programmes for identified value chain	Seven (7) cropping programmes developed and implemented in all schemes
4.	Irrigation Oriented Research	Distill Farmer led Irrigation	IWUA Capacity Development	IWUA Capacity Development	Concept note developed, Implementation ongoing
5.	Governance and Institutional Capacity Development	Operationalize Irrigation Act	Irrigation Act Audit report	Audit the Irrigation Act to ensure that there are no gaps	Irrigation Act audited and addendum submitted to the AG 's office
			Transition plan	Develop and implement a transition plan to the Irrigation Act	Roadmap for transition from NIB to NIA developed, approved and implementation ongoing.
			Revised functions in the organization structure	Review NIA organization structure and functions	NIA organization structure reviewed and approved by SCAC
				Review Institutional Policies	Presented to Full Board awaiting approval
			Review and implement Authority Service Charter	Procurement of services to review charter completed	
	Enhance institutional capacity to improve efficiency	No. of departmental/ business plans	Cascade and implement the strategic plan	Ongoing. Departmental plans and Performance contracts aligned to the Authority's Strategic Plan	

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	Strategic Pillar	Objective	Key Performance Indicators	Activities FY2022/2023	Achievements FY2022/2023
			Integrated Project Management guidelines developed	Develop and implement an integrated Project Management guidelines throughout the project lifecycle	Draft guidelines developed; Project management information system developed, testing and implementation ongoing
			Monitoring, evaluation and learning plan/strategy/framework developed	Develop and implement a comprehensive monitoring, evaluation and learning plan/strategy/framework for the institution	Draft monitoring, evaluation and learning plan developed and being implemented
			M&E Unit established	Establish M&E Unit	M&E Unit established and officers posted.
			Human Resource strategy developed	Develop and implement Human Resource strategy	Completed
			Liaison and Resource Mobilization Unit established	Establish a Liaison and Resource Mobilization Unit	Resource Mobilization Unit established and officer posted.
			Resource mobilization strategy developed	Develop and implement resource mobilization strategy	Development completed. Implementation ongoing
			No. of financial reports	Streamline financial management processes and controls	Quarterly and annual reports submitted; Review of financial system budget module Completed. Implementation of financial controls being implemented on programme and project budget basis.

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	Strategic Pillar	Objective	Key Performance Indicators	Activities FY2022/2023	Achievements FY2022/2023
			Communication Strategy developed	Develop and implement comprehensive communication Strategy	2021-2025 Communication strategy developed
			All aspect of NIA rebranded	Rebranding of NIB to NIA	Ongoing
		Mainstreaming ICT in NIA processes	No. of automated systems	Develop Automated Budget, procurement plan and document management systems	Development of Automated budget module completed. Procurement processes integrated in ERP system.

8. Corporate Governance Statement

The National Irrigation Authority was established on August 16, 2019 by the Irrigation Act No. 14 of 2019 as a successor institution of the National Irrigation Board. This was after His Excellency the President assented to the Irrigation Bill of 2019 on July 29, 2019, paving way for its gazzement via Kenya Gazette Supplement No. 136 (Acts No. 14) of August 2, 2019.

National Irrigation Authority has a membership of nine (9) members, comprising of five (4) directors representing the Government of Kenya and three (5) Independent Directors. During the year, the Board had seven (7) members and the appointment of two (2) Independent Directors to represent the Council of Governors had not been finalized.

The Chairman of the Board is an appointee of the president while the Cabinet Secretary in line with the irrigation Act No 14 of 2019 appoints independent board members. All the appointments /removal of the Board members were done via a Kenya Gazzette notice.

The basic responsibility of the Board members is to exercise their best judgement and to act in a manner that they reasonably believe to be in the best interest of the organization and its stakeholders. In discharging that obligation, the members should be entitled to rely on the honesty and integrity of the organization's management, staff and its external professional advisors and auditors.

In furtherance of its responsibilities, the Board:

- a) Determine the organization's mission, vision, purpose and core values;
- b) Review, evaluate and approve, on a regular basis, long-term plans for the organization;
- c) Review, evaluate and approve the organization's budget and financial forecasts;
- d) Review, evaluate and approve major resource allocations and capital investments;
- e) Ensure that the procurement process is cost effective and delivers value for money;
- f) Review and approve the operating and financial results of the organization;
- g) Ensure effective, accurate, timely and transparent disclosure of pertinent information on the organization's operations and performance;
- h) Ensure that effective processes and systems of risk management and internal controls are in place;

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- i) Review, evaluate and approve the overall organizational structure, the assignment of senior management responsibilities and plans for senior management development and succession;
- j) Review, evaluate and approve the remuneration structure of the organization;
- k) Adopt, implement and monitor compliance with the organization's Code of Conduct and Ethics;
- l) Review on a quarterly basis the attainment of targets and objectives set out in the agreed performance measurement framework with the government of Kenya.
- m) Review periodically the Organization's strategic objectives and policies relating to sustainability and social responsibility/investment
- n) Protect the rights of shareholders and optimize shareholder value;
- o) Enhance the Organization's public image and ensure engagement with stakeholders through effective communication;
- p) Monitor compliance with the Constitution, all applicable laws, regulations and standards; and
- q) Review, monitor and ensure that the organization is effectively and consistently delivering on its mandate.

In order to effectively undertake the afore-mentioned roles, the Board of directors formed two (2) Committees namely;

- i) Development and General Purpose Committee whose main role is primarily to provide technical, financial and human capital management and general administration oversight of the organization.
- ii) Audit and Risk Committee whose main role is to oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

During the year, the Board transacted its business by holding six (6) committee meetings and four (4) full board meeting. Majority of the Board members participated in the meetings.

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The induction of the new Board members was conducted in line with the Mwongozo Code of Governance for State corporations, and the Authority did not conduct any Board training during the year under review.

During the year, there was no Conflict of Interest that recorded from any of the Board Members on the Agendas of the meeting, and all the Board meetings were conducted in line with the existing Board's Charter. Subsequently, members of the Board who attended any of the scheduled Board meetings were remunerated as stipulated in Circular reference no OP/SCAC.9/21.2 V1 (164) dated 25th April 2015 from the Office of the President.

9. Management Discussion and Analysis

1. Revenues

(i) Grants

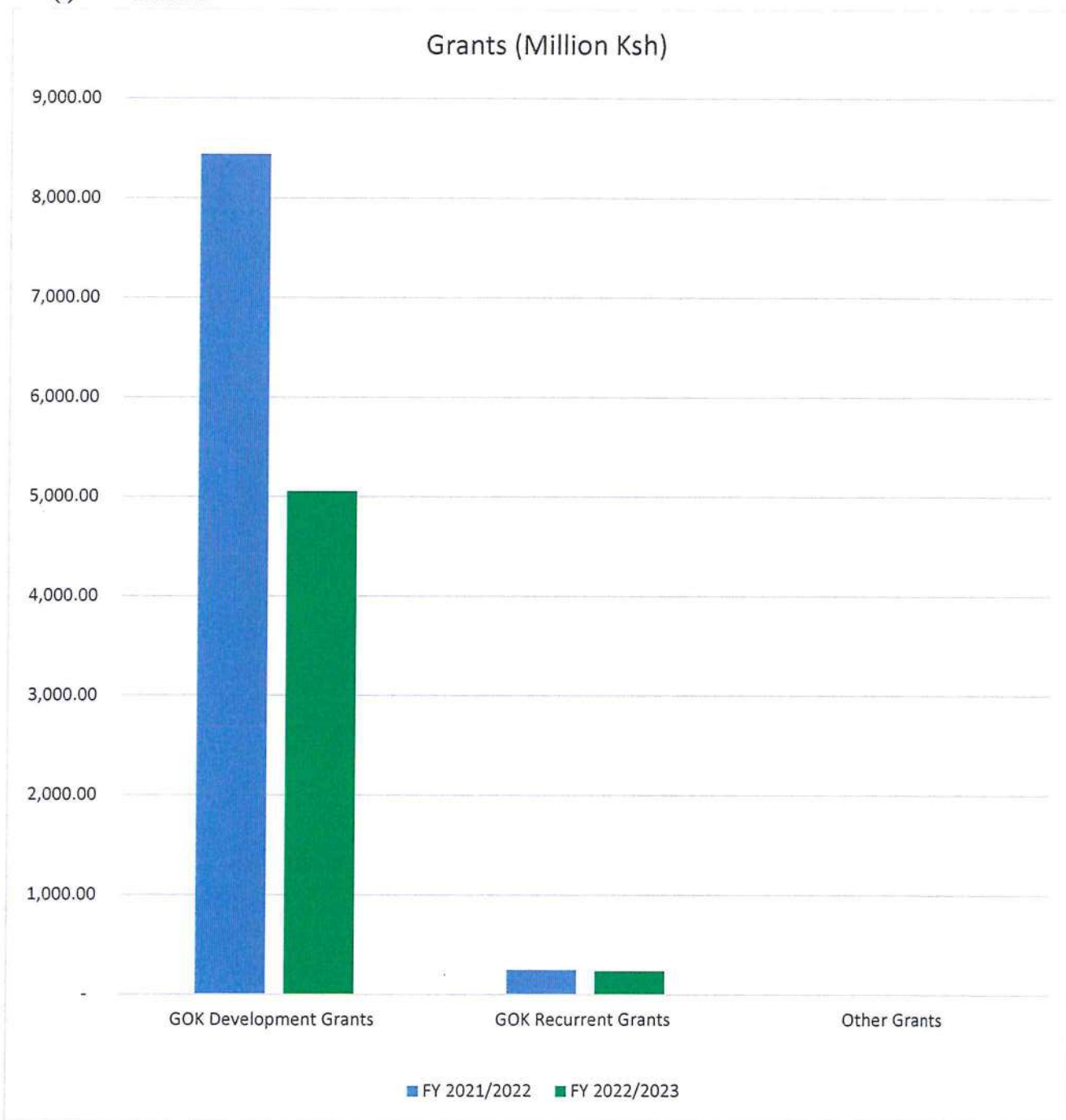
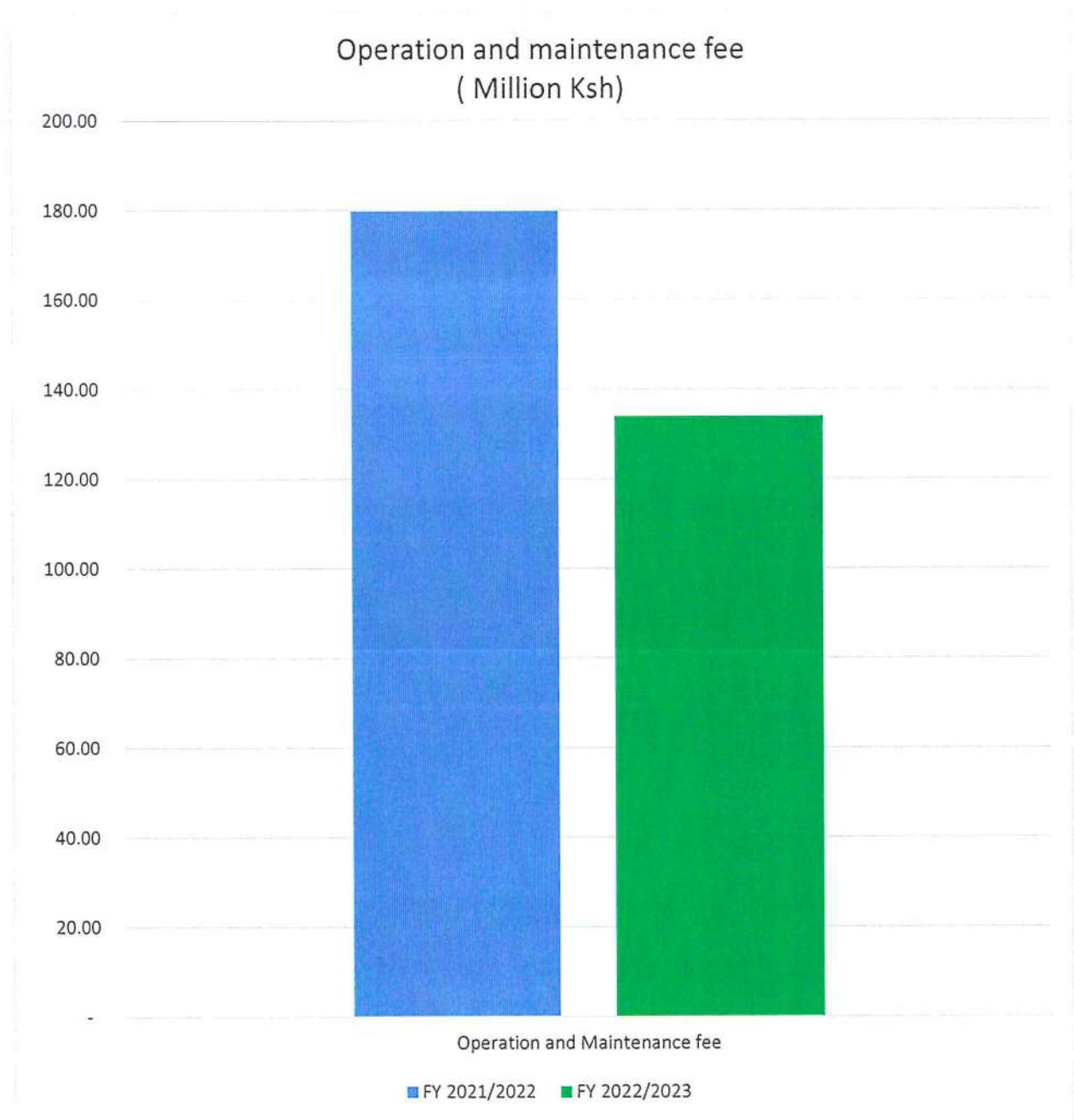


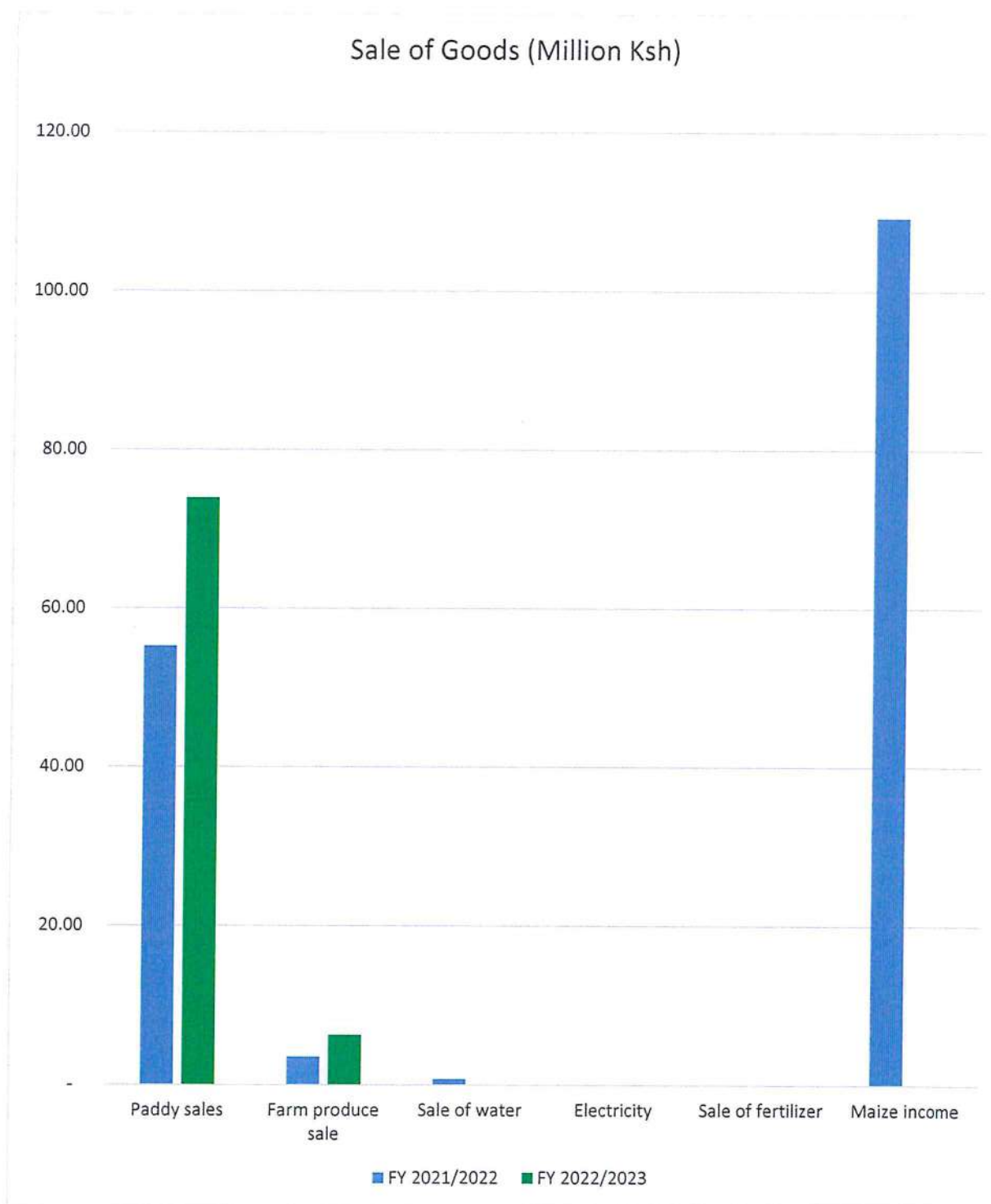
Chart 1: Revenue from Non-Exchange Transactions

Rendering of Services

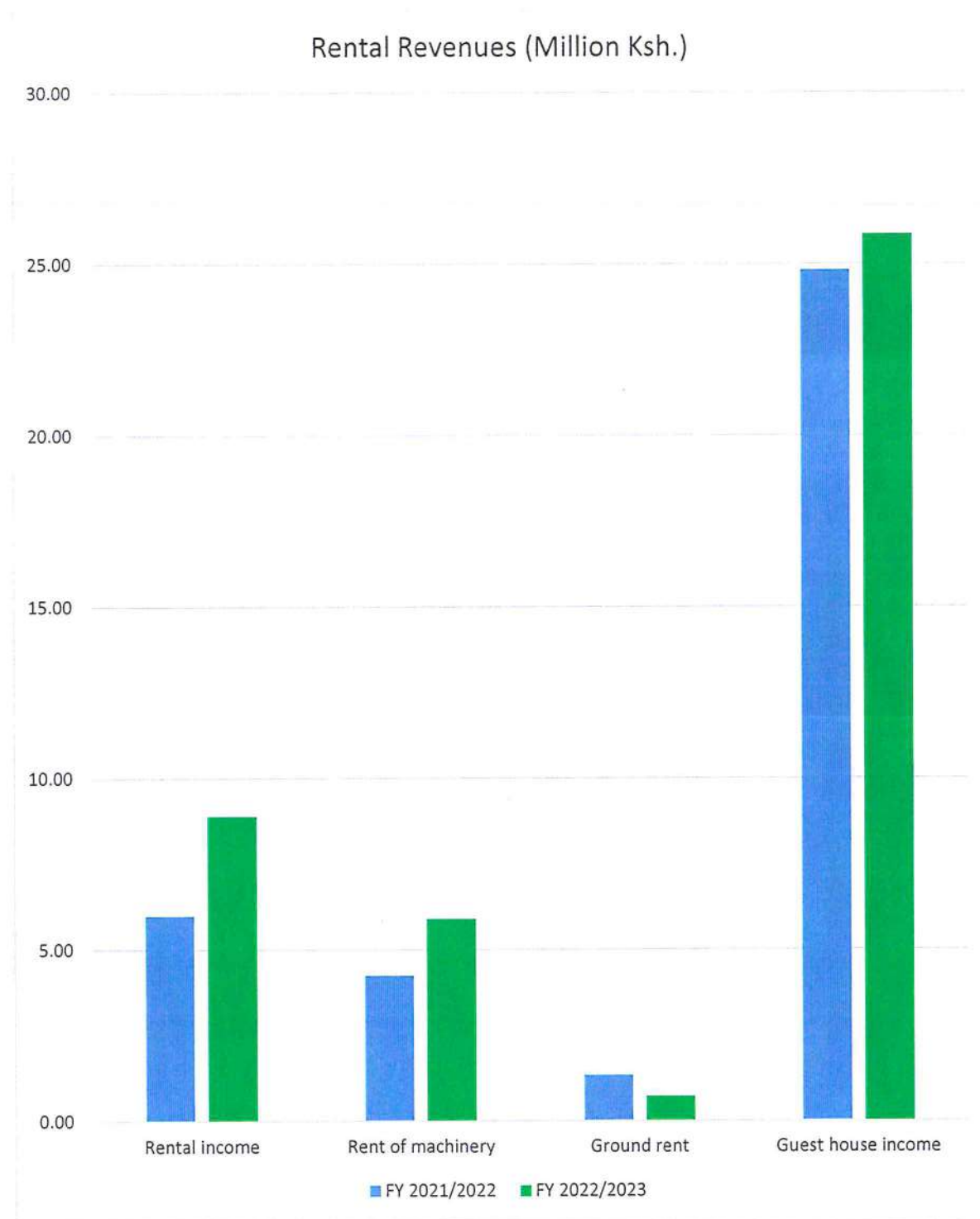
(ii) Operation and Maintenance fee



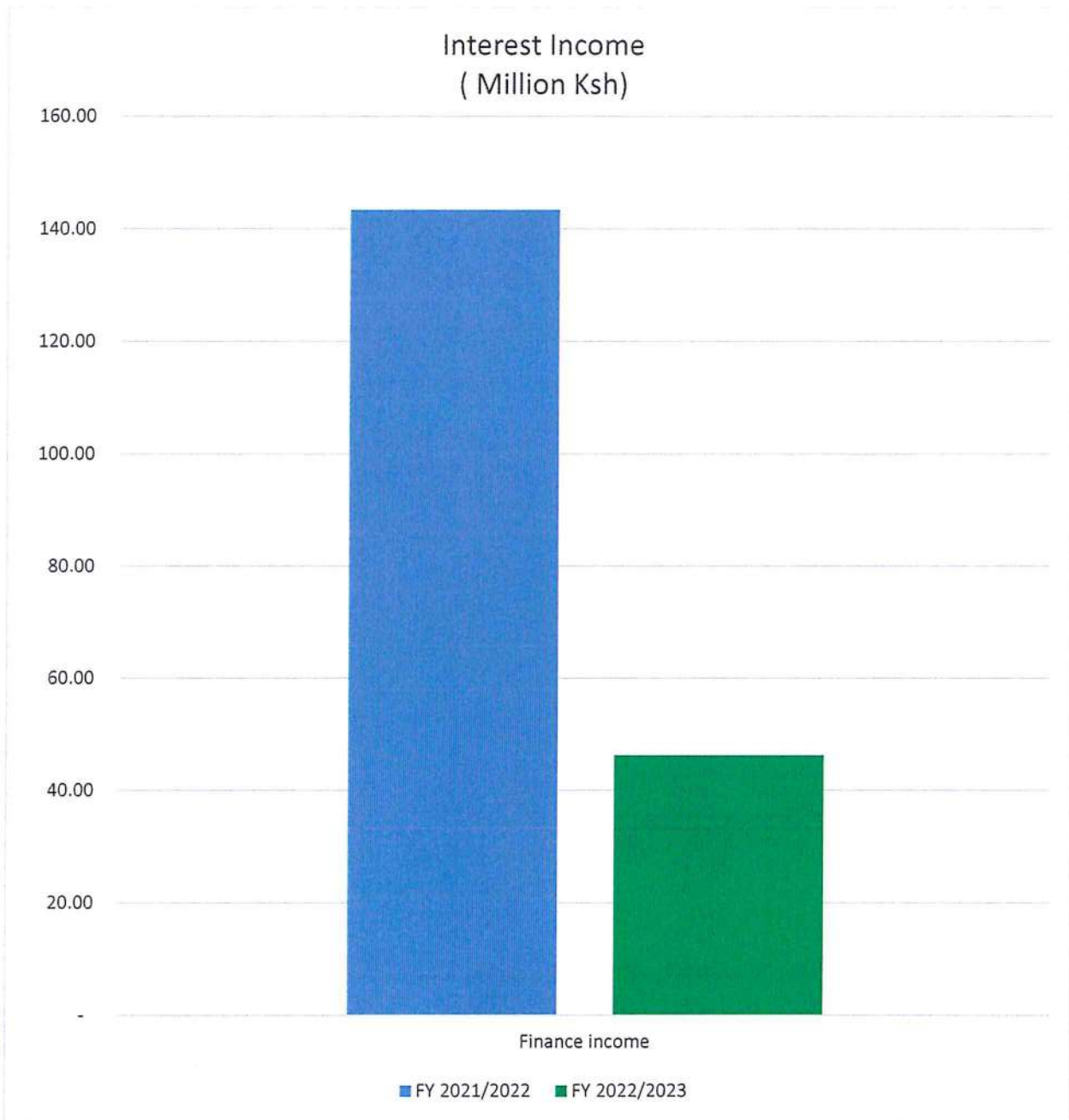
(ii) Sale of goods



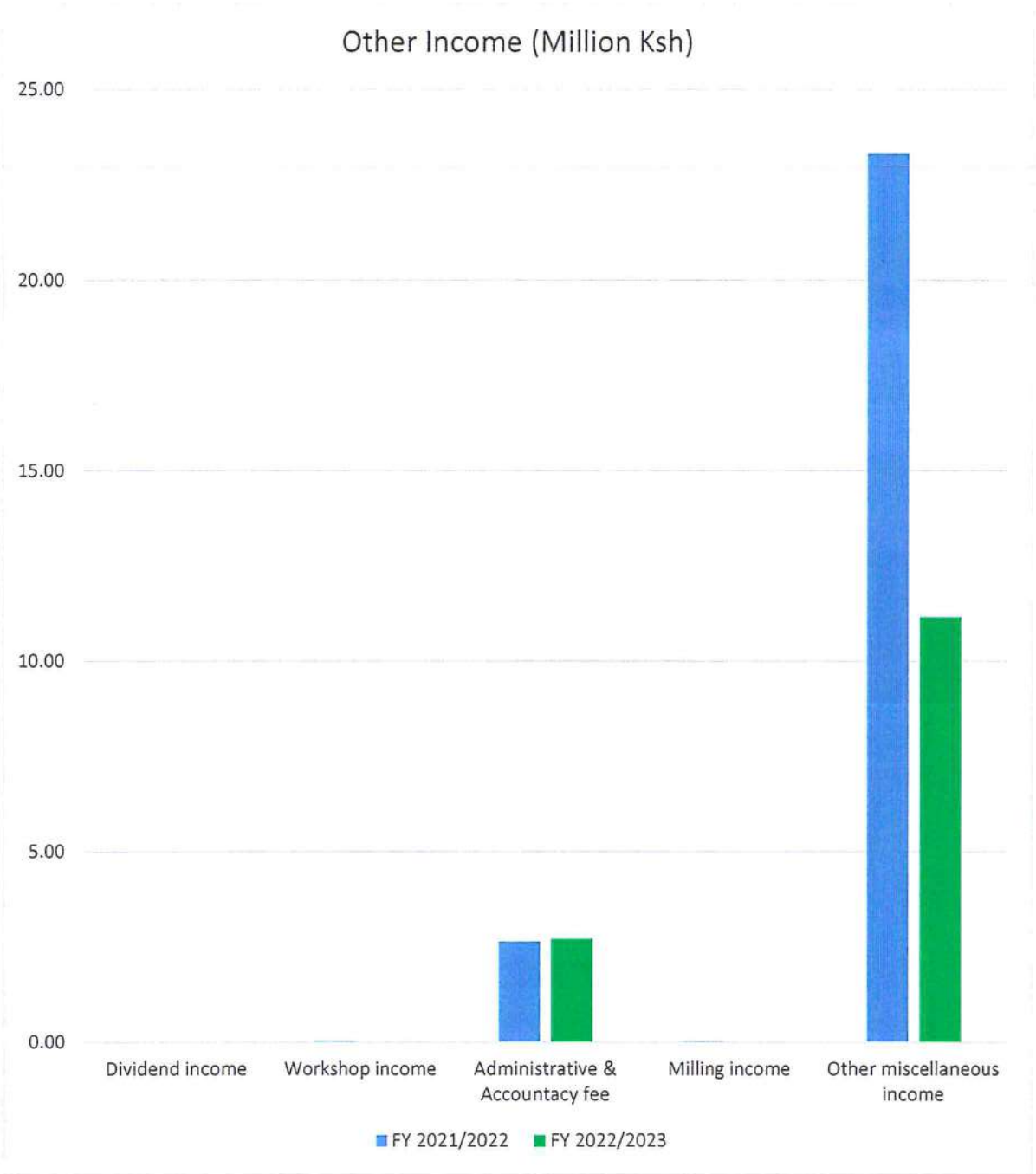
(iv) Rental Revenues



(v) Finance Income



(vi) Other Income



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Grants:

Chart i above indicates grants received by the institution both from the government and other development partners. Grants from GoK to the institution decreased from Ksh. 8,681,544,035 in the financial year 2021-2022 to Ksh. 5,289,550,000 in the financial year 2022-23. This represents 39.07% decrease when compared with the previous year. The decrease was in both recurrent and development grants. Development grants decreased by 40 % while recurrent grants decreased by 4.07 %.

Rendering of services:

Chart ii shows changes in operational income. The revenue in this category decreased from Ksh 179.72 million in the year 2021-2022 to Ksh 133.93 million in the year 2022-2023. This translates to 25.48% decrease. This was also attributed to low remittance of Operation and Maintenance fees from farmers.

Sale of goods:

Chart iii shows the revenues collected from sale of goods and services. The main items of revenue in this category is paddy sales and sale of maize grown in Galana Kulalu Food Security Project. However, in the financial year 2022-23, National Irrigation Authority entered into public private partnership with Twiga Foods over the production of maize in the project. This has attributed to a decrease of maize income from Ksh 40.8 million in 2021-22 against Kshs.0.66 million realized in 2022-23 .The overall decrease in this category of income is 52.41%.

Rental Revenues:

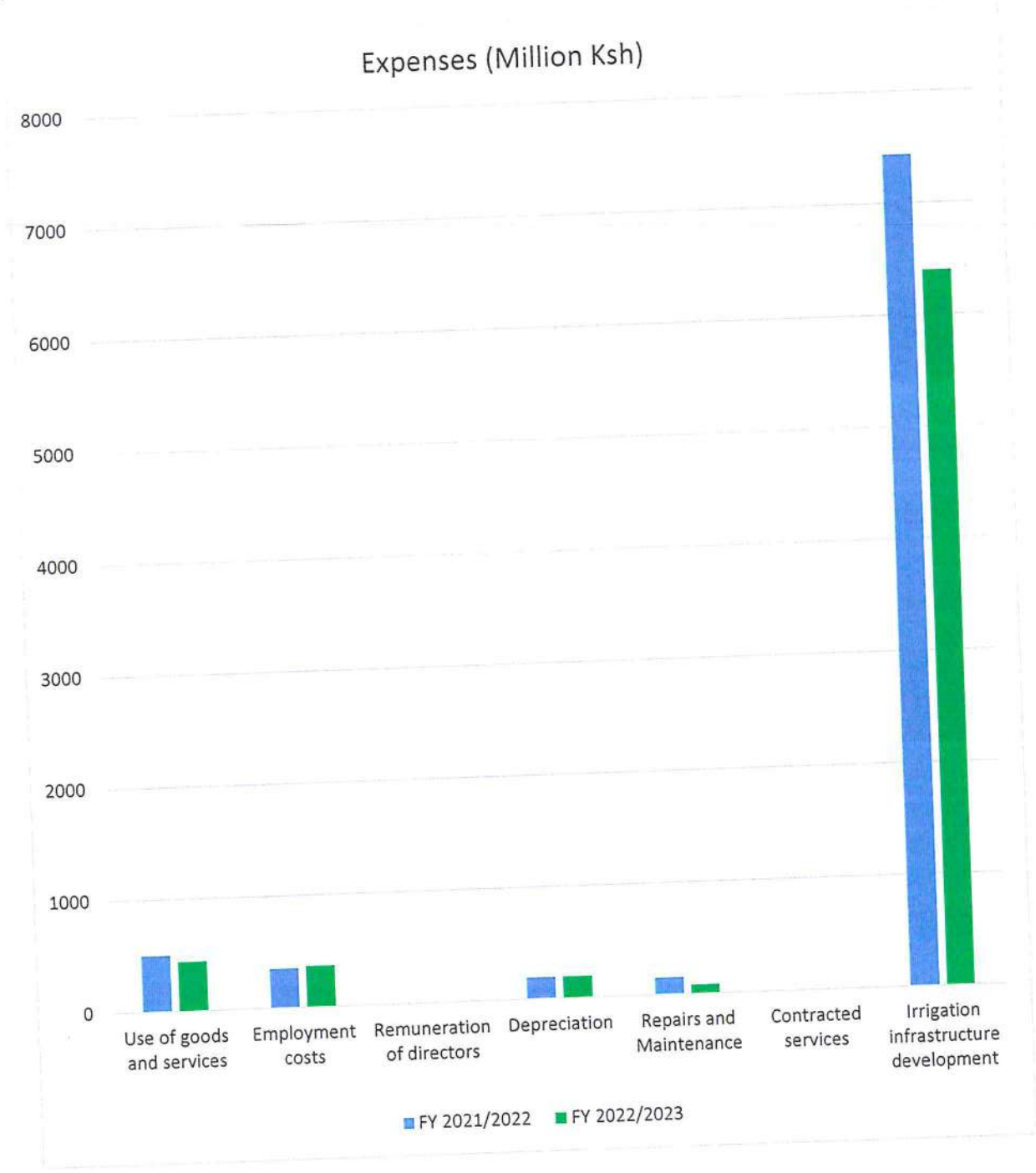
Chart iv shows the revenues collected from Rent of facilities and machinery and equipment. National irrigation Authority operates a guest house at Mwea Irrigation Scheme. It is one of the key sources of revenue in this category. Revenue from the guest house grew by Ksh 1.047 million from Ksh 24.81 million in 2021 to Ksh 25.86 million in 2023. This represented a 4.22% growth. The other major source of revenue in this category is house rent. The Authority has houses occupied by staff in all the major traditional Irrigation Schemes. Staff occupying these houses pay monthly rent. Overall revenue from this category of income increased by 13.80%.

Finance Income:

Chart v shows revenue from call deposit account. This is money held in the bank account to clear contactors retention money after the end of the defect liability period. This money has to be readily available and hence can only be put in such an arrangement otherwise if invested in treasury bills retiring the same might prove challenging since it may not coincide with the defect liability expiry period. The revenue in this category decreased from Ksh 143.35 million to Ksh 46.23 million in 2022.

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(vii) Expenses



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Other Income:

Chart vi shows revenue from other miscellaneous sources of income such as administration & accountancy fee for NIA subsidiaries. The overall revenue in this category decreased by 46.69 % in the year 2023 as compared to 2022. The sources of this revenue do not form part of the key revenue sources and therefore can be erratic in nature. In the year 2022, there was a court award as taxable bill of cost for NIB Versus IVRCL amounting to 14 million.

Expenses

Chart vii shows the various categories of expenses. The overall expenses for the Authority decreased from Ksh 8.63 billion in 2022 to Ksh 7.48 billion in 2023. This represents a 13.35% decrease. The main items of expenditures that registered huge increase were irrigation infrastructure development these are projects undertaken by the National Irrigation Authority in line with its core mandate of providing and coordinating sustainable development and management of irrigation services in Kenya. These expenses are for water pans, Dams, and green houses for the communities.

The expenditure for employee cost increased by 5.22%.

The remuneration of directors increased by 6.86%.

Repairs and maintenance decreased by 47.72 % in 2023 as compared to 2022. When major repairs and maintenance are done to facilities and equipment in one year occasioning an increase in expenditure the expenses in the following year tend to decrease and the pattern continues.

The contracted services increased by 2.2 % in 2023 as compared to 2022. This expenditure is for security services for equipment including machinery working in the field. When the equipment's are working near the main offices they are taken to the station where they don't require additional staff hence saving on security hire.

The other major component in the expenses for the institution is the irrigation infrastructure development. These are projects undertaken by the National Irrigation Authority in line with its core mandate of providing and coordinating sustainable development and management of irrigation services in Kenya. These expenses are for water pans, Dams, and green houses for the communities. In 2023, NIA had experienced budget cuts hence the expenses under this category reduced from 7.43 billion in 2022 to 6.397 billion in 2023.

10. Environmental and Sustainability Reporting

National Irrigation Authority (NIA) exists to transform lives. This is our purpose; the driving force behind everything we do by putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of the sustainability activities conducted in the year:

i) Sustainability strategy and profile

National Irrigation Authority (NIA) has invested in strategic re-orientation towards project climate proofing and adaptation by developing environmentally sustainable irrigated agricultural systems, services and modernizing management systems. The institution appreciates sustainable agriculture is fundamental to our shared future and is imperative to fulfilling our purpose. Together, the team leverages on our diversity and promote inclusion creating an environment that unlocks innovation and employee creativity to prioritize on agriculture solutions that help farmers produce more while conserving natural resources with less environmental impact.

ii) Environmental performance

National Irrigation Authority purposes to deal effectively with environmental or pollution control aspects relating to water resource management and other irrigation related activities in the execution of its mandate. Since water is a scarce resource in Kenya, the future planning, management and development of irrigation projects has to focus on a two-pronged strategy. On the one hand, efficient use and conservation of water is to be ensured and on the other hand, protection of water quality of surface and ground water resources is to be achieved. With a view to provide a directional impetus to achieve this formidable task, the authority has an in-house environmental policy which guides key decision making in terms of environmental performance.

The main environmental issues of concern relating to irrigation activities include: -

Changes in water quality due to application of fertilizers and use of agrochemicals and water quantity especially to downstream users;

Vegetation clearance for irrigation purposes;

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Water logging and soil salinity problems in irrigation, particularly in areas with saline or marginally saline groundwater or soils;

Increase in invasive species especially within the schemes;

Environmental Policy Statement

The National Irrigation Authority (NIA) is the Government Agency mandated to provide for the development, management and regulation of irrigation, to support sustainable food security and socioeconomic development in Kenya, and for connected purposes. NIA recognizes that our activities may result in disturbance to the environment in its areas of operation. NIA will act as a responsible environmental steward in compliance with the applicable environmental laws and regulations.

NIA will specifically target to do the following:

a) The Natural Environment

Undertake tree planting activities with a focus on fruit trees as well as conserve wetlands and other water bodies

Ensure that any discharges to the natural environment meet relevant environmental standards.

Improve operational efficiency and monitor our water use, energy use and greenhouse gas and air emissions in efforts to promote the efficient use and conservation of natural resources.

b) The Built Environment

Ensuring that all our construction and building works abide by all relevant laws as stipulated in the Environmental Management and Coordination Act (EMCA) and other Acts.

Ensure we promote energy conservation including electricity by restricting its use to necessary times whilst promoting solar energy use where applicable.

Promote safe and conducive working environment to all our staff and visitors.

c) Vehicles and Machinery

Ensure our vehicle fleet and machinery are well maintained and regularly serviced to maintain their efficiency and minimize air pollution.

Purchase new vehicles and machinery that minimize environmental emissions and pollution.

Promote, wherever possible, the philosophy of car sharing whenever our officers are doing inspections.

d) Paper Usage

Encourage use of emails wherever possible or sharing of soft copy documents for our communication needs.

Encourage double sided printing wherever necessary to minimize paper use.

Encourage the procurement of papers recycled from paper waste.

e) Waste Management

Encourage waste segregation by the members of staff and designating waste collection bins at identified locations.

Ensure only licensed waste collectors are contracted to dispose waste including electronic waste.

Encourage the adoption of circular economy to fully utilize products before they are disposed off

f) Monitoring and Reporting

Continuously monitor the implementation of this policy in all our offices and projects and ensure adherence.

Review this policy regularly taking account of any changes within legislation and the Authority and notify staff of any updates/changes.

Waste Management Policy Statement

National Irrigation Authority is committed minimize waste generation and promote re-use, recovery and recycling of waste to protect human health and the environment. To support this common goal, the Authority will:

Contributing to sustainable use of natural resources, e.g. avoiding & reducing waste wherever possible

Promotes adoption of best waste management practice that protect the environment and community

Deploying technologies appropriate to prevailing conditions

We will work to achieve the commitments by:

Implementation of Application of Service Delivery Innovations

Awareness creation on behavior change on waste

Participating in supporting any untapped opportunities on waste recycling initiatives

Minimize the generation of waste, associated with our office-based activities.

We will make every effort to ensure that waste management policy is an integral part of National Irrigation Authority's performance.

Successes:

NIA ensures all projects being implemented by the institution undergo Environmental Impact Assessment (EIA) in keeping with the requirements of EMCA 1999. This identifies possible negative impacts and seeks to put in place mitigation measures to address them.

Ensures that projects being implemented are closely monitored to ensure they conform to set environmental conditions in the licenses issued as well as to relevant laws and regulations.

The Authority periodically collects water samples across our schemes for analysis as per the Irrigation Act, 2019 to ensure that the water has not polluted by irrigation activities.

Further, the institution undertakes periodic Environmental Audits (EA) in its projects which helps in identifying noncompliance issues thus allowing us the chance to initiate corrective actions before there is further detrimental effects to the environment whilst enhancing environmental protection and conservation.

NIA has integrated climate change mitigation efforts such as use of renewable energy and shifting from diesel powered generators to solar power as well as gravity systems.

Further, NIA has distributed fruit tree nurseries that strategically contribute to an increase in carbon sinks of Greenhouse gases while at the same time providing key source of livelihood to community members.

NIA has also actively intervened in climate change adaptation measures such as rainwater harvesting for communal water pans encouraging pastoralists to embrace irrigated agriculture as a means to cushion them from effects of drought and household water harvesting programme.

Through collaborations with different stakeholders and from our donor partners, NIA envisages to build upon best irrigation practices from elsewhere in the world and focuses on contextualizing the issues with ground reality. Locally, NIA interacts with other government and private sector agencies to promote projects that seek to enrich biodiversity in and around its schemes and project areas. Further, the Authority ensures that irrigation development occurs on mutually agreeable locations key them considering ecosystem impacts of the irrigation activity. Project areas are also clearly marked to ensure there is no unnecessary loss of biodiversity in areas not covered by the project.

The Authority will act as responsible stewards in compliance with the applicable environmental laws and regulations. We will strive to improve our environmental performance over time and to initiate additional projects and activities that will further reduce our impacts on the environment.

iii) Employee welfare

The Authority is an ‘equal opportunity employer’ and thus committed to fair recruitment and selection practices underpinned by principles of merit, equity and its core values. It is therefore the policy of NIA to attract, retain and develop staff of the highest quality consistent with diversity principles in terms of gender, age, and national character; ensure fair and equitable treatment to its staff; and provide opportunities for professional growth and development.

The Authority is committed to continuous development and professional growth of its staff through a systematic and structured approach to training in order to attract and retain highly knowledgeable, skilled and competent employees who are productive, efficient and effective in service delivery. The Authority ensures that its employees build the requisite professional competence through a systematic process of continued learning and that they are fairly treated and appropriately rewarded within the constraints of its budgetary allocation.

The Authority has in place a Performance Management System in order to promote productivity and motivate employees for performance. The PMS contains strategies for setting performance targets, monitoring and evaluating achievements, identifying and solving performance gaps including requisite programs to support those with performance challenges.

The Authority has established a Performance Specific Rewards and Sanctions Framework, which establishes a basis for rewarding exemplary performance and administering sanctions for under-performance whilst motivating employees to have positive attitude towards work and for enhancing productivity in the Authority.

The Authority considers Health and Safety to be an integral part of responsible management. Therefore, the Authority is committed to the provision of a safe and healthy work place for all employees and stakeholders. The Authority has undertaken to inculcate a safety and health-oriented culture, which emphasizes attitude change and employee participation in establishing and observing safe working practices.

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The primary objectives of the Authority's safety policy are:

- (i) Ensure compliance with all legal and statutory obligations;
- (ii) Ensure quality employee health and safety at work;
- (iii) Educate employees on their roles and responsibilities and equip them with adequate knowledge and resources to carry out their duties;
- (iv) Implement and continuously improve Health and Safety performance in the Authority in accordance with appropriate health and safety standards;
- (v) Involve all the employees, customers, contractors, suppliers and other strategic partners in improving Health and Safety standards at the work place; and
- (vi) Ensure periodic audit in achieving Health and Safety objectives.

iv) Market place practices

a) Responsible competition practice.

National Irrigation Authority (NIA) promotes competitive procurement to the maximum extent practicable. The Authority maintains and continuously update lists of registered suppliers, contractors and consultants in various specific categories of goods, works or services according to its procurement needs. The selection of suppliers, contractors and consultants is done based on objective criteria such as quality, technical excellence, cost/price, schedule/delivery, services and maintenance of adequate sources of supply.

The standard tender documents used and issued by a procuring entity contains sufficient information to allow fairness, equitability, transparency, cost-effectiveness and competition among interested and participating tenderers. Specific requirements relating to the goods, works or services being procured are clear and give a correct and complete description of what is to be procured thus allow for fair and open competition among those who may wish to participate.

Due diligence is also conducted on firms to be awarded contracts prior to contract award to ensure that there is no a misrepresentation of facts in order to influence a procurement or disposal process and to assure of free and open competition.

NIA continually works with different government agencies and regulatory bodies that monitor assess and review the public procurement and asset disposal system to ensure that they respect the national values, enforce any standards developed, provide advice and technical support and to investigate and act on complaints received on procurement and asset disposal proceedings.

b) Responsible Supply chain and supplier relations

As stakeholders are becoming increasingly interested in business affairs, NIA continually ensures that, their partners conduct themselves in a socially responsible manner. This is done through sensitization on government procurement opportunities in the Authority's all schemes/stations to ensure that the public is aware of the available opportunities and how to participate for free, fair, transparent and competitive procurement process.

National Irrigation Authority (NIA) advertises its tenders in Government Advertising Agency's MY Gov publication distributed by local newspapers, Public Procurement Information Portal (PPIP), <https://tenders.go.ke/> and NIA's website, <https://irrigation.go.ke/tenders/> thus ensuring the interested tenderers have access to information and can freely seek clarifications through various channels of communication provided.

c) Responsible marketing and advertisement

National Irrigation Authority (NIA) is required to advertise the invitation to tender in Kenya's dedicated tenders portal or one or more English-language newspapers or other publications that, together, have sufficient circulation outside Kenya to allow effective competition for the procurement. This is done through Government Advertising Agency's MY Gov publication distributed by local newspapers, Public Procurement Information Portal (PPIP), <https://tenders.go.ke/> and NIA's website, <https://irrigation.go.ke/tenders/>

d) Product stewardship

National Irrigation Authority (NIA) conducts environmental impact assessment on all its projects prior to implementation to ensure that all projects are evaluated on their the economic, environmental and social impact thus promoting environmentally sound and sustainable development through the identification of appropriate alternatives and mitigation measures. NIA conduct public participation prior to commencement of mega projects to ensure that the public who are the ultimate users accept the project .The notice for public participation is usually conducted through Kenya gazette which is accessible to the public and opinions for the public is received, evaluated.

v) Corporate Social Responsibility/ Community Engagements

During the Financial Year 2022-2023, the Authority undertook the following CSR activities:

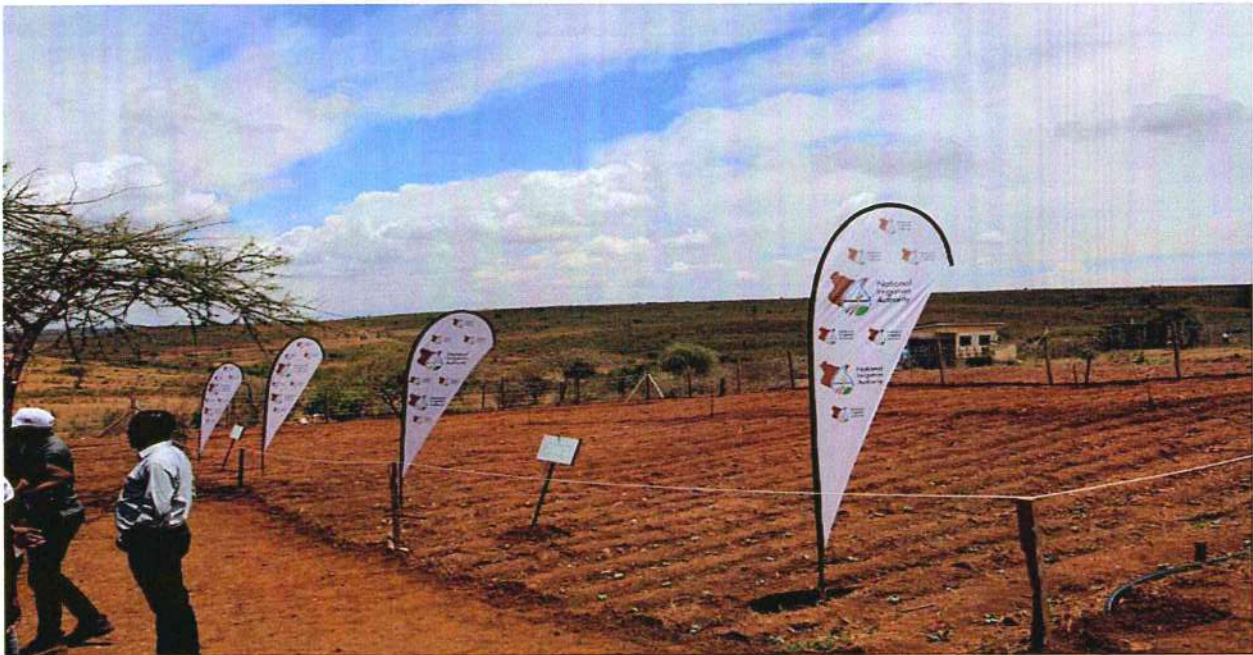
- i. Issued 20 irrigation pumps to farmers in Tana River County. The pumps helps the farmers pump water from the source to their farms with ease and contribute to increasing food production in the region as espoused in the Bottom up Economic Transformation Agenda (BeTA).





Issuance of irrigation pumps to Tana River County farmers donated by NIA

- ii. Put up a 0.5 acres demonstration farm at Lodokejek Primary School during the 2023 World Water Day celebrations on March 22, 2023. This farm has been benefiting the school directly by providing nutritious food as well as a learning ground on irrigated agriculture for the school and the community at large.



The Demo farm set up by NIA in Lodokejek, Samburu County



Water and Sanitation PS Dr. Paul Rono plants a tree at the Demo farm



Water and Sanitation PS Dr. Paul Rono unveils a plaque at the Demo farm



Students of Lodojek Primary school displays their first harvest from the demo farm

- iii. Distributed fruit tree seedlings to farmers across the Country for planting during the rainy seasons in an effort to increase forest and tree cover from 12% to 30% in compliance with the Presidential Directive of planting at least 15Billion trees by 2032. During the year, the Authority distributed **122,350** across the Country as shown below:

NO.	NAME OF SEEDLING	NO. OF SEEDLINGS	LOCATION
1.	Avocado	2,000	Lodojek Primary School: Samburu County
2.	Avocado	5,000	Meru County(through office of county Senator and Senate Deputy Speaker Hon. Kathuri Murungi
3.	Macadamia	3,000	Meru County(through office of county Senator and Senate Deputy Speaker Hon. Kathuri Murungi
4.	Avocado	10,000	Uasin Gishu
5.	Avocado	1,000	Nzau, Emali
6.	Avocado	5,000	Kirinyaga

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7.	Avocado	5,000	Thiba Dam
8.	Avocado	5,000	Kirinyaga East
1.	Avocado	5,000	Runyenjes Constituency
2.	Avocado	500	Mwea
3.	Avocado	2,500	Ndaragwa
4.	Avocado	5,000	Konoin Constituency
5.	Avocado	6,000	Gatundu South
6.	Mango	1,000	Lungalunga , Kwale
7.	Coconut	1,000	Galana Kulalu Model Farm
8.	Cashew nuts	1,000	Lungalunga , Kwale
9.	Cashew nuts	3,300	Tana River County
10.	Mango	1,000	Tana River County
11.	Mango	2,000	Hola
12.	Mango	1,000	Usueni, Mwingi
13.	Avocado	8,000	Nandi
14.	Avocado	2,000	Trans Nzoia
15.	Avocado	2,000	Nandi
16.	Avocado	2,000	Siaya
17.	Avocado	2,000	Homa Bay
18.	Avocado	8,000	Kisii
19.	Mango	2,000	Kisii
20.	Avocado	5,000	South Imenti
21.	Avocado	5,000	Maara Constituency
22.	Avocado	5,000	Githumu Highschool, Kandara
23.	Avocado	1,000	Kithangari Location, South Imenti
24.	Avocado	50	Marimanti
25.	Avocado	5,000	Mathira constituency
26.	Avocado	10,000	Murang'a
	TOTAL	122,350	



Loading of hass avocado fruit tree seedlings in MIAD center for distribution to farmers



The CEO Eng. Charles Muasya with Senior Managers during a tree planting exercise at Thiba Dam

Public Irrigation Schemes Corporate Social Responsibility / Community Engagements.

1. Western Kenya Irrigation Schemes

Western Kenya schemes comprises of; Ahero Irrigation Scheme – located in the Kano plains between Nandi escarpment and Nyabondo plateau. 30km off Kisumu-Nairobi road. West Kano Irrigation Scheme - located in the Kano plains between Nandi escarpment and Nyabondo plateau on the shore of Lake Victoria. 10km off Kisumu-Nairobi road. South West Kano Irrigation Scheme which emerged as an outgrower, community managed scheme which is gravity fed. Lower Kuja Irrigation Scheme – the scheme is located in Nyatike, Migori County. Several ongoing/upcoming schemes and projects distributed in the region. Western Kenya Rice Mills Ltd – a subsidiary company of NIA. Shareholding between rice farmers and NIA and Ahero Irrigation Research Station.

From 1969, two public scheme have been predominant in the region namely Ahero and West Kano Irrigation Schemes. The initial acreage under irrigation stood at 5,898 acres, but as the need for irrigation increases, NIA has expanded the area under irrigation in the region by additional 10,300 acres over the past 4 years. The total area installed and cropped now stands at 16,198 acres in Ahero, West Kano, and South west Kano and other expanded projects. Lower Kuja is designed to put 19,000 acres but the completed acreage is 3,700 acres, construction is ongoing for additional 5,000 acres.

The direct beneficiaries from expansion programs have moved from initial 1400 farmers to the current 11,800 farmers and created employment opportunities to over 80,000 people. Expansion activities have also enhanced food security, improved livelihoods with high economic returns, improved health care and increased industrial growth in the region given the private investment in production and value addition of rice.

Through the drilling of six boreholes over the year, the scheme was able to supply nearby villages with portable, clean water. Prior to this, the communities got their household water from irrigation canals and the Nyando River. Water-borne illnesses became more common as a result in the area. Infection rates have significantly decreased as a result of the boreholes' provision of clean water.

The Western Kenya Schemes are situated in the flood zone of the Kano Plains, and they were able to carry out flood control operations throughout the year. To accomplish this, drainage systems were installed in the local communities to transport runoff water during the rainy seasons.

Additionally, the schemes included constructing access roads to nearby schools. Grading the roads makes schools more accessible and gives pupils traveling to and from the schools' security.

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In the Nyanza region, the scheme has also contributed to the production and distribution of fruit tree seedlings. The communities' food security has increased as a result, and the communities have been able to increase their incomes.



Drilling of a borehole



An installed water tank



A water access point



An established tree nursery with seedlings ready for distribution

2. Tana Irrigation Scheme

Tana Irrigation Scheme is located in Tana River County. The scheme has 12,630 acres in total, out of which 5,000 acres is under active crop production. The scheme sources its water from Tana River, water is abstracted from the river through pumping. The pumping station located at Makere, with a capacity of 3 generators and 10 pumps. The scheme adopts a surface irrigation system for water conveyance.

The plan proved successful in helping the Kenya Forest Service convey irrigation water throughout the year to aid in the growth of tree seedlings. The seedlings are distributed by the Kenya Forest Service to the nearby villages, schools, and other institutions for planting. This allows the community to protect the environment, rehabilitate the River Tana's river banks, maintain the Tana ecosystem, and expand the area's tree cover.

The scheme also provided irrigation water to Rafiki Primary and Secondary Schools in the area for use in agricultural experiments. This allows the pupils to put what they have learned in class into practice.



A Kenya Forest Service official planting a tree with students.

3. Bura Irrigation Scheme

Bura Irrigation Scheme is located in Tana North Sub-County, Tana River County. The scheme has an irrigation potential of 25,000 acres but the acreage under active irrigation is 10,000 acres. The scheme abstracts its water from Tana River via pumping through diesel powered pumps that discharge water at 2.7m³/sec. The pumping station is located at Nanighi and has 3 generators powering 2 pumps.

The scheme was able to supply farmers in their villages and students in the schools with clean water for drinking and domestic use throughout the course of the year. Water distribution to farmers had a significant impact since it decreased the incidence of water-borne illnesses in the scheme area.

The scheme was able to provide the sub-county education office vehicles to help with the distribution of KCPE and KCSE exam papers to the primary and secondary schools.

4. Mwea Irrigation Scheme

Mwea Irrigation Scheme is located in Mwea East and West Sub-Counties, Kirinyaga County. The scheme gazette area is 30,350 acres while the irrigated area is 28,607 acres. 20,000 acres is in the main scheme area and 8,607 acres in Jua Kali and outgrowers. The scheme has a total of 11,244 farmers. The scheme uses gravity system to abstract water from Thiba and Nyamindi rivers. Thiba river has an average flow of $11.12\text{m}^3/\text{sec}$ and Nyamindi river has an average flow of $7.02\text{m}^3/\text{sec}$, both rivers have a combined flow of $18.14\text{m}^3/\text{sec}$. During peak season (September-October), the scheme's water requirement is $19.3\text{m}^3/\text{sec}$ but the available combine flow during the peak season is $8.45\text{m}^3/\text{sec}$ thereby giving a deficit of $10.8\text{m}^3/\text{sec}$.

The scheme distributed fruit tree seedlings to the community, including orange, mango, and avocado varieties. The community will benefit financially from the seedlings because, when the trees reach maturity, they will yield fruits that local farmers can sell.



ISO 9001:2015 Certified

Environmental Policy

National Irrigation Authority recognizes that Provision, coordination, development and management of irrigation services may result in disturbance to the environment in its areas of operation. We also aim at minimizing the negative environmental impact whilst enhancing environmental protection and conservation.

The Authority will act as a responsible steward in compliance with the applicable environmental laws and regulations. We will strive to improve our environmental performance over time and to initiate additional projects and activities that will further reduce our impacts on the environment.

Our Commitments

We will work to achieve the commitments by:

- We identify the potential environmental and ecological risks and impacts of our activities and initiate mitigation measures at the design stage.
- We strive to improve operational efficiency and monitor our water use, energy use and greenhouse gas and air emissions in efforts to promote the efficient use and conservation of natural resources.
- Provide appropriate environmental awareness training to staff and stakeholders
- Work collaboratively with our customers, suppliers, and the surrounding community on environmental issues
- We ensure that all our people, our customers and the general public can access our policy
- Where we do not have operational control, we encourage, support and work with our operating partners to the extent possible to act in a manner consistent with the commitments set out in this Policy.

National Irrigation Authority will make every effort to ensure continual improvement in environmental performance.

Signed.....

Date: 25/03/2024

Eng. Charles Muasya
Chief Executive Officer



ISO 9001:2015 Certified

Waste Management Policy Statement

National Irrigation Authority is committed minimize waste generation and promote re-use, recovery and recycling of waste to protect human health and the environment. To support this common goal, the Authority will:

- Contributing to sustainable use of natural resources, e.g. avoiding & reducing waste wherever possible
- Promotes adoption of best waste management practice that protect the environment and community
- Deploying technologies appropriate to prevailing conditions

We will work to achieve the commitments by:

- Implementation of Application of Service Delivery Innovations
- Awareness creation on behavior change on waste
- Participating in supporting any untapped opportunities on waste recycling initiatives
- Minimize the generation of waste, associated with our office-based activities.

We will make every effort to ensure that waste management policy is an integral part of National Irrigation Authority's performance.

Signed.....

Date: 25/03/2024.....

Eng. Charles Muasya
Chief Executive Officer

11. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2023 which show the state of the National Irrigation Authority's affairs.

i. Principal activities

The principal activity of the National Irrigation Authority is to provide water for sustainable farming through development, rehabilitation, modernization and promotion of Irrigation and drainage for improved livelihoods, food security and economic growth in Kenya. This is achieved through the Authority's vision of Water to every Irrigable Acre

ii. Results

The results of the National Irrigation Authority for the year ended June 30, 2023 are set out on pages 1 to 5.

iii. Directors

The members of the Board of Directors who served during the year are shown on page ix-xv in accordance with Irrigation Act 2019 of the Laws of Kenya. However, Mr. Victor Momanyi replaced Mr. Peter Waweru who joined the Board in June 2018 and retired in June 2022.

iv. Surplus remission

In accordance with Regulations 219(2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. National Irrigation Authority did not make any surplus during the year (FY 2022-2023 Kshs Nil) and hence no remittance to the Consolidated Fund

v. Auditors

The Auditor General is responsible for the statutory audit of the entity in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 and no Certified Public Accountants were nominated by the Auditor General to carry out the audit of the entity for the year/period ended June 30, 2023 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf..

By Order of the Board



.....
Jullyane Okello Awino

Corporation Secretary/Secretary to the Board

Date: 25/03/2024...

12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and the Irrigation Act 2019 require the Directors to prepare financial statements in respect of National Irrigation Authority, which give a true and fair view of the state of affairs of the National Irrigation Authority at the end of the financial year ended 30th June, 2023 and the operating results of National Irrigation Authority for the year ended 30th June, 2023. The Directors are also required to ensure that the Authority keeps proper accounting records which disclose with reasonable accuracy the financial position of National Irrigation Authority. The Directors are also responsible for safeguarding the assets of the Authority

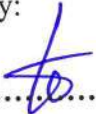
The Directors are responsible for the preparation and presentation of National Irrigation Authority financial statements, which give a true and fair view of the state of affairs of the Authority for and as at the end of the financial year ended 30th June, 2023. This responsibility includes: (i) maintaining 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 National Irrigation Authority; (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 National Irrigation Authority; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


The Directors accept responsibility for National Irrigation Authority'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 PFM Act, 2012 and the Irrigation Act Cap.347. The Directors are of the opinion that National Irrigation Authority's financial statements give a true and fair view of the state of the Authority's transactions during the financial year ended June 30, 2023, and of National Irrigation Authority's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for National Irrigation Authority, which have been relied upon in the preparation of the Authority's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

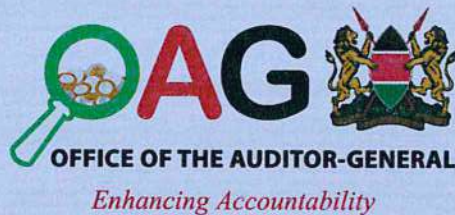
The entity's financial statements were approved by the Board on 25/03/2024 and signed on its behalf by:


.....
Chairman of the Board


.....
Chief Executive Officer

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL IRRIGATION AUTHORITY FOR THE YEAR ENDED 30 JUNE, 2023

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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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 National Irrigation Authority set out on pages 1 to 58 which comprise of the statement of financial position as at 30 June, 2023 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

Report of the Auditor-General on National Irrigation Authority for the year ended 30 June, 2023

other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Irrigation Authority as at 30 June, 2023 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 Irrigation Act, No 14 of 2019 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Receivables from Exchange Transactions

1.1 Un-Explained Provision for Bad Debts

The statement of financial position reflects receivables from exchange transactions balance of Kshs.228,036,890 as disclosed in Note 21 to the financial statements. This balance is net off Kshs.(458,232,831) specific provision for bad debts for the year under review. However, no individual debtor's summary report of the provision for bad and doubtful debts amounting to Kshs.458,232,831 was provided for audit.

1.2 Long Outstanding Receivables

Note 21(a) and (b) to the financial statements reflects trade and other receivables amounts of Kshs.1,293,877 and Kshs.182,577,581 respectively all totalling Kshs.183,871,458. Review of these receivables revealed that there was no movement for the year and the debts have been outstanding for several years and no demand notices were provided for audit casting doubt on their existence.

1.3 Outstanding Staff Receivables

Note 21(a) to the financial statements reflects staff imprests amounting to Kshs.1,968,631. Review of the outstanding imprest revealed that these imprest have not been surrendered for over one year with some being held by staff who have already left employment. It is not clear why the imprest were not recovered before the employees were cleared from employment casting doubts on their recoverability. Further, no debt collection policy was provided for audit casting doubt on any measures taken by Management to recover these long outstanding debts.

In the circumstances, the accuracy, completeness and full recoverability of the receivables from exchange transactions (long term) balance of Kshs.228,036,890 could not be confirmed.

2. Payables from Exchange Transactions

The statement of financial position reflects payables from exchange transactions balance of Kshs.3,042,271,913 whereas as Note 27 to the financial statements reflects Kshs.3,042,246,537 resulting to unreconciled variance of Kshs.25,376. Review of the payables revealed the following unsatisfactory matters;

2.1 Variances in Taxes Payables

Records provided for audit revealed that the Authority owes KRA Kshs.592,171,128. However, the payables from exchange transactions balance only reflects tax outstanding amount Kshs.31,324,491 resulting to an unexplained variance of Kshs.560,846,637.

Management indicated that they were to engage with KRA to ascertain the origin of the tax liability. However, minutes of these deliberations were not provided for audit.

2.2 Outstanding Trade Payables

Note 27 reflects opening trade payables balance of Kshs.1,274,256,534 and closing balance of Kshs.1,538,761,186 an indication that outstanding payables were not cleared during the year under review. Further, summary of significant accounting policies on payables indicate that the Authority writes back all credit balances which have been outstanding for over seven (7) years without demand notices from creditors or supplies. However, such write backs have not been provided for audit.

In the circumstances, the accuracy, completeness and full settlement of the payables from exchange transactions balance of Kshs.3,023,709,945 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management has not resolved the issues or given any

explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board requirements.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Delay in Completion of Projects

The statement of financial performance includes irrigation infrastructure development amount of Kshs.6,397,041,453 as disclosed in Note 18 to the financial statements. Review of the projects completion status revealed that, projects with a total contract amount of Kshs.3,180,588,929 out of which, payments of Kshs.765,489,880.98 were made to various contractors had not been completed as per their timelines. The reasons for their delay are documented as shown below;

1.1 Rehabilitation Works for Kalemunyang Irrigation Scheme

The rehabilitation Works for Kalemunyang Irrigation Scheme undertaken in Lobei-Kotaruk Ward, Loima Sub-county, was for a contract amount of Kshs.8,887,200 whose contract is dated 10 December, 2021. The rehabilitation works was scheduled to be completed on 10 December, 2022 and the status as at 30 June, 2023 was at 95% complete yet the project was not completed due to the contractor having failed to report to site due to cashflow challenges.

1.2 Construction Works for Lokapel Irrigation Scheme Project, Phase 1

The construction works of Lokapel Irrigation Scheme Project Phase 1 was undertaken in Katilu Ward, Turkana South, at a contract sum of Kshs.29,964,336 and whose contract was dated 8 April, 2022. The construction works was scheduled to end on 2 April, 2023 which was later revised to 4 November, 2024. The status as at 30 June, 2023 was at 25% and the project was delayed due to cashflows constraints.

1.3 Construction Works for Lokapel Irrigation Scheme Project, Phase 3

The construction works of Lokapel Irrigation Scheme Project Phase 3 undertaken in Katilu Ward, Turkana South, was for a contract amount of Kshs.29,946,803 whose contract is dated 9 May, 2022. The construction works was scheduled to end on 3 May, 2023 which was later revised to 5 December, 2024. The status as at 30 June, 2023 was at 20%

complete and the certificates paid amounted to Kshs.6,586,194. The project had delayed due to cashflows constraints.

1.4 Construction Works for Lower Sio Irrigation Project Busia County

Construction works of Lower Sio Irrigation Project was awarded to a local company at a contract sum of Kshs.216,463,548. The project commenced on 22 March, 2021 and was to be completed on 22 September, 2022 with a contract period of eighteen (18) months. However, as at 30 June, 2023, the project was at 35% complete and certificates amounting to Kshs.43,292,710 had been paid. The contract was further extended to 30 May, 2024.

1.5 Galana Model Farm Food Security Project

Construction works for the completion of Galana Model Farm Project Lot 1 and Lot 2 projects were awarded to an International Company at a contract sum of Kshs.131,221,044 and Kshs.665,702,575 respectively. The project commenced on 28 February, 2021 and was expected to be completed on 28 February, 2022 but was further extended to 30 June, 2023. However, as at 30 June, 2023, the projects were at 50% and 81% complete respectively while, certificates amounting to Kshs.54,000,000 and Kshs.292,370,993 respectively had been paid.

1.6 Kirinyaga Clusters Irrigation Projects

Construction works for Kirinyaga clusters was awarded on 28 May, 2021 at a contract sum of Kshs.208,133,887 with an expected completion date of 27 November, 2022. However, as at 30 June, 2023 the project was 74% complete and certificates amounting to Kshs.61,686,386 had been paid. The project was further extended to 27 July, 2024.

Physical inspection of the project in the month of August, 2023 revealed that the project had stalled and the contractor was not on site. Landslides had caused exposure of existing pipeline and training of IWUA committees and farmers on Operation & Maintenance and agribusiness had not been done.

1.7 Construction Works of Embu Cluster 1 Community Based Irrigation Project

Construction works for Embu Cluster I Irrigation Project was awarded to a limited company on 5 October, 2020 at a contract sum of Kshs.508,809,920 with an expected completion date of 5 April, 2022. However, as at 30 June, 2023 the project was 66% complete and it was further extended to 5 October, 2024. Physical inspection of the project revealed that the project had stalled and contractor was not on site and sedimentation chamber covers had been stolen. The intake was not easily accessible (access to the intake had not been acquired) and conveyance line of about one kilometer from the intake at the bridge was not joined or backfilled.

1.8 Construction Works of Mirira Irrigation Project

Construction works for Mirira Irrigation Project was awarded to a construction and equipment company on 28 August, 2020 at a contract sum of Kshs.544,469,765 with an

expected completion date of 16 November, 2022. However, as at 30 June, 2023 the project was 63% complete and certificates amounting to Kshs.165,447,647 had been paid. The project completion date was further extended to 26 December, 2024. However, the project had stalled due to cashflow challenges. Physical inspection at the intake at Sagana river revealed that the covers for the sedimentation chamber had not been fitted. In addition, there was silt in the weir body and the whole project had stalled.

1.9 Construction Works of Murang'a Cluster 1 Community Based Irrigation Project

Construction works of Murang'a Cluster 1 Community Based Irrigation Project was awarded to an engineering firm on 15 September, 2020 at a contract sum of Kshs.131,957,179 with an expected completion date of 15 March, 2022. However, as at 30 June, 2023 the project was 67% complete and certificates amounting to Kshs.61,755,959 had been paid. The project was further extended to 15 June, 2024. However, the project stalled due to cashflow challenges. Physical inspection of the project in August, 2023 revealed that the project had stalled and the contractor was not on site and hence timely completion of the project remained doubtful.

1.10 Yikitaa Irrigation Project, Makueni County

Construction works of Yikitaa Irrigation Project was awarded to a local company on 30 August, 2019 at a contract sum of Kshs.219,961,634 with an expected completion date of 10 December, 2021. However, as at 30 June, 2023 the project was 75% complete while certificates amounting to Kshs.66,870,652 had been paid. The project completion date was further extended to 31 December, 2024.

1.11 Construction of Household Irrigation Water Storage Projects

Physical inspection of household irrigation water storage projects carried out in the month of August, 2023 revealed the following unsatisfactory matters: -

- (i) Inspection of water pan No.100 of with a capacity 3,236m³ in Mutithi Ward, Mwea Constituency revealed that water pans did not have water and were not in use and Silt trap had collapsed. Fencing and tree planting around the water pans had not been done by households as at the time of field inspection contrary to the requirements and silt trap collapsed possibly due to poor workmanship.
- (ii) Inspection of water pan No. 28 with a capacity 1,892m³ and water pan No. 35 of with a capacity 1,909m³ Nyangati Ward, Mwea Constituency respectively revealed that no fencing and trees planted around the water pans by households as at the time of inspection in August, 2023 and the water pans had been done in an irrigation scheme instead of in a household.
- (iii) Construction works of household irrigation projects in Kaguku-Lembeni Ithanga, Gatanga Constituency, Muranga County. Physical inspection of the trapezoidal water pans revealed that; no fencing and trees had been planted around the water pans contrary to the requirements and some water pans had grown weeds making it difficult to fetch water.

In the circumstances, the objectives of the projects may not have been met and the intended beneficiaries may not have received value for money due to the delays in completion of the projects.

2. Payment of Acting Allowance Beyond Six Months

Note 13 to the financial statements reflects other allowances of Kshs.12,562,198. The amount includes Kshs.1,228,694 incurred on acting allowances paid to various officers who were appointed on acting capacity for a period exceeding six (6) months. As at the time of the audit, 4 (four) officer had not yet been confirmed. This was contrary to Human Resource Policies and Procedures Manual Section C (14)(1) which states that acting allowance will not be payable to an officer for more than six (6) months.

In the circumstances, Management was in breach of the policy guidelines.

3. Violation of a Third Rule on Salary Deductions

Analysis of the payroll for the twelve (12) months revealed that various employees received net pay which was below 1/3 of their basic pay contrary to Section 19 (3) of the Employment Act, 2007 and Public Service Human Resource Policies and Procedures Manual 2016 Section C.1(3) which states that public officers shall not over-commit their salaries beyond two thirds (2/3) of their basic salaries and Head of Human Resource Unit should ensure compliance.

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

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and 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 governance were not effective.

Basis for Conclusion

1. Lack of a Human Resource Plan

Review of human resource records revealed that during the year under review, the Authority did not have a Human Resource plan and an approved salary structure. It is therefore, not clear on what basis promotions, transfers and recruitments were undertaken during the year under audit.

In the circumstances, efficiency and effectiveness of the employees' management system in place could not be confirmed.

2. Under-Staffing in the Authority

The Authority's approved staff establishment allows for employment of a total five hundred and seventy eight (578) employees for the Authority to effectively carry out its duties and obligation as envisioned in the constitution of Kenya and the Irrigation Act, 2019. However, out of the approved establishment of five hundred and seventy-eight (578) employees, the Authority had only two hundred and fifty-eight (258) employees as at 30 June, 2023, leading to understaffing by three hundred and twenty (320) employees.

In the circumstances, optimal utilization of existing staff, and effective delivery of service to the public could not be confirmed.

Basis for Conclusion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 2330. The Standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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 overall governance.

In preparing the financial statements, Management is responsible for assessing the Authority's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Authority 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 Authority's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in

amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Authority'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 Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority'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 Authority to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Authority to express an opinion on the financial statements.
- Perform such other procedures, as I consider necessary in the circumstances.

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

I also provide 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.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 April, 2024

National Irrigation Authority
Annual Report and Financial Statements
For the year ended June 30, 2023.

14. Statement of Financial Performance for the Year Ended 30 June 2023


	NOTE	2022-2023	2021-2022
REVENUE FROM NON EXCHANGE TRANSACTIONS		KSH	KSH
Transfers from Other Government Entities	6	5,289,550,000	8,681,544,035
REVENUE FROM EXCHANGE TRANSACTIONS			
Rendering of services (O & M)	7	133,931,624	179,721,508
Sale of Goods	8	80,301,912	168,732,089
Rental revenues from facilities and Equipment	9	41,363,561	36,349,398
Finance Income	10	46,281,372	143,345,264
Other Income	11	13,862,455	26,004,395
TOTAL REVENUE		5,605,290,924	9,235,696,689
EXPENSES			
Use of Goods and Services	12	440,001,165	500,674,829
Employee Costs	13	366,248,312	348,081,849
Remuneration of Directors	14	6,599,371	6,175,730
Depreciation and Amortization	15	189,265,965	190,659,027
Repairs and Maintenance	16	77,691,240	148,605,944
Contracted Services	17	3,204,021	3,134,918
Irrigation Infrastructure Development	18	6,397,041,453	7,431,370,967
TOTAL EXPENSES		7,480,051,527	8,628,703,264
OTHER GAINS/(LOSS)			
Gain/(Loss) on disposal of assets	19	(15,332,473)	
Surplus/(Deficit) for the year		(1,890,093,076)	606,993,425


National Irrigation Authority
Annual Report and Financial Statements
For the year ended June 30, 2023.

15. Statement of Financial Position as at 30 June 2023

	NOTE	2022-2023	2021-2022
		KSH	KSH
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalent	20	1,004,132,664	2,001,818,774
Receivables from Exchange Transactions	21	228,036,890	263,137,383
Inventories	22	60,124,741	129,046,487
Total current assets		1,292,294,295	2,394,002,644
NON CURRENT ASSETS			
Property Plant and Equipment	23	35,750,981,606	34,618,211,628
Intangible Assets ICT	24	20,733,447	24,692,990
Investment Mortgage	25	204,384,730	202,449,295
Long-term Investments	26	27,950,000	27,950,000
Total non- current Assets		36,004,049,783	34,873,303,912
TOTAL ASSETS		37,296,344,078	37,267,306,557
LIABILITIES			
CURRENT LIABILITIES			
Payables From Exchange Transactions	27	3,023,709,945	2,027,277,811
Current Provision	28	17,984,037	-
TOTAL CURRENT LIABILITIES		3,041,693,982	2,027,277,811
NON CURRENT LIABILITIES			
TOTAL NON CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		3,041,693,982	2,027,277,811
NET ASSETS			
Retained Earnings	29	16,794,652,845	19,078,058,710
Revaluation Reserve	30	1,563,261,418	1,563,261,418
Capital Fund	31	694,921,649	725,625,149
JICA Fund	32	9,550,354,810	8,600,955,442
BADEA Grant	33	584,612,738	453,257,000
KUWAIT Fund	34	687,171,596	621,584,000
OFID Fund	35	571,145,277	395,935,000
Double Crop Grant	36	27,707,439	27,707,439
Bank of Leumi Israel	37	3,443,133,322	3,443,133,322
FIEM-Spanish Fund	38	337,689,002	330,511,266
TOTAL NET ASSETS		34,254,650,096	35,240,028,746
TOTAL NET ASSETS & LIABILITIES		37,296,344,078	37,267,306,557

Sign.....
 Eng. Charles Muasya
 Chief Executive Officer

Sign.....
 CPA. Jedidah N. Oduori
 NO.29724

Sign.....
 Eng. Gilbert Mutua Maluki
 Board Chairman

Date.....25/03/2024

Date.....25/03/2024

Date.....25/03/2024

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16. Statement of Changes in Net Assets for the Year Ended 30 June 2023

DESCRIPTION	RETAINED EARNINGS	REVALUATION RESERVE	CAPITAL FUND	JICA GRANT	BADEA GRANT	KUWAIT GRANT	OFID GRANT	LOAN CAPITAL	BANK OF LIJUMI ISRAEL	FIEM-SPANISH FUND	TOTAL
As At 1st July 2021	18,362,212,922	257,204,201	734,695,649	6,939,603,082	682,309,701	584,262,368	181,342,912	27,707,439	3,443,133,322	-	31,212,471,596
Additions During the Year	606,993,425	1,306,057,217	(9,070,500)	1,639,898,214	213,704,191	37,322,009	214,591,731			330,511,266	4,340,007,553
Adjustments	108,852,363			21,454,146	-442,756,892	-377	357				-312,450,403
As At 30th June 2022	19,078,058,710	1,563,261,418	725,625,149	8,600,955,442	453,257,000	621,584,000	395,935,000	27,707,439	3,443,133,322	330,511,266	35,240,028,746
As At 1st July 2022	19,078,058,710	1,563,261,418	725,625,149	8,600,955,442	453,257,000	621,584,000	395,935,000	27,707,439	3,443,133,322	330,511,266	35,240,028,746
Additions During the Year	(1,890,093,076)	-	(30,703,500)	949,399,368	131,355,738	65,587,596	175,210,277	-		7,177,736	(592,065,861)
Adjustments	(393,312,789)										(393,312,789)
As At 30th June 2023	16,794,652,845	1,563,261,418	694,921,649	9,550,354,810	584,612,738	687,171,596	571,145,277	27,707,439	3,443,133,322	337,689,002	34,254,650,096

Note:

- i) The Reserves are the cumulative surpluses of income over expenditure over time.
- ii) Development fund was established for future expansion of Irrigation infrastructure.
- iii) Capital fund represent initial capital provided by the Government to establish National Irrigation Authority, it is represented by land and buildings in the statement of financial position. Adjustments during the year refer to fertilizer that was donated to Bura Irrigation Scheme by Yara East Africa Ltd issued to farmers within the financial year.
- iv) JICA grants represent donor Funding for Mwea Irrigation Development project
- v) Badea, Kuwait and Ofid represent donor funding for development of Bura Gravity Irrigation Project 8.43%, 14.63% and 6.32% respectively. GOK carries the balance of 70.62%
- vi) Bank Of Lijumi Israel represent donor Funding by Israel Government for development of Galana Kulalu Food Security Project
- vii) FIEM-Spanish Fund represent donor Funding by Government of Spain for development of Rwabura Irrigation Development Project

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17. Statement of Cash Flows for the Year Ended 30 June 2023

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities		5,289,550,000	8,681,544,035
Rendering of services		133,931,624	179,721,508
Sale of goods		80,301,912	168,732,089
Rental revenue from facilities and equipment		41,363,561	36,349,398
Finance income		46,281,372	143,345,264
Other income		13,862,455	26,004,395
Total receipts		5,605,290,924	9,235,696,689
Payments			
Use of goods and services		440,001,165	500,674,829
Employee costs		366,248,312	348,081,849
Board Expenses		6,599,371	6,175,730
Repairs and maintenance		77,691,240	148,605,944
Contracted services		3,204,021	3,134,918
Irrigation Infrastructure Development		6,397,041,453	7,431,370,967
Total payments		7,290,785,562	8,438,044,237
Expensing of community projects from WIP		400,555,272	
Work in progress adjustments		482,286,522	960,618
Retained Earnings Adjustments		(393,312,789)	108,963,301
Increase/Decrease in Inventories		68,921,746	5,847,045
Increase/(Decrease) in Receivables from exchange transactions		35,100,493	-16,749,214
Increase/Decrease in Payables from exchange transactions		1,014,416,171	652,310,530
Net cash flows from/(used in) operating activities	39	(77,527,223)	1,548,984,732
Cash flows from investing activities			
Purchase of PPE and Intangible assets		(55,009,006)	(148,275,443)
Proceeds from sale of PPE		6,969,000	-
Work In Progress additions		(2,168,210,661)	(4,508,779,275)
Mortgage		(1,935,435)	(638,009)

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		2022-2023	2021-2022
	Notes	Kshs	Kshs
Net cash flows from/(used in) investing activities		(2,218,186,102)	(4,657,692,727)
Cash flows from financing activities			
Capital Fund		(30,703,500)	(9,070,500)
JICA Grants		949,399,368	1,639,898,214
BADEA Grant		131,355,738	213,704,191
KUWAIT Fund		65,587,596	37,322,009
OFID Fund		175,210,277	214,591,731
FIEM-Spanish Fund		7,177,736	330,511,266
Net cash flows from financing Activities		1,298,027,215	2,426,956,911
Net increase/(decrease) in cash & Cash equivalents		(997,686,110)	(681,751,084)
Cash and cash equivalents at 1 July 2022	20	2,001,818,774	2,683,569,858
Cash and cash equivalents at 30 June 2023	20	1,004,132,664	2,001,818,774

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18. Statement of Comparison of Budget and Actual Amounts for the Year Ended 30 June 2023

	Original Budget	Adjustment	Final Budget	Actual on Comparable Basis	Performance Difference	% of utilization
	2022-2023	2022-2023	2022-2023	2022-2023	2022-2023	
Revenue						
Government grants and subsidies	7,050,000,000	1,536,000,000	5,514,000,000	5,289,550,000	224,450,000	95.93
Rendering of services	126,650,000	-	126,650,000	133,931,624	-7,281,624	105.75
Sale of goods	80,150,000	-	80,150,000	80,301,912	-151,912	100.19
Rental revenues from facilities and Equipment	41,000,000	-	41,000,000	41,363,561	-363,561	100.89
Finance income	46,300,000	-	46,300,000	46,281,372	18,628	99.96
Other Income	13,900,000	-	13,900,000	14,248,983	-348,983	102.51
Total Income	7,358,000,000	1,536,000,000	5,822,000,000	5,605,677,452	216,322,548	96.28
Expenses						
Use of Goods and Services	455,860,700	-	455,860,700	455,720,166	140,534	99.97
Employee Costs	367,219,175	10,000,000	357,219,175	366,248,312	-9,029,137	102.53
Remuneration of Directors	6,698,800	-	6,698,800	6,599,371	99,429	98.52
Depreciation and Amortization				189,265,965		
Repairs and Maintenance	77,696,767	-	77,696,767	77,691,240	5,527	99.99
Contracted Services	3,254,558	-	3,254,558	3,204,021	50,537	98.45
Irrigation Infrastructure Development	6,447,270,000	1,526,000,000	4,921,270,000	6,397,041,453	-1,475,771,453	129.99
Total Expenditure	7,358,000,000	1,536,000,000	5,822,000,000	7,495,770,527	-1,673,770,527	128.75
Deficit For The Period	-			(1,890,093,076)		

The +29.99 for Irrigation Infrastructure Development is attributed to commitments made based on development printed estimates of Kshs.6,447,270,000 However, NIA experienced budget cuts as per supplementary estimates no.2 as per the adjustments column.

19. Notes to the Financial Statements

1. General Information

National Irrigation Authority is established and derives its authority and accountability from the irrigation Act cap 347.

National Irrigation Authority is wholly owned by the Government of Kenya and is domicile in Kenya. The principal activities is to promote, develop and improve irrigated agriculture to ensure food security in the country.

2. Statement Of Compliance And Basis Of Preparation

National Irrigation Authority adopted IPSAS in the year 2013-2014 following the gazzement of Public Sector Accounting Standards Board (PSASB), which was established by the Public Financial Management Act (PFM) No. 18 of 24th July 2012. PSASB issued financial reporting standards and guidelines to be adopted by all state organs and public sector entities, which National Irrigation Authority complies with. The Financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of National Irrigation Authority. The Financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, and International Public Sector Accounting Standards (IPSAS).

3. Adoption Of New And Revised Standards

IPSAS 39. The objective to issue IPSAS 39 was to relate convergence to changes in IAS 19 Employee benefits. The IPSASB needed to create convergence of IPSAS 25 to amendments done to IAS 19. The main objective is to ensure accurate information relating to pension liabilities arising from the defined benefit scheme by doing away with the corridor approach. The standard does not have any impact on the entity.

Standard	Effective date and impact:
IPSAS 40:	Applicable: 1st January 2019
Public Sector Combinations	The standard covers public sector combinations arising from exchange transactions in which case they are treated similarly with IFRS 3(applicable to acquisitions only). Business combinations and combinations arising from non-exchange transactions are covered purely under Public Sector combinations as amalgamations.

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Standard	Effective date and impact:
<p>Other Improvements to IPSAS</p>	<p>Applicable: 1st January 2021:</p> <p>a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks.</p> <p>b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment. Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved.</p> <p>c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets. Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets.</p> <p>d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs). Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard. The standard does not have any impact on the entity.</p>

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful</p>

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Standard	Effective date and impact:
	<p>information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p>The standard does not have any impact on the entity</p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity’s financial performance, financial position and cash flows. <p>The standard does not have any impact on the entity</p>

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Standard	Effective date and impact:
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued. d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued. <p>The standard does not have any impact on the entity</p>
<p>Other improvements to IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). • <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023. <p>The standard does not have any impact on the entity</p>

- i. *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.*

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Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>The standard does not have any impact on the entity</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>The standard does not have any impact on the entity</p>

ii. Early adoption of standards

National Irrigation Authority did not early – adopt any new or amended standards in the financial year.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a) Property Plant and Equipment

IPSAS 17

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.

The depreciation rates are as tabulated below	
Buildings	2%
Computers	33.33%
Furniture & Equipment	10 %
Irrigation works	None
Land	None
Motor vehicles ,Tractors & Heavy Equipment	20 %
Plant & Machinery	10 %
Intangible assets	10%
Depreciation is on straight line basis from the date an asset is acquired.	

b) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets for National Irrigation Authority are basically softwares and the ERP system. These have a finite useful life which is ten years with regular upgrades by Microsoft to new versions.

c) Inventories IPSAS12

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- Raw materials: purchase cost using the weighted average cost method
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

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 Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

e) Government grants

National Irrigation Authority being wholly owned by the Government of Kenya receives funding for both development grants and recurrent grants each year. The grants are recognized in the books when received. Development grants are utilized in capital projects and recurrent grants for staff costs and other recurrent expenditures.

f) Interest on loans

Interest on loans to the Authority is included as an expense as it accrues and is calculated on the principal amount of the loan outstanding. Currently National Irrigation Authority is not servicing any loan hence no interest on loans in the books of account.

g) Taxation

The National Irrigation Authority is exempted from Kenya Income Tax.

h) Investments

Long term investments are valued at cost. These are investment in shares held at Mwea Rice Mills Ltd and Western Kenya Rice Mills Ltd.

i) Receivables

Trade and other receivables are recognized at fair value less allowances for any uncollectible amounts. These are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end. The Authority does full provision for bad and doubtful debts for all debts that are over five years as we wait for approval for write off by The National Treasury.

j) Payables

Trade and other payables are non-interest bearing and are carried at amortized cost, which is measured at fair value of contractual value of the consideration to be paid in future in respect of goods and services supplied, whether billed to National Irrigation Authority or not, less any payments made to the supplier. The Authority writes back all credit balances, which have been outstanding for over seven years without demand notices from creditors/ suppliers.

k) Donor Funding

National Irrigation Authority receives grants in form of donor funds from bilateral and multilateral donors. The donor funds are either in form of donor revenue or donor A-in-A. Both donor revenue and donor A-in-A funds are recognized when received or settled respectively.

Donor Revenue

These are donor funds which are factored in the National budget and which the donor pays to the consolidated fund of the GOK and later the funds are transferred to the National Irrigation Authority to settlement various obligations as stipulated in the funding agreement.

Donor A-in-A

These are donor funds which are factored in the National budget and which the donor pays directly to the supplier of goods or services offered to National Irrigation Authority to as stipulated in the funding agreement.

l) Revenue recognition IPSAS 9

i. Revenue from non-exchange transactions

Transfers from the Government

Revenues from non-exchange transactions with Government are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

The revenues are in form of development and recurrent grants respectively.

ii. Revenue from exchange transactions

Rendering of services

National Irrigation Authority recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Board

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

m) Investment mortgage

The Board has an investment mortgage with Development bank of Kenya Ltd, whose aim is to assist staff access loans for assets acquisition at affordable rates.

n) Investment in Fixed Deposit

This relate to amounts invested in banks as short term deposits so as to earn interest within the year

The balances in the fixed deposit account is part of the bank balances reported in the financial statements under bank balances.

o) Contingent Liabilities

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

p) Subsequent Events

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

q) Budget Information IPSAS 24

The original budget for FY 2022-2023 was approved by the National Assembly on June 2022. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final

budget. Accordingly, the entity recorded additional appropriations in June 2022 on the 2022-2023 budget following the governing body's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 6 of these financial statements.

r) Operating Risk

National Irrigation Authority did not have any operating lease obligation during the year under review.

s) Related parties

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers. Except as disclosed in financial statements, no transactions involving management and others requiring disclosure in the financial statements have been entered into. The identity of and balances and transactions with related parties have been properly recorded and when appropriate, adequately disclosed in the financial statements.

t) Work in Progress and Retained earnings adjustments

National Irrigation Authority undertakes construction of irrigation infrastructure as one of its core activities. During the construction period all expenses related to the construction works are accumulated under work in progress. After completion the projects are handed over to the beneficiary community. The total cost of construction and related expenses are then adjusted against retained earnings to write them off from the books. This is due to the fact that they are not part of Authority's assets.

5. SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION CERTAINTY

The preparation of National Irrigation Authority financial statements in conformity with IPSAS requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. There were no significant judgements or assumptions that affected the entity.

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Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 28. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material

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6. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

	2022-2023	2021-2022	IPSAS 1
	KSH	KSH	
Development	5,053,550,000	8,435,544,035	
Recurrent	236,000,000	246,000,000	
Other grants			
Total Government Grants	5,289,550,000	8,681,544,035	

These are GOK grants for Development and recurrent expenditures received within the year under review

6. (b) TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES (MDAS)

Name of The Entity Sending The Grant	Amount recognized to Statement of Financial performance.	Amount deferred under deferred income.	Amount recognised in capital fund.	Total transfers (2022-2023)	2021-2022
				KShs	KShs
Ministry of Water & Irrigation	4,073,237,500	-	-	4,073,237,500	8,681,544,035
State Department Of Irrigation	1,216,312,500	-	-	1,216,312,500	-
Total	5,289,550,000	-	-	5,289,550,000	8,681,544,035

7. RENDERING OF SERVICES

	2022-2023	2021-2022	IPSAS 9
	KSH	KSH	
Operation and Maintenance Fee	133,931,624	179,721,508	
Total	133,931,624	179,721,508	

This refers to operation and maintenance fees charged to farmers for irrigation infrastructure maintenance.

8. SALE OF GOODS

	2022-2023	2021-2022	IPSAS 9
	KSH	KSH	
Paddy sales	73,956,258	55,221,493	
Farm Produce sales	3,441,791	3,527,317	
Disposal of scrap Income	2,831,588	-	
Sale of Water		719,450	
Electricity	6,000	2,000	

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Sale of Fertilizer			
Maize Income	66,275	109,261,830	
Total	80,301,912	168,732,089	

These are revenues generated from various non-core activities as shown above

9. RENTAL REVENUES FROM FACILITIES & EQUIPMENT

	2022-2023	2021-2022	
	KSH	KSH	
Rental Income	8,898,029	5,980,826	
Rent of Machinery	5,896,729	4,238,700	
Ground Rent	712,931	1,321,705	
Guest house Income	25,855,872	24,808,168	
Total	41,363,561	36,349,398	

These are revenues generated from hiring out of machinery and facilities like the guest house in Mwea Scheme and MIAD Centre.

10. FINANCE INCOME

	2022-2023	2021-2022	
	KSH	KSH	
Interest Income	46,281,372	143,345,264	

This is income generated from call deposit account.

11. OTHER INCOME

	2022-2023	2021-2022	IPSAS 9
	KSH	KSH	
Dividend Income			
Workshop Income		19,070	
Administration & Accountancy Fee	2,708,729	2,641,246	
Milling Income		23,430	
Other miscellaneous income	11,153,726	23,320,649	
Total	13,862,455	26,004,395	

These are revenues from miscellaneous sources, which are in most cases a one off revenue.

12. USE OF GOODS AND SERVICES

	2022-2023	2021-2022	IPSAS 1
	KSH	KSH	
Casual Wages	99,455,349	127,229,458	
Staff Training	7,573,625	7,335,509	
Staff Uniforms	126,936	274,215	
Printing and Stationery	7,360,657	7,724,863	
Bank Charges	1,714,860	1,969,233	
Rents & Rates	271,920	453,000	
Subscriptions and Periodicals	1,518,410	1,743,480	

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Advertising	5,225,373	5,392,343	
Telephone and Postages	18,960,617	20,046,203	
Internet charges	9,982,431	428,575	
Electricity Charges	5,036,482	41,844,124	
Water Charges	1,468,018	1,861,333	
Audit Fee	2,320,000	2,320,000	
Consultancies	3,261,003	9,029,716	
Travelling ,Meals & Accommodation	62,657,912	104,062,460	
Legal Fees	625,100	12,597,933	
Licenses	10,000	347,438	
Office Tea & Beverages	9,060,616	4,760,111	
Consumables	4,083,279	6,819,296	
Fuel, oils & Greases	36,939,860	16,445,882	
Agricultural expenses	111,342,086	45,960,685	
Hire of Equipment & Facilities	3,710,040	39,346,395	
Insurance	44,712,691	34,345,419	
Other expenses	2,583,900	8,337,158	
Total	440,001,165	500,674,829	

These are expenses incurred in the normal cause of business as outlined in the expenditure description

13. EMPLOYEE COST

	2022-2023	2021-2022	IPSAS 1
	KSH	KSH	
Salaries & Wages Basic	221,441,458	209,319,332	
Commuter Allowance	15,426,653	13,980,838	
Overtime Pay	1,528,432	2,040,481	
Leave Allowance	5,102,736	4,566,431	
Transfer Allowance		16,000	
N.S.S.F	2,393,501	638,400	
Medical Expenses	16,698,494	17,766,941	
Pension Employer	27,897,054	25,593,488	
House Allowance	57,910,331	53,741,968	
Gratuity	5,287,455	7,295,250	
Other Allowances	12,562,198	13,122,720	
Total	366,248,312	348,081,849	

These are costs related to employees in terms of salaries and allowances paid as part of the salary. Five (5) staff members are deployed at National Irrigation Authority but are assisting Mwea Rice Mills Limited.

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14. REMUNERATION OF DIRECTORS

	2022-2023	2021-2022	IPSAS 1
	KSH	KSH	
Directors Sitting Allowance	3,342,000	3,156,000	
Directors Mileage Allowance	348,050	306,323	
Directors Accommodation Allowance	1,437,800	1,729,000	
Directors Lunch Allowance	270,000	218,600	
Directors Medical Insurance	123,521	27,141	
Airtime Allowance	118,000	64,000	
Chairman's Honoraria	960,000	674,666	
Total	6,599,371	6,175,730	

These are payments relating to directors as they carry out official assignments

15. DEPRECIATION

	2022-2023	2021-2022	IPSAS 1
	KSH	KSH	
Buildings depreciation	17,952,961	14,562,281	
Plant & Machinery depreciation	86,171,530	91,682,977	
Tractors & Vehicles depreciation	69,134,559	70,604,019	
Furniture & Fittings depreciation	4,418,538	3,665,877	
Computers & Accessories	4,868,834	3,208,521	
Amortization	6,719,543	6,935,352	
Total	189,265,965	190,659,027	

These are depreciation expenses for each category of assets

16. REPAIRS AND MAINTENANCE

	2022-2023	2021-2022	
	KSH	KSH	
Irrigation Works -Canals & Roads Maintenance	11,417,662	49,120,458	
Motor Vehicles Maintenance	43,404,460	35,116,417	
Plant , Equipment & Machinery Maintenance	9,207,301	14,883,387	
Buildings Maintenance	5,042,846	35,649,942	
Computers & Accessories Maintenance	8,618,971	13,835,740	
Total	77,691,240	148,605,944	

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17. CONTRACTED SERVICE

	2022-2023	2021-2022	
	KSH	KSH	
Hire of Security Guards	3,204,021	2,852,654	
Security Services		282,264	
Total	3,204,021	3,134,918	

These expenses relate to outsourced security services from security firms.

18. IRRIGATION INFRASTRUCTURE DEVELOPMENT

	2022-2023	2021-2022	
	KSH	KSH	
Community Project expenses	6,397,041,453	7,431,370,967	

These are expenses incurred by the Authority in discharging its core activities of ensuring water is available to every irrigable acre.

19. GAIN/(LOSS) ON DISPOSAL OF ASSETS

	2022-2023	2021-2022	
	KSH	KSH	
Tractors & Motor Vehicles	386,528	-	
Tractors & Motor Vehicles	(2,457,918)	-	
Plant and Machinery	(13,261,083)	-	
Total	(15,332,473)	-	

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20. CASH AND CASH EQUIVALENTS

	2022-2023	2021-2022	
	KSH	KSH	
Cash Balances	970,049	500,058	
Bank Balances	1,003,162,615	2,001,318,716	
Total	1,004,132,664	2,001,818,774	

20. (a) Detailed Analysis of the Cash and Cash Equivalents

		2022-2023	2021-2022
FINANCIAL INSTITUTIONS	Account Number		
a) Current Account			
COOPERATIVE BANK			
COOPERATIVE BANK- NAIROBI BUSINESS CENTRE BRANCH			
Co-op Bank 217 Head Office	01136128012900	96,015,367	13,129,871
Co-op Bank Retention A/C Head Office	01136128012902	38,676,596	12,499,023
Cooperative Bank Recurrent A/C Head Office	01136128012901	2,616,028	21,934,550
COOPERATIVE BANK- SIAYA BRANCH			
Co-op Bank -Bunyala Irrigation Scheme	01141237592000	4,637,386	1,400
EQUITY BANK-KENYATTA AVENUE			
Equity bank-NIA Head Office	1290297813162	2,754,695	4,625,752
Equity Bank Galana Kulalu Food Sec. Project- H/O	1600280082813	20,525,658	22,284,084
EQUITY BANK –HOLA BRANCH			
Equity Bank- Tana Irrigation Scheme	0580295576683	5,166,095	726,352
Equity Bank-Bura Irrigation Scheme	0580293746943	1,677,243	20,774

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EQUITY BANK –THIKA BRANCH			
Equity Bank Eastern Regional Office	1600270952006	239,588	5,373,894
EQUITY BANK –MALINDI BRANCH			
Equity Bank Galana Kulalu Food Sec Project-Malindi	1600280082747	625,001	176,768
EQUITY BANK –MIGORI BRANCH			
Equity Bank-Lower Kuja Irrigation Dev. Project	1600280082704	30,294,742	33,426
ABSA BANK KENYA-QUEENSWAY BRANCH			
Absa Bank-Head Office Queensway House Branch	0945036826	62,246,369	86,124,690
ABSA BANK KENYA-KISUMU BRANCH			
Absa Bank Ahero Regional Office	0091010127	15,731	189,559
KENYA COMMERCIAL BANK			
KENYA COMMERCIAL BANK -HOLA BRANCH			
Kenya Commercial Bank- Tana Irrigation Scheme	1104605481	909,263	9,363,768
Kenya Commercial Bank- Bura Irrigation Scheme	1108161944	572,675	256,435
Kenya Commercial Bank- Bura Commercial Farm	1115111027	392	392
KENYA COMMERCIAL BANK-KISUMU BRANCH			
Kenya Commercial Bank Recurrent Ahero Irrigation Scheme	110828799	346,869	399,818
Kenya Commercial Bank Development Ahero Irrigation Scheme	1125402237	107,658	135,525
Kenya Commercial Bank Bunyala Irrigation Scheme	1125401931	19,385	75,995
KENYA COMMERCIAL BANK-MWEA BRANCH			
Kenya Commercial Bank Recurrent Miad	1103977776	2,276,683	1,609,352

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Kenya Commercial Bank Development Miad	1125550813	563,655	869,791
Kenya Commercial Bank Recurrent Mwea Irrigation Scheme	1103977458	7,728,583	11,284,578
Kenya Commercial Bank Development Mwea Irrigation Scheme	1125550775	36,186,774	6,657,334
Kenya Commercial Bank Miad Seed	1117094669	10,300,050	5,030,551
KENYA COMMERCIAL BANK-MARIGAT BRANCH			
Kenya Commercial Bank Recurrent Perkerra	1103663917	416,512	42,836
Kenya Commercial Bank Development Perkerra	1124921761	391,238	2,817
Kenya Commercial Bank ESP Perkerra	1124922237	935	33,558
KENYA COMMERCIAL BANK-LODWAR BRANCH			
Kenya Commercial Bank Katilu	1130948382	344,021	252,921
NCBA BANK			
NCBA HOUSE BRANCH			
NCBA Bank MIDP	1000584588/1797370158	4,899,293	5,308,413
NCBA Bank Western Regional Office	1797370145	4,509	6,115
NCBA Bank Kenya Water Security & Climate Res. Project	1004150167/1797370137	21,210,034	34,476,889
a) On- Call Deposits			
COOPERATIVE BANK- NAIROBI BUSINESS CENTRE BRANCH			
Co-op Bank –NIA Head Office	011501280012906/9	211,281,180	199,135,363
Co-op Bank–NIA Head Office	011501280012907/8	156,258,299	147,275,555
NCBA BANK			
NCBA House Branch	1797370014/70196	2,120,553	2,040,563
EQUITY BANK KENYATTA AVENUE			
Equity Bank-NIA Head Office (IVRCL)	1600380612492	281,733,555	1,409,940,005
SUB-TOTAL		1,003,162,615	2,001,318,716

b) Cash In Hand			
Cash in Hand Head Office		176,577	41,275
Cash in Hand Tana		52,751	74,699
Cash in Hand Ahero Reg		-	55
Cash in Hand Miad Seed		106,541	79,257

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Cash in Hand Mwea		131,550	195,454
Cash in Hand Perkerra		6,952	7,250
Cash In Hand Bura		5,159	41,774
Cash in Hand Lower Kuja		2,005	29
Cash in Hand Miad		12,443	2,187
Cash in Hand Katilu		17,108	30
Cash in Hand Bunyala		378	5,033
Cash in Hand Eastern Regional Office		23,976	23,976
Cash in Hand Western Regional Office		577	46
Cash in Hand Galana		8,117	721
Mpesa Account Mwea		146,803	28,273
Mpesa Account -Tana		279,100	
Mpesa Account-Bura		4	
Mpesa Account-Katilu		1	
Mpesa Account-Perkerra		2	
Mpesa Account-Bunyala		1	
Mpesa Account-Lower Kuja		4	
SUB-TOTAL		970,049	500,058
GRAND TOTAL		1,004,132,664	2,001,818,774

The bank balance amount refers to all monies held in all bank accounts of National Irrigation Authority. The cash balance refers to all monies held in cash form in all cash offices of National Irrigation Authority. Included in this figure is Ksh. 21,210,034 for Kenya Water Security and Climate Resilience Project.

21. RECEIVABLES FROM EXCHANGE TRANSACTIONS

a) Receivables From Exchange Transactions (Current)

			IPSAS 1
	2022-2023	2021-2022	
	KSH	KSH	
Staff Imprests	1,968,631	1,853,154	
Trade	6,296,206	55,061,324	
Farmers	348,262	145,749,238	
Others	1,293,877	9,660,058	
Total Current Receivables	9,906,976	212,323,774	

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b) Receivables From Exchange Transactions (Long-Term)

			IPSAS 1
	2022-2023	2021-2022	
	KSH	KSH	
Trade	98,192,980	67,124,287	
Farmers	395,592,185	260,821,973	
Others	182,577,581	181,100,180	
Provision for bad debts	-458,232,831	-458,232,831	
Total non-current receivables	218,129,915	50,813,609	
Total receivables (a+b)	228,036,890	263,137,383	

c) Ageing analysis for receivables from exchange transactions

			IPSAS 1
	2022-2023	2021-2022	
	KSH	KSH	
Less than 1 year	9,906,976	67,382,566	
Between 1-2 years	57,967,430	76,869,661	
Between 2-3 years	25,089,196	57,452,326	
Over 3 years	135,073,288	61,432,830	
TOTAL	228,036,890	263,137,383	

22. INVENTORIES

			IPSAS 12
	2022-2023	2021-2022	
	KSH	KSH	
General Store	16,513,352	12,284,279	
Workshop Store	21,924,139	32,980,554	
Input Store	14,172,281	56,896,381	
Paddy Store	7,162,158	26,440,253	
Farm Produce Store	352,810	445,020	
TOTAL	60,124,741	129,046,487	

These are the closing balances of inventories in various stores which include spares for motor vehicles, heavy equipment, maize, paddy stationery and other items for use by the Authority in discharge of its mandate.

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23. FIXED ASSETS MOVEMENT SCHEDULE AS AT 30 JUNE 2023

COST:	IPSAS 17										Total
	Irrigation Works & Sewerage	Freehold Land	Buildings	Plant Machinery	Computer	Furniture & Equipment	Tractors & Motor Vehicles	Work In Progress	Ksh		
COST 1 July 2021	3,663,964,073	1,189,586,063	149,438,263	1,104,709,674	84,173,502	84,461,879	987,048,433	23,156,618,537	30,420,000,424		
Additions	-	-	115,752,741	10,067,000	7,341,814	13,287,932		4,508,779,275	4,655,228,762		
Disposals	-	-							-		
Re-valuation		618,989,706	687,067,511						1,306,057,217		
Adjustment							(111,000)	(421,302,766)	(421,413,766)		
Write-off								(960,618)	(960,618)		
30th June 2022	3,663,964,073	1,808,575,769	952,258,515	1,114,776,674	91,515,316	97,749,811	986,937,433	27,243,134,428	35,958,912,019		
<u>DEPRECIATION:</u>											
1 July 2021	-								-		
Charge			63,904,261	302,323,802	81,147,355	70,527,179	639,074,180	-	1,156,976,777		
Disposal			14,562,281	91,682,977	3,208,521	3,665,877	70,604,019	-	183,723,675		
Adjustment									(62)		
30th June 2022			78,466,542	394,006,779	84,355,876	74,193,056	709,678,137	-	1,340,700,390		
COST 1st July 2022	3,663,964,073	1,808,575,769	952,258,515	1,114,776,674	91,515,316	97,749,811	986,937,433	27,243,134,428	35,958,912,019		
Additions	-	-	29,823,712	69,680	7,290,654	9,064,960	6,000,000	2,168,210,661	2,220,459,667		
Disposal				(18,495,000)			(7,318,900)		(25,813,900)		
Adjustment								(482,286,522)	(482,286,522)		
Expensing Off								(400,555,272)	(400,555,272)		
30th June 2023	3,663,964,073	1,808,575,769	982,082,227	1,096,351,354	98,805,970	106,814,771	985,618,533	28,528,503,295	37,270,715,992		
									-		

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<u>DEPRECIATI ON/AMORTIZ</u> :													
1 st July 2022	-	-	78,466,542	394,006,779	84,355,876	74,193,056	709,678,137	-	-	1,340,700,390			
Charge	-	-	17,952,961	86,171,530	4,868,834	4,418,538	69,134,559	-	-	182,546,422			
Adjustment													
Disposal				(2,038,917)			(1,473,510)			(3,512,427)			
30 th June 2023	-	-	96,419,503	478,139,392	89,224,710	78,611,594	777,339,186	-	-	1,519,734,385			
N.B. V 30 th June 2023	3,663,964,073	1,808,575,769	885,662,724	618,211,962	9,581,260	28,203,177	208,279,347	28,528,503,295	28,528,503,295	35,750,981,606			
N.B. V 30 th June 2022	3,663,964,073	1,808,575,769	873,791,973	720,769,895	7,159,439	23,556,755	277,259,296	27,243,134,428	27,243,134,428	34,618,211,628			

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Re-Valuation

Revaluation of buildings and land was carried out by Ministry of Lands and Physical Planning on 30 June 2021. The fixed assets register was updated on 1 July, 2021.

Work in progress refers to ongoing projects on irrigation infrastructure development which have not been handed over to the beneficiary community while assets handed over to the Authority are capitalized

23 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Irrigation Works& Sewerage	3,663,964,073	-	3,663,964,073
Land	1,808,575,769	-	1,808,575,769
Buildings	982,082,227	96,419,503	885,662,724
Plant And Machinery	1,096,351,354	478,139,392	618,211,962
Motor Vehicles, Including Motorcycles	985,618,533	777,339,186	208,279,347
Computers And Related Equipment	98,805,970	89,224,710	9,581,260
Office Equipment, Furniture, And Fittings	106,814,771	78,611,594	28,203,177
Total	8,742,212,697	1,519,734,385	7,222,478,311

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

Description	Cost or valuation	Normal annual depreciation charge
Plant and Machinery	410,115,558	41,011,556
Motor Vehicles including Motorcycles	166,120,735	33,224,147
Computers and Related Equipment	83,518,483	27,836,711
Office Equipment, Furniture and Fittings	63,732,219	6,373,222
Total	723,486,995	108,445,636

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24. INTAGIBLE ASSETS

	2022-2023	2021-2022
	KSH	KSH
Cost		
At beginning of the year	154,804,924	152,978,968
Additions	2,760,000	1,825,956
At end of the year	157,564,924	154,804,924
AMORTIZATION:		
At beginning of the year	130,111,935	123,176,583
Amortization	6,719,542	6,935,352
At end of the year	136,831,477	130,111,935
N.B.V	20,733,447	24,692,990

The intangible assets referred to in this note are the various softwares procured by National Irrigation Authority e.g. ERP system, fleet management system and GPRS systems.

25. INVESTMENT MORTGAGE

			IPSAS 30
	2022-2023	2021-2022	
	KSH	KSH	
Investment in Kenya Development Bank			
Balance B/F	202,449,295	201,811,286	
Interest for the period	1,935,435	638,009	
	204,384,730	202,449,295	

26. LONG TERM INVESTMENTS

	2022-2023	2021-2022	
	KSH	KSH	
Mwea Rice Mills Ltd. 55% shareholding 137,500 shares of Ksh 20 Par Value	2,750,000	2,750,000	

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Western Kenya Rice Mills Ltd 60% shareholding 252,000 shares of Ksh 100 Par Value	25,200,000	25,200,000	
	27,950,000	27,950,000	

27. PAYABLES FROM EXCHANGE TRANSACTIONS

			IPSAS 1	
	2022-2023	2021-2022		
	KSH	KSH		
Trade	1,538,761,186	1,274,256,534		
Contractors	1,391,667,781	531,423,251		
Consultants	39,233,735	139,503,836		
Gratuity Provision	-	10,681,622		
Others	54,047,243	71,412,568		
TOTAL	3,023,709,945	2,027,277,811		
Ageing analysis: (Trade and other payables)	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	1,663,040,470	55%	810,911,124	40%
1-2 years	1,058,298,481	35%	608,183,343	30%
2-3 years	211,659,696	7%	506,819,453	25%
Over 3 years	90,711,298	3%	101,363,891	5%
Total	3,023,709,945		2,027,277,811	

Payables from exchange transactions refer to obligations by National Irrigation Authority to various service providers as categorised above. Included in the figure of trade payables is **Ksh. 1,300,220,774** for Retention.

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28. CURRENT PROVISIONS

Description	Leave provision	Bonus provision	Gratuity Provision	Other Provision(Audit fees)	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance b/f	-	-	10,681,622	6,960,000	17,641,622
Additional provisions	-	-	5,287,455	2,320,000	7,607,455
Provision utilised	-	-	(4,945,040)	(2,320,000)	(7,265,040)
Total provisions year end	-	-	11,024,037	6,960,000	17,984,037

29. RETAINED EARNINGS

	2022-2023	2021-2022	IPSAS 1
	KSH	KSH	
Balance b/ f	19,078,058,710	18,362,212,922	
Excess/Deficit for the year	(1,890,093,076)	606,993,425	
Retained earnings adjustment	(393,312,789)	108,852,363	
Balance c/f	16,794,652,845	19,078,058,710	

The retained earnings refers to accumulated excess of revenue over expenditure. The adjustments in the retained earnings refer to prior period adjustments for revenues or expenditures not captured.

30. REVALUATION RESERVE

	2022-2023	2021-2022	
	KSH	KSH	
Balance brought forward	1,563,261,418	257,204,201	
Revaluation of Plant Machinery		-	
Revaluation of Tractors and Motor vehicles		-	
Revaluation of Land		618,989,706	
Revaluation of Buildings		687,067,511	
Balance C/Forward	1,563,261,418	1,563,261,418	

The revaluation reserve refers to revaluation gain on Land and Buildings carried out by the Ministry of Lands and Physical Planning.

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31. CAPITAL FUND

	2022-2023	2021-2022	
	KSH	KSH	
Balance brought forward	725,625,149	734,695,649	
Adjustments during the year	(30,703,500)	(9,070,500)	
Balance C/Forward	694,921,649	725,625,149	

The adjustments to capital fund during the year refers to fertilizer donated by Yara East Africa Ltd to Bura Irrigation Scheme issued out to farmers within the financial year.

32. JICA FUND

			IPAS 5
	2022-2023	2021-2022	
	KSH	KSH	
Balance b/f	8,600,955,442	6,939,603,082	
Received within the year	949,399,368	1,639,898,214	
Adjustments		21,454,146	
Balance c/f	9,550,354,810	8,600,955,442	

The cumulative amounts refer to Loans and Grants from the Government of Japan to the Kenya government for construction of Thiba dam. The amount is not captured as a loan in NIA's books since NIA is just an implementing agent and the loan is to the National Treasury.

33. BADEA FUND

			IPAS 5
	2022-2023	2021-2022	
	KSH	KSH	
Balance brought forward	453,257,000	682,309,701	
Received within the year	131,355,738	213,704,191	
Adjustments		(442,756,892)	
Balance C/Forward	584,612,738	453,257,000	

This is a loan to the Kenya Government from BADEA, for development of Bura Gravity System.

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34. KUWAIT FUND

			IPAS 5
	2022-2023	2021-2022	
	KSH	KSH	
Balance brought forward	621,584,000	584,262,368	
Received within the year	65,587,596	37,322,009	
Adjustments		(377)	
Balance C/Forward	687,171,596	621,584,000	

This is a loan to the Kenya Government from Kuwait Government, for development of Bura Gravity System.

35. OFID FUND

			IPAS 5
	2022-2023	2021-2022	
	KSH	KSH	
Balance brought forward	395,935,000	181,342,912	
Received within the year	175,210,277	214,591,731	
Adjustments		357	
Balance C/Forward	571,145,277	395,935,000	

This is a loan to the Kenya Government from Ofid, for development of Bura Gravity System.

36. DOUBLE CROP GRANT

			IPSAS 1
	2022-2023	2021-2022	
	KSH	KSH	
Kenya Government Grant in respect of Mwea	27,707,439	27,707,439	
	27,707,439	27,707,439	

The grant was for the double crop in Mwea Scheme which was irredeemable and interest free hence the amount remains constant.

37. BANK OF LEUMI ISRAEL

			IPAS 5
	2022-2023	2021-2022	
	KSH	KSH	
Balance brought forward	3,443,133,322	3,443,133,322	
Received within the year			
	3,443,133,322	3,443,133,322	

This is a loan from Israel Government for development of Galana Kulalu Food Security Project

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38. FIEM-SPANISH FUND

			IPAS 5
	2022-2023	2021-2022	
	KSH	KSH	
Balance brought forward	330,511,266	-	
Received within the year	7,177,736	330,511,266	
Balance C/Forward	337,689,002	330,511,266	

39. Cash Generated from Operations

		2022-2023	2021-2022
	NOTES	KSH	KSH
Surplus for the year		(1,890,093,076)	606,993,425
Adjustments of items not involving movement of Funds			
Depreciation	15	189,265,965	190,659,027
Expensing of community projects from WIP	25	400,555,272	
Work in progress adjustments	25	482,286,522.11	960,618
Retained Earnings Adjustments	29	(393,312,789)	108,963,301
Loss on disposal of fixed assets	19	15,332,473	
Operating Profit before working capital changes		(1,195,965,633)	907,576,371
Working Capital Changes			
Increase/Decrease in Inventories	22	68,921,746	5,847,045
Increase/(Decrease) in Receivables from exchange transactions	21	35,100,493	(16,749,214)
Increase/Decrease in Payables from exchange transactions	28	1,014,416,171	652,310,530
Net Cash flows from operating Activities		(77,527,223)	1,548,984,732
Investing Activities			
Net change on Fixed Assets Total			
Purchase of Fixed Assets	23	(55,009,006)	(148,275,443)
Proceeds from disposal		6,969,000	-
Work In Progress additions	25	(2,168,210,661)	(4,508,779,275)
Mortgage	26	(1,935,435)	(638,009)
Net cash used in investing activities		(2,218,186,102)	(4,657,692,727)
Financing Activities			
Capital Fund	31	(30,703,500)	(9,070,500)
JICA Grants	32	949,399,368	1,639,898,214
BADEA Grant	33	131,355,738	213,704,191
KUWAIT Fund	34	65,587,596	37,322,009
OFID Fund	35	175,210,277	214,591,731
FIEM-Spanish Fund	38	7,177,736	330,511,266
Net cash flows from financing activities		1,298,027,215	2,426,956,911

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Net Increase/(Decrease) in Cash		(997,686,110)	(681,751,084)
Cash & Cash Equivalent at the beginning of the Year	20	2,001,818,774	2,683,569,858
Cash & Cash Equivalent at the end of the year	20	1,004,132,664	2,001,818,774

40. FINANCIAL RISK MANAGEMENT

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

The entity's financial risk management objectives and policies are detailed below:

1. Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount	Fully performing	Past due	Impaired
At 30 June 2023	Ksh		Ksh	Ksh
Receivables from exchange transactions	1,144,502,552	228,036,890	458,232,831	458,232,831
Receivables from non-exchange transactions				

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Bank balances	1,003,119,833	1,003,119,833		
Total	2,069,795,330	1,231,090,637	458,232,831	458,232,831
At 30 June 2022	-	-		
Receivables from exchange transactions	721,370,214	263,137,383	458,232,831	458,232,831
Receivables from non exchange transactions				
Bank balances	2,001,387,426	2,001,387,426		
Total	2,722,757,640	2,264,524,809	458,232,831	458,232,831

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The entity has significant concentration of credit risk on amounts due from farmers

The board of directors sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

2. Liquidity Risk management

Ultimate responsibility for liquidity risk management rests with the entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the company under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	KSh	KSh	KSh	KSh
At 30 June 2023				
Trade payables	1,662,151,205	1,057,732,585	321,810,192	3,041,693,982

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Total	1,662,151,205	1,057,732,585	321,810,192	3,041,693,982
At 30 June 2022				
Trade payables	1,232,337,154	522,420,573	272,520,084	2,027,277,811
Total	1,232,337,154	522,420,573	272,520,084	2,027,277,811

3. Market Risk

The board has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The company's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day to day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

a) **Foreign currency risk**

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

The entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments. During the year there were no foreign exchange risks.

Foreign currency sensitivity analysis

The following table demonstrates the effect on the company's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant. During the year NIA did not operate in foreign currency.

b) Interest rate risk

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The company's interest rate risk arises from bank deposits. This exposes the company to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the company's deposits. During the year NIA was not exposed to interest rate risk

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Sensitivity analysis

The entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of KSh A rate increase/decrease of 5% would result in a decrease/increase in profit before tax.

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value

Determination of fair value and fair values hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the entity's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The entity considers relevant and observable market prices in its valuations where possible.

Fair value of financial assets and liabilities

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a) Financial instruments measured at fair value (Continued)

The following table shows an analysis of non- financial instruments recorded at fair value by level of the fair value hierarchy:

At 30 June 2023			
	Level 1 KSh	Level 2 KSh	
Non- financial Assets			
Investment property	27,950,000.00	27,950,000.00	
Land and buildings	2,694,238,493	2,694,238,493	
At 30 June 2022			
Non- financial Assets			
Investment property	27,950,000.00	27,950,000.00	
Land and buildings	2,630,230,458	2,630,230,458	

There were no transfers between levels 1, 2 and 3 during the year.

Fair value of financial assets and liabilities

a) Financial instruments not measured at fair value (Continued)

Disclosures of fair values of financial instruments not measured at fair value have not been made as the carrying amounts are a reasonable approximation of their fair values.

4. Capital Risk Management

	2022-2023	2021-2022	
	KSh	KSh	
Revaluation reserve	1,563,261,418	1,563,261,418	
Retained earnings	16,794,652,845	19,078,058,710	
Capital reserve	694,921,649	725,625,149	
Total funds	19,052,835,912	21,366,945,277	
Total borrowings		-	
Less: cash and bank balances	(1,004,132,664)	(2,001,818,774)	
Net debt/(excess cash and cash equivalents)	18,048,703,248	19,365,126,503	
Gearing			

41. RELATED PARTY BALANCES

IPSAS 20

a) Nature of related party relationship

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers
The entity is related to:

- i) National Government
- ii) Ministry of Water & Irrigation
- iii) Board members
- iv) Key Management

b) Transactions with related parties

	2022-2023	2021-2022	
	KSH	KSH	
Transfers from Ministry of Water & Irrigation parties	5,289,550,000	8,681,544,035	
Net Balance	5,289,550,000	8,681,544,035	

c) Key Management remuneration

	2022-2023	2021-2022	
	KSH	KSH	
Directors	6,599,371	6,175,730	
Key Management remuneration			
Net Balance	6,599,371	6,175,730	

42. CONTINGENT LIABILITY

The Authority entered into lease of land however, the Authority has contested the agreement since it was unfavourable. The liability has not been recognized in the books till the matter is settled. NIA has since written to the parent Ministry requesting for the reconsideration of the lease agreement as the implementation of the project, NIA was to develop the irrigation infrastructure and hand over to Agricultural Development Corporation for production.

43. EVENTS AFTER REPORTING PERIOD

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

44. ULTIMATE AND HOLDING ENTITY

National Irrigation Authority is a State Corporation under the Ministry of Water, sanitation and Irrigation. Its ultimate parent is the Government of Kenya.

45. CURRENCY

The financial statements are presented in Kenya Shillings (Kshs).

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20. Appendices

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

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

Basis for Qualified Opinion				
Reference No. on the external audit Report	Issue /Observations from Auditor	Management Comments	Status	Timeframe
1.	Receivables from Exchange Transactions			
1.1	Long Outstanding Receivables The statement of financial position as at 30 June, 2022 reflects receivables from exchange transactions totaling Kshs.263,137,383 as disclosed in Note 20 to the financial statements. This balance is net of Kshs.458,232,831 specific provision for bad debts for the year under review. A review of the debtors' ledger reflects debts that have been outstanding for over six (6) years. However, no recoveries were made in the year under review casting doubt on their recoverability. Further, the basis for the provision for bad and doubtful of Kshs.458,232,831 for several years was not	The figure of Kshs 458,232,831 relates to debts owed by farmers dating back to 1998. These are debts which farmers in the schemes defaulted payment after skirmishes. The management prepared a board paper to the board based on the facts seeking write off which was approved and later through the Cabinet Secretary Parent Ministry sort the approval for the write off of these historical debts as per the requirement of the Public Finance Management Act, (No.18 of 2012) SPECIAL ISSUE 209, Kenya Gazette Supplement No.32 20th March, 2015	Not Resolved	FY 2023-2024

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	<p>provided for audit. In addition, no evidence of any measures taken by Management to recover or increase the provision for these long outstanding debts was provided for audit. In the circumstances, the accuracy and full recoverability of the receivables balance of Kshs.263, 137,383 as at 30 June, 2022 could not be confirmed.</p>	<p>(Legislative Supplement No. 17) LEGAL NOTICE NO. 34, section 148.</p>		
<p>1.2</p>	<p>Unsupported Other Trade debtors Included in the receivables from exchange transactions balance of Kshs. 263,137,383 is trade debtors of Kshs. 122,1185,611 as disclosed in Note 20 to the financial statements, which includes other trade debtors totaling to Kshs. 11,036,612. However, the breakdown of these other trade debtors was not provided for audit. In the circumstances, the accuracy and completeness of the receivables balance of Kshs.263, 137,383 as at 30 June, 2022 could not be confirmed.</p>	<p>The figure of Kshs.11,036,612 refers to a historical figure without a breakdown and it is among the debts to be written off.</p>	<p>Not Resolved</p>	<p>FY 2023-2024</p>
<p>2</p>	<p>Payables from Exchange Transactions</p>			
<p>2.1</p>	<p>Long Outstanding Payables from Exchange Transactions The statement of financial position reflects payables from exchange transactions totaling Kshs.2,027,277,811 as disclosed in Note 27 to the financial statements. This payables amount includes Kshs. 151,360,046 and Kshs. 1,122,896,486 which relates to trade payables</p>	<p>The Authority's cut off period is 30th June of each financial year. During this year the Authority received the exchequer on 30th June. Thus due to the cut off period the liabilities could not be cleared on this very day. Hence they were differed to the following financial year.</p>	<p>Not Resolved</p>	<p>FY 2023-2024</p>

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<p>3.1</p>	<p>and retention amount respectively. However, review of the supporting schedule revealed trade payables have been outstanding for more than two (2) years casting doubt on their existence Management has not explained why the payables have remained unpaid. In the circumstances, the accuracy and completeness of the trade payables balance of Kshs. 151,360,046 could not be confirmed.</p>																																																						
<p>3.1</p>	<p>Property, Plant and Equipment Lack of Ownership Documents for Land The statement of financial position reflect property, plant and equipment balance of Kshs.7,375,077,200 which includes freehold land with a book value of Kshs. 1,808,575,769 as disclosed in Note 22 to the financial statements. The balance however, this balance excludes seven (7) parcels of trust land for various schemes totaling 75,509 acres, as detailed below.</p> <table border="1" data-bbox="1070 1272 1417 1899"> <thead> <tr> <th>Scheme</th> <th>County</th> <th>Size (Acres)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Mwea</td> <td>Kirinyaga</td> <td>30,350</td> </tr> <tr> <td>2</td> <td>Bura</td> <td>Tana River</td> <td>16,750</td> </tr> <tr> <td>3</td> <td>Tana</td> <td>Tana River</td> <td>12,000</td> </tr> <tr> <td>4</td> <td>Perkerra</td> <td>Baringo</td> <td>5,875</td> </tr> <tr> <td>5</td> <td>Ahero</td> <td>Kisumu</td> <td>4,350</td> </tr> <tr> <td>6</td> <td>West Kano</td> <td>Kisumu</td> <td>4,450</td> </tr> <tr> <td>7</td> <td>Bunyala</td> <td>Busia / Siaya</td> <td>1,734</td> </tr> <tr> <td></td> <td>Total</td> <td></td> <td>75,509</td> </tr> </tbody> </table>	Scheme	County	Size (Acres)	1	Mwea	Kirinyaga	30,350	2	Bura	Tana River	16,750	3	Tana	Tana River	12,000	4	Perkerra	Baringo	5,875	5	Ahero	Kisumu	4,350	6	West Kano	Kisumu	4,450	7	Bunyala	Busia / Siaya	1,734		Total		75,509	<p>It is true that the property plant and equipment excludes the value of land in the seven Irrigation Schemes. This is because NIA holds in trust the said land through gazette notices. The land includes farmlands which are being cultivated by the Scheme farmers, the land where public utilities such as schools and hospitals are located and the land where NIA's offices and facilities are located. The land is omitted from the fixed asset register as the Authority does not have the title deeds.</p> <p>The Acreage of land in every scheme:</p> <table border="1" data-bbox="1107 618 1449 1272"> <thead> <tr> <th>Scheme</th> <th>Area in Acres</th> </tr> </thead> <tbody> <tr> <td>Ahero</td> <td>4,350</td> </tr> <tr> <td>Bunyala</td> <td>1,734</td> </tr> <tr> <td>Bura</td> <td>16,750</td> </tr> <tr> <td>Hola/Tana</td> <td>12,000</td> </tr> <tr> <td>Perkerra</td> <td>5,875</td> </tr> <tr> <td>Mwea</td> <td>30,350</td> </tr> <tr> <td>West Kano</td> <td>4,450</td> </tr> </tbody> </table>	Scheme	Area in Acres	Ahero	4,350	Bunyala	1,734	Bura	16,750	Hola/Tana	12,000	Perkerra	5,875	Mwea	30,350	West Kano	4,450	<p>Not Resolved</p>	<p>FY 2023-2024</p>
Scheme	County	Size (Acres)																																																					
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	<p>The National Land Commission requested the Authority on 24 January, 2018 to provide the Commission with an approved survey plan for the schemes to enable processing of ownership documents. The Management was however, yet to provide to the Commission with the approved survey plan for the Schemes. In the circumstances, the completeness, accuracy and ownership of the freed hold land of Kshs.1,808,575,769 could not be confirmed.</p>	<p>Total 75,509</p> <p>Below are the gazette notices that set apart the scheme land.</p> <table border="1"> <thead> <tr> <th data-bbox="386 645 497 1288">NO</th> <th data-bbox="497 645 657 1288">SCHEME</th> <th data-bbox="657 645 769 1288">LEGAL STATUS</th> <th data-bbox="769 645 1455 1288">Documents</th> </tr> </thead> <tbody> <tr> <td data-bbox="497 1048 657 1288">1.</td> <td data-bbox="497 1048 657 1288">Ahero</td> <td data-bbox="657 1048 769 1288">Gazetted</td> <td data-bbox="769 1048 1455 1288">Set Apart through Gazette Notice No. 2163 of 1968</td> </tr> <tr> <td data-bbox="497 846 657 1048">2.</td> <td data-bbox="497 846 657 1048">Bunyala</td> <td data-bbox="657 846 769 1048">Community land</td> <td data-bbox="769 846 1455 1048"></td> </tr> <tr> <td data-bbox="497 645 657 846">3.</td> <td data-bbox="497 645 657 846">Bura</td> <td data-bbox="657 645 769 846">Gazetted</td> <td data-bbox="769 645 1455 846">Set Apart through Gazette Notice No. 2480 of 1985</td> </tr> <tr> <td data-bbox="497 510 657 645">4.</td> <td data-bbox="497 510 657 645">Tana</td> <td data-bbox="657 510 769 645">Gazetted</td> <td data-bbox="769 510 1455 645">Set Apart through Legal Notice No. 274 of 1963</td> </tr> <tr> <td data-bbox="497 398 657 510">5.</td> <td data-bbox="497 398 657 510">Perkerra</td> <td data-bbox="657 398 769 510">Gazetted</td> <td data-bbox="769 398 1455 510">Set Apart through Gazette Notice No. 4643 of 1959</td> </tr> <tr> <td data-bbox="497 318 657 398">6.</td> <td data-bbox="497 318 657 398">Mwea</td> <td data-bbox="657 318 769 398">Gazetted</td> <td data-bbox="769 318 1455 398">Set Apart through Gazette Notices Nos. 3090, 3093, 3094, 3095, 3096, 3097, 3098, 3099,</td> </tr> </tbody> </table>	NO	SCHEME	LEGAL STATUS	Documents	1.	Ahero	Gazetted	Set Apart through Gazette Notice No. 2163 of 1968	2.	Bunyala	Community land		3.	Bura	Gazetted	Set Apart through Gazette Notice No. 2480 of 1985	4.	Tana	Gazetted	Set Apart through Legal Notice No. 274 of 1963	5.	Perkerra	Gazetted	Set Apart through Gazette Notice No. 4643 of 1959	6.	Mwea	Gazetted	Set Apart through Gazette Notices Nos. 3090, 3093, 3094, 3095, 3096, 3097, 3098, 3099,
NO	SCHEME	LEGAL STATUS	Documents																											
1.	Ahero	Gazetted	Set Apart through Gazette Notice No. 2163 of 1968																											
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4	<p>Undisclosed Liability on Leased Land for Galana Kulalu As previously reported, the statement of financial position reflects payables from exchange transactions of Kshs.2,027,277,811 as disclosed in Note 27 to the financial statements. The Authority entered into a Land lease agreement with Agricultural Development Corporation (ADC) on 7 April, 2014, to lease 20,000 acres of land under the Galana Kulalu Irrigation Project, at a total cost of Kshs.480,000,000. Review of records provided for audit revealed that the Authority made an initial payment of Kshs.150,000,000 to the Corporation. The balance of unpaid rent of Kshs.330,000,000 was however, not recognized as a liability in the financial statements. Further, Note 40 to the financial statements, disclosed that the Authority did not recognize the liability but contested the terms of the</p>	<table border="1"> <tr> <td data-bbox="256 1184 416 1274">7.</td> <td data-bbox="416 1184 541 1274">West Kano</td> <td data-bbox="541 1184 687 1274">Gazetted</td> <td data-bbox="256 826 416 1184">3100, 3101, 3102, 3103 of 1960</td> <td data-bbox="416 826 541 1184">Set apart through Gazette Notice No 922 of 1976</td> </tr> </table>	7.	West Kano	Gazetted	3100, 3101, 3102, 3103 of 1960	Set apart through Gazette Notice No 922 of 1976		FY 2023-2024
7.	West Kano	Gazetted	3100, 3101, 3102, 3103 of 1960	Set apart through Gazette Notice No 922 of 1976					
		<p>The Authority's initial responsibility was to develop the Irrigation infrastructure and hand over the land back to ADC for production. Discussions are therefore, ongoing between NIA, ADC, as well as the parent ministry to intervene and possibly negotiate with the Ministry of Agriculture under which ADC is domiciled for the waiver of the lease amount. This is still ongoing and if well concluded, the amount will be waived for the period not utilized. NIA has developed infrastructure on ADC land to enhance production. The infrastructure as per the project concept was to be taken over by ADC for production. It is for this reason that NIA is opined not to continue paying for the lease. Further to this, the Attorney General gave an advisory opinion that requested government to waive the unjustifiable debt.</p>			Not Resolved				

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	<p>Lease Agreement as unfavourable, and wrote to the parent Ministry requesting for reconsideration of the terms of the lease agreement. The Authority argued that the project entailed development of the irrigation infrastructure, and thereafter handing it over to the Corporation. The Management however, indicated that, since the land belongs to the Agricultural Development Corporation and the Authority was only developing infrastructure to hand them over to the Corporation for production, the Authority was not justified to pay for the lease.</p> <p>In addition, the Agricultural Development Corporation disclosed an un-accrued debtor of Kshs. 273.6 million under Note 34 to its financial statements. The amount relates to the stopped lease executed for Galana Kulalu Food Security Project since some of the lessees went to court to protest the leases. The ADC management considered it not prudent to continue accruing revenue from these leases until the uncertainties were resolved. However, the amount disclosed by ADC of Kshs. 273.6 million varies with the amount recognized by the Authority of Kshs. 330 million by an unexplained difference of Kshs. 56,400,000.</p> <p>In the circumstances, the accuracy and completeness of payables balance of Kshs. 2,027,277,811 could not be confirmed.</p>		
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5	<p>Outstanding Work-in-Progress The statement of financial position and Note 24 to the financial statements reflects work-in-progress balance of Kshs. 27,243,134,428. However, review of the schedule supporting the work in progress revealed opening work in progress of Kshs. 23,156,618,537, additions for the year of Kshs.4,508,779,275 and nil capitalization from work in progress to assets, an indication that no project was completed during the year under review. Further, some of the projects reflected as part of work-in progress are over one year old. The long outstanding work-in-progress may become obsolete resulting to impairment and misstatements of the financial statements. In the circumstances, the accuracy and completeness of the work in progress of Kshs. 27,243,134,428 as at 30 June, 2022 could not be confirmed.</p>	<p>The figure of Kshs. 27,243,134,428 which refers to work in progress could not be capitalized as at 30 June 2022 since the respective projects had not been completed</p>	Not Resolved	FY 2023-2024
REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES				
Reference No. on the external audit Report	Issue /Observations from Auditor	Management Comments	Status	Timeframe

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1.	Delayed Projects		
1.1	Galana Kulalu Food Security Project-Kilifi / Tana River Counties		
1.1.1	<p>Galana Kulalu (Lot 1) Project</p> <p>The Authority awarded contract for construction works for Galana Model Farm Lot 1: Electro Mechanical Works in Tana River County to an International firm at a contact sum of Kshs.131,221,044. The contract agreement was signed on 26 January, 2021 and the works commenced on 28 February, 2021 for a period of 12 months up to 28 February, 2022. Later the contractor was granted an extension period of 3 months up to 28 May, 2022 and another extension up to 26 September, 2022. However, as at the time of audit in the month of December 2022 the project had not been completed.</p> <p>In the circumstances, it was not possible to confirm that the project will be completed within schedule and realize its objectives without cost overruns.</p>	<p>The National Treasury did not honour the commitment of additional funding of Kshs. 600,000,000 resulting in delayed payments to the contractor. Hence the progress of work is slow and the contract has been extended to new completion date</p>	<p>FY 2023-2024</p> <p>Not Resolved</p>
1.1.2	<p>Galana Kulalu (Lot 2) Project</p> <p>The Authority awarded Lot 2 contract for civil works at a contract price of Kshs.665,702,574.</p>	<p>The National Treasury did not honour the commitment of additional funding of Kshs.</p>	<p>FY 2023-2024</p> <p>Not</p>

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	<p>The contract was signed on 27 January 2021 and the project works commenced on 28 February 2021. The contract was expected to be completed in 12 months with an expected end date of 28 February 2022. Further, the contract was extended to August 2022. However, as at the time of audit in the month of December 2022 the project was not yet complete</p> <p>It is not clear why the Management awarded the two different contracts to one firm instead of different firms to avoid delayed completion that may be due to the firm's capacity constrains to handle the two major projects simultaneously. Failure to complete the project in time implies that the project may not realize its objectives fully, and the public who were to benefit from the project.</p> <p>In the circumstances, value for money invested in the project could not be confirmed.</p>	<p>600,000,000 resulting in delayed payments to the contractor. Hence the progress of work is slow and the contract has been extended to new completion date</p>	<p>Resolved</p>	
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<p align="center">2</p>	<p>Delayed Construction Works for Lower Sio Irrigation Project</p> <p>The Authority entered into a contract for construction of Lower Sio Irrigation project on 22 March, 2021 at a contract sum of Kshs.216,463,547.85. The contract period was for 18 months with an expected completion date of 22 September, 2022. However, at the time of audit in the month of December 2022 the status of the project was only 30% complete.</p> <p>In the circumstances, it was not possible to confirm that the project will be completed within scheduled time and realize its objectives without cost overruns.</p>	<p>The biggest challenge the project has faced is way leave issues whereby the landowners where the irrigation system is passing through demand for compensation. However, the issues have since been resolved and the contractor is able to complete the project and connect areas where there were gaps. The project is expected to be substantially complete in December 2023.</p>	<p align="center">Not Resolved</p>	<p align="center">FY 2023-2024</p>
<p align="center">3</p>	<p>Non-Adherence to a Third Rule on Salary Deductions</p> <p>Review of the Authority's payroll for the year ended 30 June, 2022 revealed that net pay for ninety-seven (97) employees totalling to Kshs.10,596,609 was less than a third of their corresponding basic pay of Kshs.15,152,380. This is contrary to Section 19 (3) of the Employment Act, 2007 which provides that 'without prejudice to any right of recovery of any debt due, and notwithstanding the provisions of any other written law, the total amount of all deductions which under the provisions of subsection one, may be made by an employer from the wages of his employee at</p>	<p>Measures to address the non-compliance with the one third rule was initiated by the management and a circular dated 30th August 2022 on the same was issued to all staff to ensure compliance with the same.</p>	<p align="center">Not Resolved</p>	<p align="center">FY 2023-2024</p>

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	<p>any one time, shall not exceed two-thirds of such wages.</p> <p>In the circumstances, Management was in breach of the Law.</p>			
<p align="center">4</p>	<p>Non-expansion of Perkerra Irrigation Scheme</p> <p>During the year under review, audit inspection at Pekerra Irrigation Scheme in the month of December 2022 revealed the following issues :</p> <p>i. The scheme has never been expanded beyond 2500 acres under irrigation since 1954 the time it was established. The scheme expansion is constrained by the fact that it uses river Pekerra which is a seasonal river and thus its water production cannot sustain more than 2500 acres with irrigation.</p> <p>ii. The Scheme has a potential of expansion and put 20,000 acres under irrigation using Lake Baringo as the source of water. However, this requires capital injection from the head office since the revenue raised by the scheme is not even enough to cater for daily operations such</p>	<p>In 2011, the Board intended to expand Perkerra Irrigation Scheme. Bhundia Associates Consulting Engineers was engaged. The study showed that river Perkerra water flow was limiting. Two major recommendations were done. First was construction of Radat Dam where feasibility studies were done by a different consultant. Second was consideration of expanding neighboring Irrigation schemes that use different rivers. The following were done:</p> <p>*1. Eldume Irrigation Scheme* Source of water is River Molo Rehabilitation of intake weir Lining of main canal Desilting of other canals and roads Intervention increased acreage by 500 acres</p> <p>*2. Sandai Irrigation Scheme* Source of water is Waseges River Rehabilitation of intake</p>	<p align="center">Not Resolved</p>	<p align="center">FY 2023-2024</p>

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	<p>as payment of electricity, diesel and casuals.</p> <p>iii. Most of the access roads passing through the farms under irrigation are not easily passable due to poor road infrastructure and overgrown poisonous thorny tree called by scientific name Prosopis juliflora nicknamed as “mathenge” which has grown along the roads reducing the width of the roads.</p> <p>In the circumstances, the scheme is under utilized and effective utilization of public resources and value for money have not been realized.</p>	<p>Desilting of main canal and other canals Construction of Irrigation structures Intervention increased acreage by 600 acres *3. Kamoskoi Irrigation Scheme* Source of water is River Loboi Installed pipeline Constructed control structures and roads Intervention increased acreage by 600 acres *4. Kapkuikui Irrigation Scheme* Source of water is Lorwai Springs Lining of canals Rehabilitation of Irrigation structures Intervention increased acreage by 300 acres. Total acreage = 1,000 acres Current expansion plan; we have done feasibility study and we have plans of expansion additional 20000 acres by use of lake baringo waters.</p>		
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5	<p>Under-Utilization of 20,000 Acres Leased Land</p> <p>The Lease Agreement between Agriculture Development Corporation and National Irrigation Authority dated 7 April, 2014, in relation to the Galana Kulalu Food Security Project, indicates that, the latter was to lease from the former, 20,000 acres of land. However, the Contract Agreement between the contractor and the Authority reflects that only 10,000 acres of land was to be utilized. The remaining 10,000 acres are idle and will remain idle since they were not included in the model farm programme. However, Management has indicated that the land is to be used to put up contractor's camp site, employers' facilities and camp, the logistic centre and machinery.</p> <p>In the circumstances, the Authority may not have received value for money from the leased land</p>	<p>The water in River Galana is able to support 20,000 acres with the normal flows. The Model farm under construction is currently occupying farm area of 15,814 acres, including farm roads, buffer zones, blind spots within the farm acreage but excluding the workers settlement area, contractors camp, pipelines, pumping station, filtration unit, raw material temporary storage, farm access roads, moat which are located outside the model farm estimated to occupy 200 acres. The net crop area is 10,421 acres. The Galana Project was to be implemented in phases and therefore the leased 20,000 acres was planned to be utilized gradually.</p> <p>The National Irrigation Authority has already engaged a private investor under PPP to develop another 10,000 acres.</p>	Not Resolved	FY 2023-2024
REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE				
Reference No. on the external audit Report	Issue /Observations from Auditor	Management Comments	Status	Timeframe

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	<p>Understaffing in the Authority</p> <p>Review of the Authority's staff establishment revealed that, the Authority has an approved staff establishment of 578 staff members. However, the Authority had only 265 staff members during the year, resulting to a shortage of 313 staff members. The understaffing was prominent in most of the Authority's Schemes. In addition to the shortfall in numbers, the Schemes did not have qualified procurement officers, yet major procurement processes were carried out at the Scheme level. As a result, there was no rotation of the members of the Tender Evaluation Committee, contrary to the provisions of Section 46(4)(b) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an evaluation committee established under subsection (1), shall—b) consist of between three and five members appointed on a rotational basis comprising heads of user department and two other departments or their representatives and where necessary, procured consultants or professionals, who shall advise on the evaluation of the tender documents and give a recommendation on the same to the committee within a reasonable time.</p>	<p>There has been a freeze on new employment by the National Treasury. However, the Authority is in the process of finalizing the HR instruments with the Public Service Commission to facilitate approval by the Salaries Remuneration Commission and the National Treasury as prescribed.</p>	<p>Not Resolved</p>	<p>FY 2023-2024</p>
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	<p>In the circumstances, the Authority could not operate effectively for service delivery and procurement procedures were also flouted.</p>			
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SIGN.....
CHARLES MUASYA
CHIEF EXECUTIVE OFFICER

DATE...25/07/2024..

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(b) Appendix II: Projects Implemented By National Irrigation Authority
Projects implemented by the State Corporation/ SAGA Funded by development partners

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1. Mwea Irrigation development project	1167100900	Jica	2022/2023	3,101,000,000	Yes	Yes
2. Bura irrigation rehabilitation project	1167100400	Kuwait Fund, Badea, Ofid	2022/2023	1,050,000,000	Yes	Yes
3. Rwabura Irrigation Development Project	1167100700	FIEM-Spanish Fund	2022/2023	701,000,000	Yes	Yes

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Status of Projects completion

No.	Project title	Total Project Cost (KES.)	Total Expended to date (KES.)	Project Status (Completion %)	Budget (FY 2022/2023)	Actual Expenditures (FY 2022-2023)	Source of Funds
MWEA IRRIGATION DEVELOPMENT PROJECT							
1	ICB PACKAGE 1	8,221,083,893.05	7,110,746,421.51	100%		-	GOK & DONOR
2	ICB PACKAGE 2 - LOT 1	920,711,000.00	207,042,814.80	34%		-	GOK & DONOR
	ICB PACKAGE 2 - LOT 2	700,000,000 (USD 6,487,899.83)	205,062,258.96	47%		-	GOK & DONOR
BURA IRRIGATION DEVELOPMENT PROJECT							
3	Bura Irrigation & Settlement Scheme Rehabilitation Project <i>Contract For Sheet Pilling And Associated Korakora Intake Works</i>	1,786,927,858.00		99%		217,080,470.03	GOK & DONOR
	Construction Of New Main Canal And Associated Civil Works From Korakora To Nanighi	1,764,278,550.10		50%	1,254,951,706.00	139,691,893.97	GOK & DONOR
5	Long term consultancy	171,800,317.46	-	40%		12,983,300.00	DONOR

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LOWER NZOIA IRRIGATION PROJECT						
					MINISTRY BUDGET	GOK & DONOR
6	Construction Works of the Lower Nzoia Irrigation Project Phase 1 - Lot 1	3,873,317,854.47	90.68%			-
LOWER KUJA IRRIGATION PROJECT						
7	Construction works of Lower Kuja Irrigation Project, Migori County	64,085,802.00	100%	57,527,221.80	40,000,000.00	4,857,709.91
8	Construction works of Lower Kuja Irrigation Project, Migori County, Lot 2	19,962,836.68	98%	17,966,553.00	20,000,000.00	-
LOWER SIO IRRIGATION PROJECT						
9	Construction works of Lower Sio Irrigation Project, Busia County	216,463,547.85	35%	-		20,272,755.70
GALANA MODEL FARM FOOD SECURITY PROJECT						
10	Construction Works For The Completion Of Galana Model Farm Project Lot 1: Electrical And Mechanical Works	131,221,044.07	50%	42,000,000.00	240,000,000.00	21,231,107.82
11	Construction Works For Galana Model	665,702,574.82	81%			64,110,762.29

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	Farm Project (Gmfp) Lot 2: Civil Works								
RWABURA IRRIGATION DEVELOPMENT PROJECT									
12	Construction Works of Rwabura Irrigation Development Project- Phase 1	6,825,738.12 Euros	3,949,048.70	92%	346,250,000.00	218,408,919.91			
13	Consultancy services	20,873,040.00	3,500,000.00	92%					
EL-GADE IRRIGATION DEVELOPMENT PROJECT									
14	El gade Irrigation Water Project	218,495,500.00	-	12%	20,000,000.00	-			GoK
NATIONAL EXPANDED IRRIGATION PROGRAMME									
15	Kii Njoga Irrigation Development	29,548,812.50	7,968,300.00	99%	25,000,000.00	22,361,370.00			GoK
	Kirinyaga clusters	208,133,886.56	61,866,297.80	53%					GoK
16	Kibaratani	197,019,875.96	53,686,386.00	50%	210,000,000.00	17,417,417.42			GoK
17	Kithumbu	11,114,010.60	8,179,911.80	98%					GoK
	Embu Cluster 1 (New Kithimu & Itabua Muthatari)	508,809,920.30	231,711,486.30	66%	100,000,000.00	17,417,417.42			GoK

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18	New Kithimu	271,969,225.00	123,011,748.00	62%			GoK
19	Itabua Muthatari	236,840,695.00	108,699,738.30	70%			GoK
	Embu cluster II (Kiamuringa, Kanyuambora & Iriari)	527,891,303.61	44,834,968.99	41%			GoK
20	Kiamuringa	283,228,951.30	40,784,968.99	53%			GoK
21	Kanyuambora	90,000,000.00	4,050,000.00	33%		530,000,000.00	GoK
22	Iriari	90,000,000.00	-	10%			Gok
	Meru Clusters	258,351,919.10		53%			GoK
23	Iraru	115,029,398.00	46,373,848.20	55%			GoK
24	Canaan	18,564,599.00	-	2%			GoK
25	Rumanthi	31,243,672.00	12,053,815.00	92%			GoK
26	Kamburu Mbeu	93,514,248.00	1,402,713.72	47%		100,000,000.00	GoK
27	Gamanti	141,800,645.00	23,168,855.00	20%		30,000,000.00	GoK
28	Gankondi	29,999,774.20	17,419,803.00	73%		25,000,000.00	GoK
						17,419,803.00	GoK
						32,156,680.00	GoK
						-	GoK
						17,419,803.00	GoK

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29	Baitigitu Rubiri	29,462,095.00	4,982,500.00	21%	25,000,000.00	-	GoK
30	Mwendantu	20,061,740.00		94%	17,000,000.00	-	GoK
	Tharaka Nithi Cluster 1	353,839,480.61		26%			GoK
31	Rianthiga	243,179,920.46	10,835,000.00	11%	100,000,000.00	39,098,561.00	GoK
32	Nithi Kari	110,659,560.16	58,079,786.00	62%			GoK
	Tharaka Nithi Cluster 2	197,615,297.50		50%			GoK
33	Mukui Uri Mbugi	97,978,555.50	17,504,041.76	54%			GoK
34	Mukami Infield	57,412,399.00	5,741,239.90	15%	100,000,000.00	30,404,104.00	GoK
35	Kamwangu	42,224,343.00	33,779,474.40	87%			GoK
36	Mweteri Irrigation project	52,124,448.74	-	10%	55,000,000.00	-	GoK
37	Qurri and Garfasa, Boreholes.	26,999,960.00	-	100%	20,000,000.00	-	GoK
38	Nginda	217,463,125.00	51,840,094.17	60%	100,000,000.00	16,758,941.00	GoK
40	Mirira	544,469,765.40	207,173,203.61	63%	150,000,000.00	35,584,346.02	GoK

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	Muranga Cluster 1	131,957,179.20							GoK
41	Gikindu	71,194,749.00	45,564,639.36	85%					GoK
42	Kiamboka	28,081,033.00	16,848,619.80	61%			52,957,179.20	15,000,000.00	GoK
43	Gakaki	9,652,090.00	1,930,418.00	35%					GoK
44	Kahithe Gitiri	26,530,494.00	7,959,148.20	45%					GoK
45	Kieni Gathugu Irrigation Project	15,985,000.00	7,482,150.90	99%			16,000,000.00	-	GoK
46	Maragua Ridge Irrigation project	312,393,718.45		78%			200,000,000.00	165,246,260.00	GoK
47	Mirichu Murika , Phase 4	253,775,890.00	184,084,865.19	99%			50,000,000.00	-	GoK
48	Kaguyu Kienjaini	52,756,797.45	43,989,611.00	100%			9,000,000.00	5,666,400.00	GoK
49	Kaguyu Kienjaini phase II	19,237,519.00	-	40%			15,000,000.00	-	GoK
50	Changachicha project	151,498,624.20	140,265,857.60	100%			56,000,000.00	-	GoK
51	Muthuini Irrigation project	44,433,207.00	22,171,616.00	80%			20,000,000.00	15,000,000.00	GoK
52	NGK Irrigation Project.	29,842,666.93	29,842,666.93	100%			25,000,000.00	-	GoK

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53	Nyumba lthatu water pan	19,930,000.00	-	96%	15,000,000.00	-	GoK
54	Ngobit/ Imenti	29,664,410.00	29,664,410.00	100%	25,000,000.00	29,654,410.00	GoK
55	Maka green	29,292,823.00	29,292,823.00	100%	25,000,000.00	29,292,823.00	GoK
56	Nyamuguna	182,555,521.50	182,555,521.50	100%	20,000,000.00	-	GoK
57	Karamptom Water pan.	19,818,000.00	19,818,000.00	100%	19,000,000.00	-	GoK
58	Githunguri water pan	29,997,800.00	-	96%	25,000,000.00	-	GoK
59	Leshau Karagoini	12,896,000.00	11,999,450.00	100%	12,896,000.00	12,331,000.00	GoK
60	Usueni Irrigation development project	29,782,720.80	-		25,000,000.00	-	GoK
61	Yikitaa Irrigation Project	219,961,634.44	58,590,014.61	60%	50,000,000.00	24,091,225.09	GoK
62	Rehabilitation Works for Tuhire Challa Irrigation Development Project	29,962,786.25	25,827,710.00	92%	25,000,000.00	15,266,999.50	GoK
63	Rehabilitation Works for Tuhire Challa Irrigation Development Project Lot 2	28,261,078.25	3,918,528.00	15%	25,000,000.00	-	GoK
64	Rehabilitation Works of Njukini Irrigation	18,894,373.00	14,695,040.70	86%	15,000,000.00	13,540,359.50	GoK

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	Development Project, Lot 1									
65	Rehabilitation Works of Njukini Irrigation Development Project Lot 2	29,909,029.00	24,251,856.59	85%	25,000,000.00	16,327,823.00	GoK			
66	Desilting of Lower River Lumi and Murabani Irrigation Project	-	-		30,000,000.00	19,737,252.00				
67	Rehabilitation and Expansion Works for Rombo Cluster Irrigation Scheme	221,269,836.50	-	10.00%	100,000,000.00	11,460,531.40	GoK			
68	Rehabilitation Works Of River Lumi- Majengo And Africa Kusini Irrigation Scheme, Taita-Taveta County	19,800,000.00	18,750,389.00	100.00%	15,000,000.00	16,681,739.39	GoK			
69	Molo Sirwe Phase 2	31,754,284.00	-	51%	15,000,000.00	-	GoK			
70	Sandai	84,194,352.00	84,194,352.00	100%	5,000,000.00	4,881,800.00	GoK			
71	Navakholo	298,762,033.50	-	72%	85,000,000.00	82,283,560.00	GoK			
72	Kaptamwua Irrigation Project	29,346,625.00	10,995,615.00	95%	25,000,000.00	12,217,350.00	GoK			
73	Kapkoros Irrigation Project	465,324,594.00	-	2%	20,000,000.00	-	GoK			

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74	Chemase	39,453,887.00	39,453,887.00	100%	2,000,000.00	1,025,100.00	GoK
75	SOIN Irrigation Project Ph. 111	29,848,571.00	-	55%	15,000,000.00	-	GoK
76	Lower Sabor (Last Mile)	28,864,500.00	-	63%	15,000,000.00	-	GoK
77	Lower Sabor	259,732,252.50	259,732,252.50	100%	30,000,000.00	-	GoK
78	Narok Clusters	212,653,156.20	-	15%	30,000,000.00	-	GoK
79	Caanan, BOMET	18,970,000.00	-	80%	15,000,000.00	-	GoK
80	Kahawa Maina, BUNGOMA	14,800,000.00	-	50%	10,000,000.00	-	GoK
81	Losibil, NAKURU	22,258,500.00	22,258,500.00	100%	17,000,000.00	-	GoK
82	Lomolo 'A', NAKURU	22,625,000.00	18,990,500.00	87%	17,000,000.00	-	GoK
83	Koisamo, NAKURU	22,502,500.00	-	70%	14,000,000.00	-	GoK
84	Runo, WEST POKOT	16,464,112.00	16,464,112.00	100%	10,000,000.00	-	GoK
85	Rehabilitation Works for Kalemnyang Irrigation Scheme	8,887,200.00	-	70%	4,000,000.00	-	GoK
86	Construction Works of Lokapel Irrigation	29,964,336.00	14,982,168.25	55%	25,000,000.00	-	GoK

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Scheme Project, phase 1								
87	Construction Works for Lokapel Irrigation Scheme Project, Phase 2	29,891,899.00	-	2%	10,000,000.00	-	GoK	
88	Construction Works for Lokapel Irrigation Scheme Project, Phase 3	29,946,803.00	8,984,040.90	40%	25,000,000.00	-	GoK	
HOUSEHOLD IRRIGATION WATER STORAGE PROGRAMME FY2023/2024								
89	Construction Works Of Household Irrigation Water Storage Project In Kamburaini Village, Naromoru/Kiamathaga, Kiieni Constituency, Nyeri County, Phase 7	19,946,000.00	18,706,450.00	100%	20,000,000.00	19,691,000.00	GoK	
90	Construction Works Of Household Irrigation Water Storage Project In Githima gakawa, Kiieni Constituency, Nyeri County, Phase 7	19,946,000.00	18,706,450.00	100%	20,000,000.00	19,551,000.00	GoK	
91	Construction Works For Household Irrigation Water Storage In Tserzani & Mwamtobo Wards, Kinango Constituency, Kwale County, Phase 6	19,816,000.00	18,540,200.00	100%	20,000,000.00	19,516,000.00	GoK	

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92	Construction Works Of Household Irrigation Water Storage Project In Katulani Location, Matuu, Yatta Constituency, Machakos County, Phase 7	19,858,000.00	18,635,010.00	100%	20,000,000.00	-	GoK
93	Construction Works Of Household Irrigation Water Storage Project In chuma village, laikipia county phase 6	19,946,000.00	19,946,000.00	100%	20,000,000.00	19,551,000.00	GoK
94	Construction Works Of Household Irrigation Water Storage Project In Karunga Location, Morendat Ward, Gilgil Sub-County, Nakuru County, Phase 7.	19,982,000.00	18,656,575.00	100%	20,000,000.00	-	GoK
95	Construction Works Of Household Irrigation Water Storage Project In Chumvi, Mukogondo Ward, Laikipia North Constituency, Laikipia County, Phase 7	19,956,000.00	17,428,700.00	100%	20,000,000.00	18,346,000.00	GoK
96	Construction Works For Household Irrigation Water Storage In Kaguku-	29,774,000.00	27,914,800.00	100%	30,000,000.00	-	GoK

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97	Lembeni, Ithanga, Gatanga Constituency, Murang'a County, Phase 7 Construction Works For Household Irrigation Water Storage Project In Ngenji Village, Kaluluni Sub - Location, Yatta Constituency, Machakos County, Phase 6	19,946,000.00	18,735,615.00	100%	20,000,000.00	1,221,600.00	GoK
98	Construction Works For Household Irrigation Water Storage In Dzombo Ward, Lunga Lunga Constituency, Kwale County, Phase 7	29,670,000.00	27,778,000.00	100%	30,000,000.00	-	GoK
99	Construction Works For Household Irrigation Water Storage In soy ward, elgeyo marakwet, phase 6	19,556,000.00	18,525,000.00	100%	20,000,000.00	19,556,000.00	GoK
100	Construction Works For Household Irrigation Water Storage In Kaguku-Kaloleni, Kakuzi,	19,952,500.00	18,584,375.00	100%	20,000,000.00	19,562,500.00	GoK

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101	Gatanga Constituency, Murang'a County, Phase 7 Construction Works For Household Irrigation Water Storage In Sosian-Mirigwiti, Laikipia North Constituency, Laikipia County, Phase 7	29,631,000.00	27,740,950.00	100%	30,000,000.00	29,201,000.00	GoK
102	Construction Works For Household Irrigation Water Storage In Magadi Survey, Laikipia West Constituency, Laikipia County, Phase 7	29,631,000.00	27,740,950.00	100%	30,000,000.00	29,201,000.00	GoK
103	Construction Works Of Household Irrigation Water Storage Project In Kaguku-Kwa Jimmy, Ithanga, Gatanga Constituency, Murang'a County, Phase 7	19,959,000.00	18,590,550.00	100%	20,000,000.00	19,569,000.00	GoK
104	Construction Works Of Household Irrigation Water Storage Project In Gachuriri Location, Mbeti South Ward, Mbeere South	19,985,000.00	19,985,000.00	100%	20,000,000.00	-	GoK

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105	Constituency, Embu County Phase 6 Construction Works Of Household Irrigation Water Storage Project In Masaantare, Ololunga Ward, Narok South Constituency, Narok County, Phase 7.	29,970,650.00	27,801,750.00	100%	30,000,000.00	-	GoK
106	Construction Works Of Household Irrigation Water Storage Project In Katangini, makueni county phase 6	19,946,000.00	19,946,000.00	100%	20,000,000.00	19,784,400.00	GoK
107	Construction Works Of Household Irrigation Water Storage Project In mwavumbo, kwale phase 6	29,631,000.00	29,631,000.00	100%	30,000,000.00	13,673,252.10	GoK
108	Construction Works Of Household Irrigation Water Storage Project In kasten, kitui county phase 6.	29,826,000.00	27,787,500.00	100%	30,000,000.00	29,567,000.00	GoK
109	Construction Works Of Household Irrigation Water Storage Project In mwiitika & ngereini, kitui county phase 6.	19,946,000.00	10,970,300.00	100%	20,000,000.00	14,113,460.00	GoK

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110	Construction Works Of Household Irrigation Water Storage Project In Chumvi, Mukogondo Ward, Laikipia North Constituency, Laikipia County, Phase 7.	19,956,000.00	17,428,700.00	100%	20,000,000.00	18,346,000.00	GoK
111	Construction Works Of Household Irrigation Water Storage Project In olkinyei ward, narok county, phase 6	19,887,500.00	17,898,750.00	100%	20,000,000.00	-	GoK
112	Construction Works Of Household Irrigation Water Storage Project In morijo loita ward, narok county, phase 6	19,954,400.00	17,958,960.00	100%	20,000,000.00	19,835,020.00	GoK
113	Construction Works Of Household Irrigation Water Storage Project In olaimutia nkareta, narok, phase 7	29,970,650.00	26,973,585.00	100%	30,000,000.00	-	GoK
114	Construction Works Of Household Irrigation Water Storage Project In ntasikira loita, narok, phase 7	29,970,650.00	26,973,585.00	100%	30,000,000.00	29,798,588.00	GoK
115	Construction Works Of Household Irrigation Water Storage Project	29,959,200.00	26,963,280.00	100%	30,000,000.00	-	GoK

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116	In oldonyo rasha, narok, phase 7 Construction Works Of Household Irrigation Water Storage Project In Katulani Location, Matuu, Yatta Constituency, Machakos County, Phase 7	19,858,000.00	18,635,010.00	100%	20,000,000.00	-	GoK
117	Construction Works Of Household Irrigation Water Storage Project In Karunga Location, Morendat Ward, Gilgil Sub-County, Nakuru County, Phase 7	19,982,000.00	18,656,575.00	100%	20,000,000.00	-	GoK
118	Construction Works Of Household Irrigation Water Storage Project In Muthembwa, Yatta Constituency, Machakos County, Phase 7	29,893,000.00	28,083,140.00	100%	30,000,000.00	-	GoK
119	Construction Of Household Irrigation Water Storage In Wamumu Ward, Kirinyaga County, Phase 6	19,946,000.00	19,946,000.00	100%	20,000,000.00	19,946,000.00	GoK
120	Construction Of Household Irrigation	29,826,000.00	29,826,000.00	100%	30,000,000.00	-	GoK

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	Water Storage In South Ngariama Ward, Kirinyaga County, Phase 6								
121	Construction Works Of Household Irrigation Water Storage Project In Mutithi Ward, Mwea Constituency, Kirinyaga County, Phase 7	29,813,000.00	28,322,350.00	100%	30,000,000.00	29,813,000.00	GoK		
122	Construction Works Of Household Irrigation Water Storage Project In Mutithi Ward, Mwea Constituency, Kirinyaga County, Phase 7	19,799,000.00	18,809,050.00	100%	20,000,000.00	29,813,000.00	GoK		
123	Construction Works Of Household Irrigation Water Storage Project In Muramati, Segera Ward, Laikipia North Constituency, Laikipia County, Phase 7	19,980,000.00	17,427,750.00	100%	20,000,000.00	-	GoK		
124	Construction Works Of Household Irrigation Water Storage Project In Njorua, Grithiga Ward, Laikipia West Constituency, Laikipia County, Phase 7	19,953,000.00	17,254,850.00	100%	20,000,000.00	18,163,000.00	GoK		

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125	Construction Works For Household Irrigation Water Storage Project In Matunda Ward, Gatanga Constituency, Murang'a County, Phase 6	29,143,500.00	27,192,325.00	100%	30,000,000.00	-	GoK
126	Construction Works Of Household Irrigation Water Storage Project In Kiranthe Ward, Gatanga Constituency, Murang'a County, Phase 6	29,416,500.00	27,451,675.00	100%	30,000,000.00	-	GoK
REHABILITATION OF STRATEGIC WATER FACILITIES/SPATE/WATER SECURITY							
127	Koitlil Earth dam	19,985,000.00	18,930,674.00	100%	20,000,000.00	18,930,674.00	GoK
128	Labalan	19,800,000.00	14,990,580.00	75.71%	20,000,000.00	-	GoK
129	Aliheydar	19,900,000.00	16,489,140.00	82.86%	20,000,000.00	-	GoK
130	Matunga and Ogando	25,545,000.00	25,545,000.00	100%	30,000,000.00	-	GoK
131	Yap Okech and Nyandenga	12,940,000.00	12,940,000.00	100%	20,000,000.00	-	GoK

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132	Dambaladeetha	19,870,000.00	19,870,000.00	100%	20,000,000.00	-	GoK
133	Harro Buyo	19,500,000.00	19,500,000.00	100%	20,000,000.00	-	GoK
134	Gafarsa	19,500,000.00	19,500,000.00	100%	20,000,000.00	-	GoK
135	Kililio	19,500,000.00	19,500,000.00	100%	20,000,000.00	19,470,000.00	GoK
136	Noomotonyi	29,940,000.00	19,500,000.00	100%	30,000,000.00	29,498,000.00	GoK
137	Kithumbi	19,500,000.00	19,500,000.00	100%	20,000,000.00	990,662.55	GoK
138	Kwa Mingo	19,770,000.00	19,770,000.00	100%	20,000,000.00	19,716,500.00	GoK
139	Ngomano	29,940,000.00	29,940,000.00	100%	30,000,000.00	19,669,500.00	GoK
140	Ziwa La Mbuzi	9,840,000.00	8,856,000.00	90%	20,000,000.00	-	GoK
141	Kwa Muindi	19,815,000.00	17,833,500.00	90%	20,000,000.00	-	GoK
142	Manyenyoni	29,815,000.00	26,833,500.00	90%	30,000,000.00	-	GoK
143	Kwa Makali	11,996,000.00	10,796,400.00	90%	20,000,000.00	-	GoK
144	Kwa Ndoloka	19,429,420.00	17,486,478.00	90%	20,000,000.00	-	GoK

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145	Muvuti	29,940,000.00	26,946,000.00	90%	30,000,000.00	1,490,730.00	GoK
146	Kiumoni	19,871,380.00	17,884,242.00	90%	20,000,000.00	19,168,880.00	GoK
147	Kinguuthe	19,100,000.00	17,190,000.00	90%	20,000,000.00	3,030,251.44	GoK
148	Kwa mita	26,500,000.00	23,850,000.00	90%	30,000,000.00	26,121,400.00	GoK
149	Kamunoo	26,700,000.00	26,700,000.00	100%	30,000,000.00	-	GoK
150	Mangolota	29,910,000.00	29,910,000.00	100%	30,000,000.00	29,405,000.00	GoK
151	Dololo Gabasa	19,995,000.00	19,995,000.00	100%	20,000,000.00	-	GoK
152	Qate	19,990,000.00	19,990,000.00	100%	20,000,000.00	19,740,000.00	GoK
153	Harro Burra	19,990,000.00	19,990,000.00	100%	20,000,000.00	-	GoK
154	Qarsa Lokho	19,920,000.00	19,920,000.00	100%	20,000,000.00	-	GoK
155	Hurri Hills	19,500,000.00	19,500,000.00	100%	20,000,000.00	19,507,000.00	GoK
156	Iria Ria Nkandone	19,500,000.00	19,500,000.00	100%	20,000,000.00	-	GoK
157	Siranga Kaganduini	19,500,000.00	19,500,000.00	100%	20,000,000.00	-	GoK

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158	Kwa Matolo & Kwa mavolo	19,950,000.00	19,950,000.00	100%	20,000,000.00	-	GoK
159	Riamoragwa and Riagesora	19,822,000.00	18,185,225.38	100.00%	20,000,000.00	19,142,342.00	GoK
160	Maningi	19,995,000.00	17,995,500.00	100%	20,000,000.00	-	GoK
161	Heni	19,995,000.00	17,995,500.00	100%	20,000,000.00	19,785,000.00	GoK
162	Ndambuki	19,898,000.00	17,908,200.00	100%	20,000,000.00	19,598,000.00	GoK
163	Sukuro	19,990,000.00	17,991,000.00	100%	20,000,000.00	-	GoK
164	Nkimba	19,990,000.00	17,991,000.00	100%	20,000,000.00	19,539,876.00	GoK
165	Naangoyo	18,730,250.00	18,730,250.00	100.00%	20,000,000.00	-	GoK
166	Mto Mkuu	19,970,000.00	19,970,000.00	100%	20,000,000.00	-	GoK
167	Kasidi	19,843,000.00	19,843,000.00	100%	20,000,000.00	-	GoK
168	Maendeleo	24,975,000.00	24,975,000.00	100%	30,000,000.00	24,265,000.00	GoK
169	Kilimba	19,930,000.00	19,930,000.00	100%	20,000,000.00	11,611,611.61	GoK
170	Kwa Mng'aro	19,990,000.00	17,991,000.00	100%	20,000,000.00	-	GoK

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171	Msambeni	19,988,000.00	17,989,200.00	100%	20,000,000.00	-	GoK
172	Karampton	19,818,000.00	17,836,200.00	100%	20,000,000.00	-	GoK
173	Nyumba Ithatu	19,930,000.00	17,937,000.00	100%	20,000,000.00	-	GoK
174	Kasighau	19,955,000.00	17,959,500.00	100%	20,000,000.00	-	GoK
175	Kigogo	19,952,000.00	17,956,800.00	100%	20,000,000.00	-	GoK
176	Makongo	19,957,800.00	19,957,800.00	100%	20,000,000.00	-	GoK
177	Ilje	19,935,000.00	19,935,000.00	100%	20,000,000.00	-	GoK
178	Lomolo 'A'	22,625,000.00	22,625,000.00	100%	30,000,000.00	-	GoK
179	Losibil	22,258,500.00	22,258,500.00	100%	30,000,000.00	-	GoK
180	Mandove	19,920,000.00	19,920,000.00	100%	20,000,000.00	13,345,300.20	GoK
181	Kangima	19,990,000.00	19,990,000.00	100%	20,000,000.00	16,929,400.00	GoK
182	Kwa Kiketa	19,920,000.00	19,920,000.00	100%	20,000,000.00	-	GoK
183	Chiracha	19,990,000.00	19,990,000.00	100%	20,000,000.00	18,930,000.00	GoK

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184	Garse	19,998,000.00	19,998,000.00	100%	20,000,000.00	-	GoK
185	Haro Kubi	19,990,000.00	19,990,000.00	100%	20,000,000.00	-	GoK
186	Canaan	19,880,000.00	-	80%	20,000,000.00	-	GoK
187	Runo	16,464,112.00	16,464,112.00	100%	20,000,000.00	-	GoK
	SCHEMES						
	AHERO	137,766,809.70	137,766,809.70	100%	137,766,809.70	137,766,809.70	GoK
	BUNYALA	51,811,461.50	51,811,461.50	100%	51,811,461.50	51,811,461.50	GoK
	BURA	165,860,967.38	165,860,967.38	100%	165,860,967.38	165,860,967.38	GoK
	KATILU	4,168,621.00	4,168,621.00	100%	4,168,621.00	4,168,621.00	GoK
	LKUJA	56,712,693.37	56,712,693.37	100%	56,712,693.37	56,712,693.37	GoK
	MIAD	110,720.00	110,720.00	100%	110,720.00	110,720.00	GoK
	MWEA	239,467,318.38	239,467,318.38	100%	239,467,318.38	239,467,318.38	GoK
	PERKERRA	40,277,570.00	40,277,570.00	100%	40,277,570.00	40,277,570.00	GoK

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TANA	226,855,340.68	226,855,340.68	100%	226,855,340.68	226,855,340.68	GoK
WEST_KANO	2,229,880.00	2,229,880.00	100%	2,229,880.00	2,229,880.00	GoK

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(c) Appendix III: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Date Received as per bank statement	Nature: Recurrent/ Development/ Others	Total Amount- KES	Statement of Financial Performance	Where Recorded/recognized					Total Transfers during the year
					Capital Fund	Deferred Income	Receivables	Others		
Min of Water & Irrigation	04/08/2022	Recurrent	20,500,000	20,500,000						20,500,000
Min of Water & Irrigation	09/09/2022	Recurrent	20,500,000	20,500,000						20,500,000
Min of Water & Irrigation	05/10/2022	Recurrent	20,500,000	20,500,000						20,500,000
Min of Water & Irrigation	15/11/2022	Recurrent	20,500,000	20,500,000						20,500,000
Min of Water & Irrigation	13/12/2022	Recurrent	20,500,000	20,500,000						20,500,000
Min of Water & Irrigation	05/01/2023	Recurrent	20,500,000	20,500,000						20,500,000
Min of Water & Irrigation	06/02/2023	Recurrent	20,500,000	20,500,000						20,500,000

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Min of Water & Irrigation	23/03/2023	Recurrent	20,500,000	20,500,000					20,500,000
Min of Water & Irrigation	14/04/2023	Recurrent	20,500,000	20,500,000					20,500,000
State Department Of Irrigation	8/6/2023	Recurrent	20,500,000	20,500,000					20,500,000
State Department Of Irrigation	23/06/2022	Recurrent	20,500,000	20,500,000					20,500,000
State Department Of Irrigation	30/06/2022	Recurrent	10,500,000	10,500,000					10,500,000
		TOTAL	236,000,000	236,000,000					236,000,000
Min of Water & Irrigation	29/09/2022	Development	1,701,000,000	1,701,000,000					1,701,000,000
Min of Water & Irrigation	29/09/2022	Development	25,550,000	25,550,000					25,550,000
Min of Water & Irrigation	12/10/2022	Development	1,427,250,000	1,427,250,000					1,427,250,000
Min of Water & Irrigation	12/10/2022	Development	273,750,000	273,750,000					273,750,000
State Department Of Irrigation	8/6/2023	Development	279,375,000	279,375,000					279,375,000

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State Department Of Irrigation	23/06/2022	Development	398,031,250	398,031,250					398,031,250
State Department Of Irrigation	26/06/2022	Development	437,406,250	437,406,250					437,406,250
Min of Water & Irrigation	30/6/2023	Development	461,187,500	461,187,500					461,187,500
State Department Of Irrigation	30/6/2023	Development	50,000,000	50,000,000					50,000,000
		TOTAL	5,053,550,000	5,053,550,000					5,053,550,000
JICA For Thiba dam	20-Jul-22	Direct Payment	116,729,073				116,729,073		116,729,073
JICA For Thiba dam	29-Jul-22	Direct Payment	10,822,099				10,822,099		10,822,099
JICA For Thiba dam	29-Jul-22	Direct Payment	16,482,702				16,482,702		16,482,702
JICA For Thiba dam	27-Aug-22	Direct Payment	82,389,916				82,389,916		82,389,916
JICA For Thiba dam	16-Sep-22	Direct Payment	13,143,149				13,143,149		13,143,149
JICA For Thiba dam	16-Sep-22	Direct Payment	17,500,554				17,500,554		17,500,554
JICA For Thiba dam	16-Sep-22	Direct Payment	11,558,132				11,558,132		11,558,132
JICA For Thiba dam	18-Sep-22	Direct Payment	71,361,240				71,361,240		71,361,240
JICA For Thiba dam	12-Oct-22	Direct Payment	31,546,156				31,546,156		31,546,156

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JICA For Thiba dam	22-Oct-22	Direct Payment	86,391,667				86,391,667				86,391,667
JICA For Thiba dam	14-Dec-22	Direct Payment	58,476,600				58,476,600				58,476,600
JICA For Thiba dam	14-Dec-22	Direct Payment	35,880,657				35,880,657				35,880,657
JICA For Thiba dam	16-Dec-22	Direct Payment	335,153,222				335,153,222				335,153,222
JICA For Thiba dam	20-Dec-22	Direct Payment	44,816,976				44,816,976				44,816,976
JICA For Thiba dam	12-May-23	Direct Payment	17,147,223				17,147,223				17,147,223
		TOTAL JICA	949,399,368				949,399,368				949,399,368
BADAE For BURA	15-Feb-23	Direct Payment	131,355,738				131,355,738				131,355,738
		TOTAL BADEA	131,355,738				131,355,738				131,355,738
KUWAIT For BURA	13-Aug-22	Direct Payment	21,545,311				21,545,311				21,545,311
KUWAIT For BURA	20-Dec-22	Direct Payment	15,016,055				15,016,055				15,016,055
KUWAIT For BURA	19-May-23	Direct Payment	29,026,231				29,026,231				29,026,231
		TOTAL KUWAIT	65,587,596				65,587,596				65,587,596
OFID For BURA	27-Mar-23	Direct Payment	175,210,277				175,210,277				175,210,277
		TOTAL OFID	175,210,277				175,210,277				175,210,277

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FIEM For Rwabura	11-Aug-22	Direct Payment	2,151,663								2,151,663
FIEM For Rwabura	11-Aug-22	Direct Payment	3,484,871								3,484,871
FIEM For Rwabura	1-Nov-22	Direct Payment	1,541,203								1,541,203
		TOTAL FIEM	7,177,736								7,177,736