

TACHASIS WATER & SANITATION
COMPANY LIMITED

FINANCIAL STATEMENT OF ACCOUNTS

YEAR OF INCOME 2022



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TACHSIS WATER & SANITATION COMPANY
Financial Statements
For the Year ended 31st December 2022

ACCOUNTANT REPORT : TO THE MEMBERS OF TACHSIS WATER AND SANITATION COMPANY LIMITED

We have audited the financial statements set out on pages 4 to 9 for the period ended 31st December 2022 and have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. The Financial statements are in agreement with the books of account.

Respective Responsibilities of Directors and Auditors.

As describe on page 2, the Directors are responsible for the preparation of financial statements which give a true and fair view of the state of affairs of the organization and of its operating results. Our responsibility is to express an opinion on these financial statements based on our audit

Basis of opinion

We conducted our audit in accordance with International standard on Auditing. Those Standard require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of Material misstatement. An Audit includes examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors. As well as evaluating the overall presentation of the financial statements based. We believe that our audit provides a reasonable basis for our opinion.

In common with many company of similar size, the system of internal control depends on the close involvement of the directors. Where there was insufficient evidence available to us to verify the completeness of sales and cash payments, we have accepted assurances from the Management that these transaction have been properly recorded in the books of accounts and reflected in these financial statements

Opinion

In our opinion proper books of account have been kept by the company and the financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2022 and of its results of operation and cash flows for the period then ended and comply with international Financial Reporting Standards.

J.P. Ngugi & Associates
Accountant

Eldoret. Date 23/05/2023



NOTES

General Information

Tachasis Water & Sanitation Company Limited is incorporated in Kenya under the Kenya Companies Act as a private company limited by shares and is domiciled in Kenya.

Basis of Preparation and Summary of Significant Accounting Policies

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting standard for small and medium sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. They are presented in Kenya Shillings (Shs), rounded to the nearest thousand. The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

The financial statements of the previous year were prepared in accordance with full International Financial Reporting Standards. Prior period adjustments have been passed and comparative figures restated in accordance with the transition procedures set out in the IFRS for SMEs. A description of the nature of each change in accounting policy and reconciliations are set out in Note 22.

Revenue recognition

Revenue from sales of goods is recognised when the goods are delivered and title has passed. Revenue from sale of services is recognised upon performance of the service and customer acceptance based on the proportion of actual services rendered to the total services to be provided. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and sales related taxes collected on behalf of the government of Kenya.

Borrowing Cost

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Income Tax

Income tax expenses represent the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year, determined in accordance with the Kenyan Income Tax Act.



3 NOTES(CONTINUED)

BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PROPERTY, PLANT AND EQUIPMENT, INCLUDING INVESTMENT PROPERTY

Items of property, Plant and Equipment, including property, are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight line method. The following annual rates are used for the depreciation of property, Plant and equipment.

Electronic Equipments & Computers	12.50 per cent
Furniture & Fittings	12.50 per cent
Generators	12.50 per cent

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognized in profit or loss.

Intangible Assets

Intangible assets are purchased computer software that is stated at cost less accumulated depreciation and any accumulated impairment losses, it is amortized over its estimated life of five years using the straight line method. If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an Intangible asset, the amortisation is revised prospectively to reflect the new expectations depreciation.

Inventories

Inventories are stated at the lower of cost and selling prices less cost to complete and sell. Cost is calculated using the First In First Out (FIFO) method.

Financial Liabilities

Financial Liabilities are initially recognised at the transaction price (including the transactions cost)

Trade payable are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

Employer benefits -Post Employment benefits

The liability of post employment obligations relate to terminal gratuities. All full time staff, excluding directors, are covered by the programme. Employee who resign or retire after completing at least five years of services are entitled to fifteen days pay for each completed year of services. The company does not fund this obligation in advance.

The company obligations, both vested and unvested, to pay terminal gratuities to employees are recognised based on employees service up to the balance sheet date and their salaries at that date.



TACHASIS WATER & SANITATION COMPANY LIMITED
For the Year ended 31st December ,2022

STATEMENTS OF INCOME FOR THE YEAR ENDED 31ST DECEMBER,2022

	Note	2022 KSH	2021 KSH
Turnover	0	3,312,531	3,236,903
Cost of Sales	6	0	0
Gross Profit		3,312,531	3,236,903
Personnel Expenditure	7	1,308,490	1,422,990
Administration Expenditure-General	8	725,000	695,000
Administration Expenditure-Board	9	865,525	774,759
Operational Expenditure-water	9	83,500	53,300
Operational Expenditure-Sewage	10	125,000	107,400
Maintenance Expenditure	11	69,000	45,800
Levies & Fees	12	85,500	86,500
Other expenses-Finance cost	13	6,556	0
Depreciations		26,011	29,728
Finance cost	14	6,556	15,850
		3,301,138	3,231,327
Profit before Tax	15	11,393	5,576
Income tax Expenss	16	0	0
Profit and Total Comprehensive income for the year		11,393	5,576
Profit and Total Comprehensive income for previuous the year		7375	1799
Profit and Total Comprehensive income for the year		18,768	7,375
TAX FOR THE YEAR		3417.9	1672.8



TACHASIS WATER & SANITATION COMPANY LTD

Financial Statements

For the Year ended 31st December 2022

STATEMENT OF FINANCIAL POSITION AT 31ST DECEMBER 2022

	NOTE	2022 KSH	2021 KSH
<u>EQUITY & LONG TERM LIABILITIES</u>			
Share Capital	14	100,000	100,000
Profit & loss Account		<u>18,765</u>	<u>7,375</u>
Total Equity & Long term Liabilities		<u>118,765</u>	<u>107,375</u>
REPRESENTED BY;			
Non-Current Assets			
Property ,Plant and Equipment	12	<u>164,131</u>	<u>208,094</u>
		<u>164,131</u>	<u>208,094</u>
Current Assets			
Cash at bank and in hand		38,348	58,606
Tax		3,418	1,672
Trade and other receivables		155,600	125,200
Inventories		<u>0</u>	<u>0</u>
		<u>197,366</u>	<u>185,478</u>
Current Liabilities			
Trade and other payables		<u>242,732</u>	<u>286,197</u>
Net Current Assets		<u>-45,366</u>	<u>-100,719</u>
		<u>118,765</u>	<u>107,375</u>

The financial statements on 5 to 14 were approved for issue by the board of directors

on 23/5/2023

2022 and were signed on their behalf by

[Signature]
Director



TACHASIS WATER & SANITATION COMPANY LTD
Financial Statements
For the Year ended 31st December 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER,2022

	Share Capital
NOTE	KSH
At 01.01.2013	100,000
Profit(loss) for the year retained 31st December,2022	<u>18765</u> <u>118,765</u>



TACHASIS WATER & SANITATION COMPANY LTD
Financial Statements
For the Year ended 31st December 2022

3 NOTES(CONTINUED)

5 Basis of Preparation and Summary of Significant accounting Policies (Continued)

Employee benefit-post employment benefits (continued)

The company employees also contribute to the National Social Security Fund (NSSF) a national defined contribution scheme. Contributions are determined by local statute and the company's contributions are charged to profit or loss in the year to which they relate

	2022 Kshs	2021 Kshs
6 Revenue		
Sales	<u>3,312,531</u>	<u>2,045,948</u>
	<u>3,312,531</u>	<u>2,045,948</u>
7 Cost of Sales		
Opening Stock	0	0
Purchases	0	0
Closing Stock	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
8 Employment costs		
Salary and wages	<u>1,308,490</u>	<u>932,400</u>
	<u>1,308,490</u>	<u>932,400</u>



TACHASIS WATER & SANITATION COMPANY LIMITED

Financial Statements

For the Year ended 31st December 2022

3 NOTES(CONTINUED)

	2022	2021
	Kshs	Kshs
8 Personnel Expenditure		
Basic Salaries	903,490	923,890
Allowance	157,700	157,080
Wages	82,980	125,500
Statutory and pension Contributionn by employer	164,320	216,520
	<u>1,308,490</u>	<u>1,422,990</u>
9 Adminitration Expenditure-board		
Managers allowance	344,500	259,000
Design report	10,000	170,000
Board allowance	60,000	259,000
Directors travelling and subsistence	49,000	170,000
christmas allowance and billing	0	38,000
Design report	10,000	30,000
Mavuno expenses	100,000	100,000
Loan processing fees	55,000	0
Board lunch	21,000	18,000
Agm Expenses & bishop lunch	0	65,000
workshop allowance	0	15,000
	<u>295,000</u>	<u>695,000</u>
8 General Administrative Expenses		
Land rates & rent	112,000	138,250
Office ecponses cash	110,800	135,000
Communication(mail,Email,Telephones)	110,500	135,000
Professional fees	60,000	42,000
safaricom ltd	10,950	11,405
meter readings	32,600	87,050
Purchases of lap top	24,500	0
Long Term Evolution lte	58,000	0
Lpo Boilers	5,000	0
Bank Deposits	38,500	0
Auditors fees	21,500	0
Advertisment of tender	25,000	0
Registrar of companies	60,550	0
Electricity expenses	63,695	144,204
Commissioning of projects	26,000	45,700
Stationery,Computers and Consumables	42,400	61,100
Advertsiments & announcements	28,500	35,500
Travelling and subsistence	58,600	42,300
General expenses-office tea	36,500	32,250
	<u>925,595</u>	<u>909,759</u>

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TACHASIS WATER & SANITATION COMPANY LIMITED
Financial Statements
For the Year ended 31st December 2022

	2,022	
Operation Expenditure-water	KSH	
Billing sytem and Pvc pipes	45,000	0
Web site (light media services)	12,000	0
Engineer services	20,000	0
Procurement facilitation fees	17,000	0
Lunch for Plumbers kapkeino	3,150	0
Fare and Night out for validation	50,000	0
Repairs for MD office	16,000	0
Committee allowance	30,000	0
Loan Rerpayment	63,067	0
Water testing	17,500	0
Ite expenses	5,800	0
Electricity	16,500	20,000
Chemicals	77,000	18,800
Fuel & lubricants (general)	90,000	14,500
	183,500	53,300
Operation Expenditure-sewage		
Fuel for Veicles	75,000	107,400
	69,000	45,800
Maintenance Expenditure		
Levies & fees	81,500	86,500
Finance cost	6,556	15,850
	0	0
General expenses-Debt repayment		
Depreciation	23,441	29,728
	2,968,082	3,366,327
9 LEVIS & FEES		
Electricity & water	17,500	22,500
Insurance & Licenses	64,000	64,000
	81,500	86,500
10 Finance Costs		
Bank Charges	6,556	15,850
	6,556	15,850
11 Profit Before Tax	2022	2021
The following items have been recognised as expenses in determining profit before tax.		
Depreciation of Furniture & fittings	23,447	29,728
Auditors Remuneration	20,000	20,000



TACHASIS WATER & SANITATION COMPANY LTD
Financial Statements
For the Year ended 31st December 2022

3 NOTES(CONTINUED)

Property, Plant and equipment

	Computers Equipments ksh	Furniture & Fittings	Furniture & Fittings
At Cost	43,964	164,131	187,578
Additional			
	43,964	164,131	187,578
Accumulated Depreciation			
Annual Depreciation			
Charge for the year	5,496	20,516	23,447
	5,496	20,516	23,447
Carrying Amount			
31.12.2022	38,469	143,615	164,131

Income Tax Expenses

	2022	2021
	Kshs	Kshs
Current Tax	3,418	1,672
Total Tax Due	3,418	1,672

Share Capital

No of ordinary shares	No of ordinary shares
100	100
100	100

15

Cash and cash Equivalents

	2022	2021
	kshs	kshs
Bank balance	38,348	58,606
Cash on Hand	0	0
	38,348	58,606



TACHSIS WATER & SANITATION COMPANY
Financial Statements
For the Year ended 31st December 2022

Current Assets	2022		2021
	kshs	kshs	
Debtors	155,600		125,200
	155,600		125,200
Current Liabilities			
Creditors	242,769		286,197
	0		0
	242,769		286,197

For the Year ended 31st December 2022

Current Assets	2022		2021
	kshs	kshs	
Debtors	155,600		125,200
	155,600		125,200
Current Liabilities			
Creditors	242,769		286,197
	0		0
	242,769		286,197



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