

REPUBLIC OF KENYA



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**FORT BEVERAGE INDUSTRIES  
COMPANY LIMITED**

**FOR THE YEAR ENDED  
30 JUNE, 2025**





**FORT BEVERAGE INDUSTRIES COMPANY LIMITED**

**ANNUAL REPORT & FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2025**

Prepared in accordance with the International Financial Reporting Standards (IFRS) Accounting Standards



**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

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**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**1. Acronyms and Glossary of Terms.**

ICPAK	Institute of Certified Public Accountants of Kenya
IFRS	International Financial Reporting Standards
MD	Managing Director
PFM	Public Financial Management
PSASB	Public Sector Accounting Standards Board
FBIL	Fort Beverage Industries Limited
MUWASCO	Murang'a Water and Sanitation Company
CPS	Certified Public Secretary
KNUT	Kenya National Union of Teachers
CECM	Count Executive Committee Member
NGO	Non-governmental Organization
NCWK	National Council of Women of Kenya
CPA(K)	Certified Public Accountant Kenya
BSC	Bachelor of Science
M&E	Monitoring and Evaluation
CEO	Chief Executive Officer
EBK	Engineers Board of Kenya
AGM	Annual General Meeting
IEK	Institution of Engineers of Kenya
OSHA	Occupational Safety Health Act
ENG	Engineer
DR	Doctor
FOTAPI	Friends For The Abused People International
NACADA	National Authority for the Campaign Against Alcohol and Drug Abuse
KSG	Kenya School of Government
KIM	Kenya Institute of Management
WASREB	Water Services Regulatory Board
RT. REV	Right Reverend
PROF	Professor

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**2. Key Entity Information**

**Background Information**

The company was incorporated on 28<sup>th</sup> December 2016 under the Companies' Act 2015. It is a public company wholly owned by Murang'a Water and Sanitation Company and it is limited by shares. These shares are allotted to the natural person and held in trust for the holding company. The nominal capital of Fort Beverage Industries Ltd is Ksh. 40,760,000 divided into 8,150 shares of Ksh 5,000 each. The company started its independent operations in July 2017.

**Principal Activity**

The company produces and sells bottled water.

**The Board of Directors**

<b>Name</b>	<b>Designation</b>	<b>Date of Appointment</b>
RT.REV.DR. T. Gichere	Chairman	Appointed on August 2023
Eng. D. Ng'ang'a	Managing Director	Appointed on August 2023
Susan W. Karina	Member	Appointed on August 2023
Eston G. Kaiyego	Member	Appointed on August 2023
Rosaline N. Kamina	Member	Appointed on August 2023
Robert W. Macharia	Member	Appointed on August 2023
Lucy N. Mugure	Member	Appointed on August 2023
Joyce K. Wachira	Member	Appointed on August 2023
M. Magochi	Member	Appointed on August 2023
Prof. J. Kiarie	Member	Appointed on August 2023
Charles Njenga	Company Secretary	Appointed on August 2023

**Corporate Secretary**

Mr. Charles Njenga  
P.O BOX 52-10200  
Murang'a, KENYA

**Registered Office**

Muwasco Building, Murang'a  
Kangema Road  
P. O, Box 1050 - 10200  
Murang'a, KENYA

**Corporate Headquarters**

P. O. Box 1050 - 10200  
Muwasco Building, Murang'a  
Kangema Road  
Murang'a, KENYA

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 30 JUNE, 2025**

**Company Contacts**

Telephone-0712292544

E-Mail-managingdirector@muwasco.co.ke

Website-www.muwasco.co.ke

**Corporate Bankers**

Equity Bank Ltd.

P. O. BOX 1060 - 10200,

Murang'a Branc

**Independent Auditors**

Auditor General

The Office of the Auditor General.

Anniversary Towers, University Way

P.O. Box 30084 GPO 00100

Nairobi, Kenya.

**Principal Legal Advisers**

The Attorney General

State Law Office, Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**3. The Board of Directors**

 <p>RT.REV.DR.TIMOTHY I. GICHERE</p>	<p>Rt. Rev. Dr. Timothy Irungu Gichere is the current Diocesan Bishop – ACK Diocese of Mt. Kenya Central. He has been a clergy within the Diocese for 28 years and 6 years as a Bishop.</p> <p>A director of Uzima publishing house (ACK Owned) and current chairman Murang’a Water Sanitation Company (MUWASCO). He holds a honorary doctorate degree in Divinity from ACCIU (US), he has a masters in Pastoral Studies AIU formerly Negst (Kenya), a postgraduate diploma in Pastoral work (AIU), a diploma in youth leadership (Mindolo Zambia), a diploma in theology from St. Paul’s University.</p>
 <p>ENG.DANIEL NG’ANG’A</p>	<p>Eng. Daniel Ng’ang’a is the emeritus Chairman of The Water Service Providers Association of Kenya (WASPA), Chairman Molo Technical and Vocational College and the Managing Director of Murang’a Water and Sanitation Company Limited. He has more than Fifteen (15) years’ experience in the Design, Development and Management of water and sanitation utilities in major towns in Kenya.</p> <p>He holds a Bachelor of Science degree in Civil Engineering from JKUAT, Registered by EBK and an active corporate member of IEK. He has a Master’s in Public Policy and Administration (MPPA), Masters in Business Administration (MBA) and a Post Graduate Diploma in Community Development from ABMA (UK).</p>
 <p>SUSAN P.W.KARINA</p>	<p>She has vast experience in community development and the founder and current director of an NGO called Friends For The Abused People International (FOTAPI). She has also worked in various capacities with: NACADA, ECK, Uwezo Kenya, Joyful Women, Probation office and been a member of school boards.</p> <p>She holds a bachelors degree in social work and administration and has numerous certificates in community development related courses from various institutions. She is a member of Technical committee</p>
 <p>ESTON G. KAIYEGO</p>	<p>He has many years of experience in representing the physically challenged persons in various capacities. He has served in the capacities of treasurer secretary and chairman in various groups of the physically challenged.</p> <p>He has attained certificates in food production, evangelism &amp; discipleship and computer packages. He is a member of Finance and administration committee.</p>

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

 <p>Rosaline N. Kamina</p>	<p>She was born in 1962. She was appointed to the board on 4<sup>th</sup> March 2022 and represents women organizations. She holds a Master's degree in Education from Kenyatta University, Diploma in Special Education and Diploma in Strengthening Policy Dialogue among other numerous certificates in various fields. She has vast experience in teaching in Special needs Education and community and women empowerment programs. She is currently a Senior Executive Officer at KNUT Headquarters and has previously held various positions in the Kenya National Union of Teachers (KNUT). She is an independent member and a member of Audit and Risk Management committee of MUWASCO Board.</p>
 <p>Robert K.W. Macharia</p>	<p>CS Robert Macharia is a businessman in the hospitality and sports industry. He is the Founder and President of Murang'a Seal Sports Academy.</p> <p>He is an advocate of the High Court of Kenya of more than 22 years standing, a Certified Public Secretary and an Accredited Corporate Governance Auditor.</p> <p>He is a member in good standing of the Law Society of Kenya (LSK) and Institute of Certified Public Secretaries of Kenya (ICS).</p> <p>CS Robert Macharia holds of Bachelor of Laws (LLB) degree from the University of Nairobi</p> <p>He represents the business community in the Board of Murang'a Water and Sanitation Company Ltd. He is a member of technical committee.</p>
 <p>Lucy N. Mugure</p>	<p>Lucy Njoki Mugure is a seasoned professional with over a decade of distinguished leadership experience. Currently serving as a Board of Director at Murang'a Water and Sanitation Company Limited, she brings a wealth of knowledge and expertise, holding a Master's degree in Organizational Development and a Bachelor's degree in Business Administration. Her career is defined by a strong commitment to effective governance and strategic planning, which consistently fosters the success and growth of organizations, with a particular focus on water-related initiatives. She a member of Audit and Risk Management committee</p>
 <p>Joyce K. Wachira</p>	<p>Joyce K.wachira is a registered community health nurse and a member of national nurses association of Kenya. She hold a diploma in community health nursing and has over ten year working experience in medical field.</p> <p>She is a national trainer on community case management with over ten year experience in that field, she is also an astute business woman running various businesses in various town. She is a member of Finance and administration committee.</p>

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

 <p>M. Magochi</p>	<p>She is the CECM in charge of Water, irrigation and environment and natural resources ,Muranga County Government . She holds a Bachelor of Science degree in Biosystems Engineering from the University of Nairobi and registered by both EBK and IEK. She has extensive experience in consulting and business development. She is a member of Technical committee</p>
 <p>Prof. J. Kiarie</p>	<p>He is the CEC Finance, IT and Economic Planning Murang’a County Government. Fellow of the Institute Certified Secretaries (ICS), and the immediate former dean of the University of Nairobi’s School of Law, where he is a professor of corporate law. He is a certified governance auditor, who has published widely in the area of corporate governance and corporate law and has served on the boards of the Transport Licensing Appeals Board and National Council for Law Reporting. Previously, he has worked as the Vice Chancellor of Riara University.He has served as a consultant on corporate governance for a variety of local and international organizations.He has served as the Chairman of the Murang’a County Initiative (MCI) Steering Committee Towards the realization of goals and development objectives. He is a member of Finance and administration committee.</p>
 <p>Charles Njenga</p>	<p>Charles Njenga is the company’s secretary.An advocate of the High Court of Kenya and also a practicing Company Secretary duly registered by the Institute of Public Secretaries’. Holds a Bachelors of Laws degree from the University of Nairobi and a Masters of Laws from ISDE University, Madrid, Spain. He is the legal advisor to the Governor, Muranga County and also a company secretary to various companies including Prime Fuels Ltd and Inter consumer Products Ltd. He is the chairman of the FKF,IDAC committee and also the Chairman of the Egerton University Staff Pension Fund. He is a compliance and governance specialist and has also excelled in the area of litigation and alternative dispute resolution mechanisms within the judicial system.</p>

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**4. Key Management Team**

The Company's senior management team is as follows:

1.	 ENG. D. NGA'NG'A	BSC Civil Engineering, Emba, Dip. Community Development, Master of Public Policy and Administration.	Managing Director
2.	 CPA. J. MAINA	CPA(K), B.COM, Master of Public Policy and Administration.	Commercial Manager
3.	 ENG.P.KARENJU	BSC Civil Engineering	Technical Manager
4.	 CPA. P. NJERU	B.Com CPA(K)	Head Of Internal Audit
5.	 J. MBUTHIA	BMC, Diploma In Journalism & Media Studies	Acting General Manager/Head Of Corporate Affairs
6.	 P. MWANGI	Diploma In Environmental Technology,Certificate In M&E	Head Of Human Resources & Administration
7	 L. MAINA	B.Sc. (Hrm) ,Diploma Business Management(Hrm)	Head Of Monitoring And Evaluation

# FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025

## 5. Chairman's Statement

On behalf of the board of directors, am delighted to present to you our annual reports and financial statements for Fort Beverage Industries Company Ltd (**FBIL**) for the year ended 30<sup>th</sup> June 2025

The company was Registered on 28<sup>th</sup> day of December 2016 under the Company's Act 2015 of the laws of Kenya as a subsidiary company of Murang'a Water & Sanitation Company Limited (**MUWASCO**) to manufacture beverages in form of soft drinks and bottled water.

The company's major goal remains to diversify and improve revenue collections for the mother company (**MUWASCO**). With more revenues, our goal is to expand our pro-poor policy while endeavoring to create more job opportunities in both public and private sector through manufacturing and distribution channels.

With my team of board of directors in collaboration with the Company management, our focus is on building a future oriented and a sustainable business model majorly focusing on quality and affordability. With strong governance structures anchored on creativity, transparency, efficiency and effectiveness, we expect to achieve our financial goals while paying close attention to environmental, social and governance issues.

The Company' financial year under review has shown a continuous trend of stability and independence a testimony that our efforts are gradually bearing fruits.

From the previously recorded annual sales of Ksh 20,175,918 for the financial year 2023/2024, the company has recorded an annual sale of Ksh 20,037,052 a decline of Ksh 138,866.

With such promising signs of stability, we believe this will enable us implement one of long-term plans of completely automating the factory's bottling plant within the next two years. Automation is expected to improve productivity, efficiency and cost saving that will lead to more profitability enabling the company to efficiently compete with other bottling companies. I also want to thank our management team as they continue to explore new avenues of revenue collections through diversification.

I want to take this opportunity to thank my fellow directors on the Board for their commitment, passion and counsel. I sincerely appreciate their significant contributions in their individual capacities. I also want to recognize company's management team led by the Managing Director and the FBIL staffs for their hard work, tireless efforts, excellence and team work. I also want to thank our customers and all our stakeholders. My appreciation goes all to you all. Thankyou.



**RT. REV. DR. TIMOTHY GICHERE**

**CHAIRMAN**

# FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025

## 6. Report Of the Managing Director

Ladies and gentlemen, am extremely pleased to release our annual report and financial statements for the year ending 30<sup>th</sup> June 2025. On behalf of our management team, am presenting a report on operational and financial activities for Fort Beverage Industries Limited (FBIL) focusing on performance and corporate governance.

The Company's financial year under review has shown a continuous trend of stability and independence a testimony that our efforts are gradually bearing fruits.

In our pursuit of expanding and diversifying our revenue collections, we are pleased to report that this year we have introduced a new brand of bottled water "MURANGA WATER" that is expected to compete with the 'FORT AQUA' brand in the market. The new brand is expected to expand our market base through new distribution channels and new clients majorly big consumers.

Our commitment to reduce operational costs and improve efficiency is on course and we have established a long-term goal of automating our production unit. Automation will mean increased productivity, low wastage of raw materials and improved quality resulting in better profit margins. Automation is expected to improve productivity, efficiency and cost saving that will lead to more profitability enabling the company to efficiently compete with other bottling companies

In the year under review, we have constantly worked to integrate and incorporate the best corporate practices that allows for the efficient, effective and maximization use of our available resources and work force. Our sustainability initiatives focus on three key areas; promoting health, minimizing negative environmental impact and benefitting the local community in our area of jurisdiction

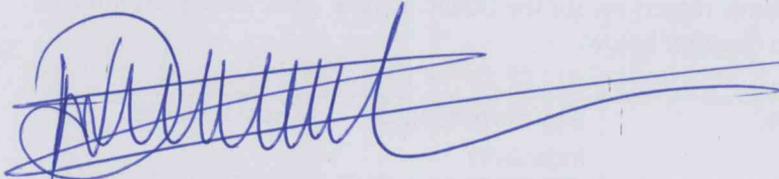
I would like to thank the chairman and the board for their continued support, guidance and selfless leadership. I also extend my sincere appreciation to our corporate management team for their continued support and relentless efforts in

My thanks also extend to all customers for their continued support which allows us to reach new heights and achieve our goals. We thank them for their loyalty and believing in our vision and values. We commit to continue bringing them the best products and services .Their trust is the driving force behind our commitment to excellence.

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 30 JUNE, 2025**

Finally, to all the FBIL employees, thank you for your inspiring courage, resilience and commitment in our pursuit of being a center of excellence and a benchmark company in the manufacturing and bottling sector.

Asanteni Sana.

A handwritten signature in blue ink, consisting of a large initial 'D' followed by several loops and a long horizontal stroke extending to the right.

**ENG. D. NG'ANG'A**

**MANAGING DIRECTOR**

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**7. Statement Of Performance Against Predetermined Objectives For Financial Year 2023/2024**

Fort Beverage Industries Company has strategic pillars and objectives within its strategic plan for the financial year 2020/2021 to 2024/2025.

Fort Beverage Industries Company develops its annual work plans based on the strategic plan. Assessment of the Boards performance against its annual work plan is done on a quarterly basis. The company has achieved its performance targets set for the financial year 2024/2025 period for its strategic pillars, as indicated in the diagram below.

Strategic pillar	Objective	Key Performance Indicators	Achievements
Strategy 1:	Bottle Wrapping and Capping Machine	Wrapping machine in place	In progress
Strategy 2:	OSHA Requirements	Training	In progress-90% attained
Strategy 3:	Prepare and adhere to procurement plans	Plans in Place	Procurement plans adhered to
Strategy 4:	Formulate and implement debt collecting policy	Policy in place	In progress-85% attained
Strategy 5:	Monitor customer issues	Customer management	Customer management improved
Strategy 6:	Marketing vans and trucks	Vans TUK TUK and trucks	In progress
Strategy 7:	Mould Blower machine	Machine in place	In progress
Strategy 8:	Commercial Printer	Printer in place	Not yet in place
Strategy 9:	Automatic Water Filling Machines/ Develop and implement automation policy	Automation process in place	Not yet in place

# FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025

## 8. Corporate Governance Statement

Corporate governance is the process and structure used to direct and manage business affairs of the company towards enhancing prosperity and corporate accounting with the ultimate objective of realizing stockholder's long-term value.

The company conducts its operations in accordance with the principles of good corporate governance as provided in the Water Services Regulatory Board (WASREB) guidelines and Water Act 2016 provisions. WASREB conducts governance audit to ensure good corporate governance.

### Board of Directors

The composition of the Board is compliant with good corporate governance practices and WASREB regulations. The roles of the Chairman and the Managing Director are segregated. The Managing Director is in charge of the day-to-day running of the business of the company. A non-executive director acts as the chair of the Board. The current Board is composed of Managing Director and ten other directors drawn from various stakeholders. The Board is therefore composed of committed individuals with diverse and complementary skills to ensure that there is sufficient wealth of experience at Board level.

### Process of appointment and removal of directors

A third of directors retire on rotation every year. Election of directors starts with advertisement in the media, their applications are considered by stakeholder's selection committee and this committee does a recommendation to the stakeholders. The recommendations are taken to the Annual General Meeting. The stakeholders at the AGM are at liberty to agree with the recommendations, amend or to disagree with the recommendations.

### Induction and training

After every Annual General Meeting, the directors undergo an induction and training.

### Board meetings

Board meetings are held every quarter and in exceptional circumstances as dictated by demand and exigencies of company operations. The following are the number of Board meetings held:

#### Attendance of board meetings

TYPE OF MEETING	NO.
Full Board Meeting	4
Finance and Admin Committee Meeting	4
Audit Committee Meeting	4
Technical committee	4
<b>Total</b>	<b>16</b>

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**Corporate Governance Statement (Continued)**

DATE	MEETING	DR. TIMOTHY GICHERE	LUCY NJOKI	ROBERT MACHARIA	JOYCE WACHIRA	ESTON GATHIMA	SUSAN PERIS KARINA	ROSALINE KAMINA	CHARLES NJENGA	CEC WATER	CEC FINANCE	TOWN MANAGER
7/8/2024	FINANCE AND ADMIN COMMITTEE				✓	✓					✓	
7/8/2024	AUDIT COMMITTEE		✓					✓				✓
7/8/2024	TECHNICAL COMMITTEE			✓			✓			✓		
19/08/24	FULL BOARD	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
15/10/24	FINANCE AND ADMIN COMMITTEE				✓	✓					✓	
15/10/24	AUDIT COMMITTEE		✓					✓				✓
15/10/24	TECHNICAL COMMITTEE			✓			✓			✓		
25/10/24	FULL BOARD	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
23/01/25	FINANCE AND ADMIN COMMITTEE				✓	✓					✓	
23/01/25	AUDIT COMMITTEE		✓					✓				✓
23/01/25	TECHNICAL COMMITTEE			✓			✓			✓		
3/2/2025	FULL BOARD	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6/5/2025	FINANCE AND ADMIN COMMITTEE				✓	✓					✓	
6/5/2025	AUDIT COMMITTEE		✓					✓				
6/5/2025	TECHNICAL COMMITTEE			✓			✓			✓		
13/05/25	FULL BOARD	✓	✓		✓	✓	✓	✓		✓	✓	

# FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025

## Corporate Governance Statement(Continued)

### Board committees

The Board has approved the delegation of certain authorities to the Board sub committees where applicable, and to the management.

The Board has three committees, which are guided by clear terms of reference. The committees are instrumental in monitoring the company operations, systems and internal controls. The committees are as follows:

### Audit and risk management committee

The members of this committee are all non-executive directors. All the members meet minimum financial literacy standards. The committee meets at least four times in a year and the internal auditor serves as the secretary of the committee.

The committee is responsible for ensuring that the Company's internal controls are adequate and that the assets at the disposal of the company are safeguarded. It ensures that proper policies and internal control procedures are in place and also helps to ensure that the set policies and procedures are adhered to and advices on improvements and introduction of new control procedures.

### Finance and administration committee

The committee comprises of three non executive. The committee is chaired by a non-executive director and meets four times a year.

The role of the committee is to monitor and review the operational and financial performance of the company against key performance indicators, identifying shortcomings and ensuring corrective measures and actions are taken. The committee also reviews the company's investment plans in capital expenditure and recommends to the board for approval. The committee has also the responsibility of ensuring that the systems of financial controls are effectively administered.

This committee as well has the responsibility of ensuring the company has the right staff, at the right place and doing the right thing. More so, the committee will ensure that staff welfare is guaranteed.

Their terms of reference includes but not confined to human resource planning, employee welfare, recruitment, training, performance appraisal, discipline, health and safety and HIV/AIDS.

### Technical committee

The committee comprises of three non executive directors. The committee is chaired by a non-executive director and meets four times a year.

This committee oversees planning, coordination and execution of development and rehabilitation projects to ensure expansion of reticulation system and to improve efficiency in water production and distribution including sewerage network

### Succession plan

Board succession planning of Murang'a Water and Sanitation is a strategic process where a board of directors proactively identifies and prepares candidates to replace current members or key positions, ensuring continuity and stability in leadership. It involves assessing the board's strategic needs, developing selection criteria, building a talent pool, and establishing processes for smooth transitions to safeguard the Murang'a Water and Sanitation long-term success and avoid leadership crises.

# FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025

## Corporate Governance Statement (Continued)

### Policy to manage conflict of interest

A Board of Directors conflict of interest policy is a formal document outlining procedures for directors to avoid situations where their personal interests might improperly influence their decisions, which could compromise the Murang'a Water and Sanitation company's best interests. Key components include a clear definition of what constitutes a conflict of interest, an annual disclosure of outside interests, a process for declaring a conflict, rules for recusal from discussions and votes, record-keeping via a public register, and penalties for non-compliance. The policy aims to uphold the director's fiduciary duty of loyalty to the company and prevent even the appearance of impropriety.

### Directors' Remuneration

The remuneration of non-executive directors consists of sitting allowances in connection with Board and committee meetings.

### Ethics and conduct of directors

To show commitment of proper utilization and management of public resources and proper running of corporation's affairs, Murang'a Water and Sanitation Company has developed a code of ethics to be signed by all board members. The code of ethics provides guidance and direction in the manner in which members of the board of directors are expected to conduct themselves when handling matters relating to the company. This code is guided by the company's strategic plan.

### Governance audit

Governance in audit refers to a governance audit, which is an independent evaluation of Murang'a Water and Sanitation systems, processes, and policies to determine if they are effective, ethical, and compliant with laws, regulations, and best practices. It assesses the structures, of the board of directors and executive leadership, to ensure accountability, transparency, and proper risk management, ultimately strengthening Murang'a Water and Sanitation ability to achieve its objectives ethically and legally

The primary role of a board of directors is to oversee a Murang'a Water and Sanitation management and ensure it operates legally, ethically, and in the best interests of its shareholders and other stakeholders. Key functions include setting the Murang'a Water and Sanitation Company's strategic direction, hiring and evaluating the Managing director, monitoring financial health and risk, ensuring legal and ethical compliance, and fostering a strong corporate culture.

### Communication policy

A communication policy for a board of directors of Murang'a Water and Sanitation establishes rules for how directors interact internally and with the public, ensuring professionalism, security, and transparency. Key elements typically include guidelines on appropriate language and conduct during meetings, rules for disclosing confidential information, established procedures for internal and external communication, and defining official spokespeople to maintain a consistent organizational voice.

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**Corporate Governance Statement (Continued)**

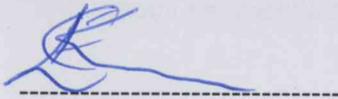
**Terms of reference of committees**

Terms of Reference (TOR) for board committees define the committee's authority, role, responsibilities, composition, and operational structure. A TOR typically includes the committee's purpose and mandate, its powers, reporting lines to the board, membership criteria and tenure, meeting frequency and protocols, and the process for reviewing its effectiveness. These documents are essential for ensuring committees focus on their delegated responsibilities, operate effectively, and contribute to the overall strategic goals of the Murang'a Water and Sanitation.

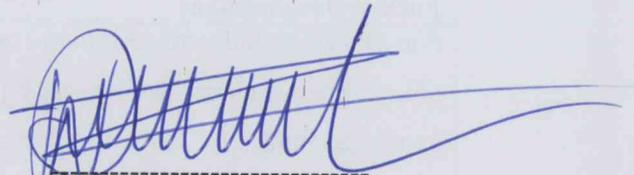
**Policy on related party transactions**

A policy on related party transactions (RPTs) for a board ensures that a Murang'a Water and Sanitation company conducts business with individuals or entities connected to its directors, key management, or significant shareholders transparently and ethically. Key components of this policy include defining related parties and transactions, mandating disclosure and abstention by interested directors, requiring review and approval by the board or sometimes shareholders for material transactions, and ensuring arms-length terms. The policy also addresses disclosure in financial statements and adherence to applicable laws and regulations.

SIGNED:



**CHAIRMAN**



**MANAGING DIRECTOR**

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**9. Management Discussion and Analysis**

**SECTION A**

**The entity's operational and financial performance**

No.	ITEM	Jul 2023- Jun 2024	Jul 2024- Jun 2025
1	Total Sales (Kshs in Millions)	20.2 M	20.0 M
2	Operating Exp (Kshs in Millions)	19.8 M	19.8 M

**SECTION B**

**Entity's compliance with statutory requirements**

Fort Beverage Industries Company complies with various statutory requirements and the 2<sup>nd</sup> AGM was held on Friday the 25<sup>th</sup> October 2024.

**SECTION C**

**Future Development**

Fort Beverage Industries Limited company is a company limited by guarantee hence it cannot be able to finance its project through equity. The projects are financed either from internally generated funds or Grants from Muranga Water and Sanitation,

No	Project	Financed by	Sustainability	Budget Ksh
1	Automated Batching Machine	Fort Beverage Industries	The project will increase daily production and reduce cost of production	1,300,000
2	Automated Bottling System	Murang'a Water and Sanitation	-The project will increase daily production and reduce cost of production	5,500,000
	<b>TOTAL</b>			<b>6,800,000</b>

**Major issues**

The Company has no any financial improbity and it observes the guidelines issued by Water Services Regulatory Board on corporate governance and has complied with the guidelines with no any case of conflict of interest among the Board or Member of the Board and top management.

**SECTION D**

**Material arrears in statutory/financial obligations**

The company has no major arrears

## **10. Environmental and Sustainability Reporting**

Fort Beverage Industries Limited is a subsidiary company of a government water utility - **Murang'a Water and Sanitation Company Limited** that was registered in 28<sup>th</sup> day of December 2016, under the Companies Act, 2015 of the laws of Kenya to manufacture beverages in the form of soft drinks and also to process and bottle water. Our bottled mineral water is processed and packaged at Kiharu adjacent to the Murang'a University of Technology, in the most clean environment to avoid contamination and thereby presenting the customers with mineral water with the highest standard of quality. We are bottling and supplying to supermarkets and retail outlets at subsidised rates to enhance corporate citizenship.

### **i) Sustainability strategy and profile -**

FBIL has continued to operate within set regulatory framework while executing her mandate. Through strategic planning and time-to-time reviews, we have continued to identify and address risks and opportunities; an exercise that has gradually improved our performance nationally. Our Strategic Plan has been guided to intervene in environmental, climate and conservation guidelines.

### **ii) Environmental performance**

Over the years, our environmental conservation programs have remained core towards achieving 10% forest cover, as President William Ruto directed. Indeed, we partnered with our parent organization Murang'a Water and Sanitation Company Limited and the Ministry of Education where we engaged primary and secondary schools in our initiative Muwasco Mazingira Bora program where we planted over 80,000 tees in schools. We are working closely with the school heads in order to ensure that the seedlings are nurtured to growth. This program we believe will prepare young environmentalists who will ensure a we secure a climate-friendly tomorrow.

### **iii) Employee welfare**

The company has a human resource policy and manual, which guides hiring, processes. The company also has a collective bargaining agreement which has welfare terms.

To improve skills, the company sets a budget for training every year and pays the training fees for the training that arises. The departmental heads and section heads appraise the staff quarterly and the appraisals are used to reward the staff.

### **iv) Market place practices-**

#### **a ) Responsible competition practice.**

The organization ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors.

#### **b ) Responsible Supply chain and supplier relations**

Developing a strong relationship with suppliers helps ensure that suppliers of essential supplies and contracts are fair and that business conducted together is mutually beneficial. We have supplier strategy, supply chain policy and code of conduct that set out the standards we expect from suppliers' business ethics, human rights and environmental management. The company always obtains value for money spent on procurement by ensuring that only those items needed are bought; that these items are of good quality and stored appropriately to preserve their quality.

**Environmental and Sustainability Reporting (Continued)**

**c) Responsible marketing and advertisement**

Our commitment to regulations, directives and laws on marketing and advertisement practices has been harnessed to the letter. Indeed, we continue placing advertisements and marketing information on the government-accredited newspaper "MY GOV" as directed in a memo from the Department of Civil Service in 2017. All information forwarded for such purposes is usually thoroughly screened to meet the required standard.

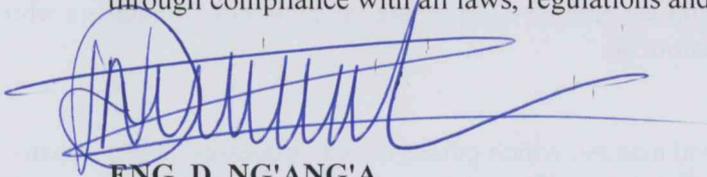
**d) Product stewardship**

We have continually updated our consumer rights and interests by getting and analysing consumer feedback received through various forums and channels of engagement. As a best practice, we must carry out a customer satisfaction survey annually to assess our performance and identify gaps and interests. We are privy to laws on water rights, the Bill of Rights, the Consumer Protection Act and other laws guiding consumer protection and engagement.

**Corporate Social Responsibility / Community Engagements**

We have contributed to society matters by donating bottled water to charity events and participating to events geared towards community empowerment. Indeed we joined a 25 Kilometres Charity walk organised by the Anglican Churches of Kenya Mt Kenya Central Diocese led by Rt Rev Timothy Gichere Bishop of Mt Kenya Central.

We relish to continue strengthening our corporate governance structure in order to enhance management, transparency and monitoring. Furthermore, we will strive to increase our corporate value through compliance with all laws, regulations and rules governing our corporate activities.



**ENG. D. NG'ANG'A**

**MANAGING DIRECTOR**

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**11. Report Of the Directors**

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The Board of Directors has the pleasure in submitting their annual Report and Financial Statements for the period ended 30 June 2025

**(i) Principal Activity**

The company produces and sells bottled water.

**(ii) Results**

The results of the company for the year ended June 30 2025 indicate a surplus of **Kshs 10,398** as set out on page one of the accounts.

**(iii) Dividends**

Water Act section 131 (1) (3) restrict payment of dividends or other payments to owner of public water services providers as long as the universal rights of access to safe and clean water have not been achieved. This is also in line with the WASREB corporate governance guideline 2024 section 3.3.4 which requires that the profit be re-ploughed back. Consequently no dividend were proposed or paid during the year.

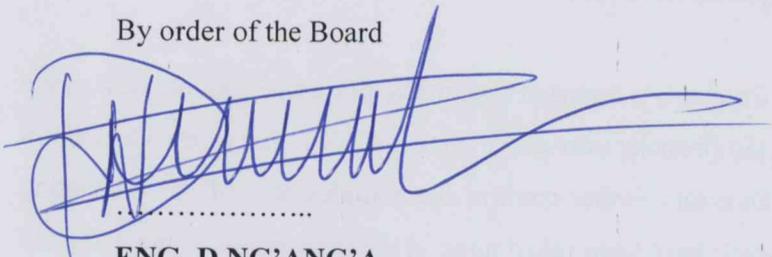
**(iv) Directors**

The board members who held office during the year were as indicated on pages vii, viii and ix of the accounts.

**(v) Auditors**

The auditor general is responsible for the statutory audit of the company's financial statements in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

By order of the Board



.....  
**ENG. D.NG'ANG'A**

**Secretary to the Board**

**12/08/2025**

## **12. Statement of Directors' Responsibilities**

Section 164 of the Public Finance Management Act, 2012 and Companies Act 2015 require the Directors to prepare financial statements in respect of that Company, which give a true and fair view of the state of affairs of the Company at the end of the financial year/period and the operating results of the Company for that year. The Directors are also required to ensure that the Company keeps proper accounting records which disclose with reasonable accuracy the financial position of the Company. The Directors are also responsible for safeguarding the assets of the Company.

The Directors are responsible for the preparation and presentation of the Company financial statements, which give a true and fair view of the state of affairs of the Company for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the Company; (v) selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors responsibility for the Company financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards (IFRS), and in the manner required by the PFM Act, 2012, water act 2016 and companies Act 2015)

The Directors are of the opinion that the Company's financial statements give a true and fair view of the state of Company's transactions during the financial year ended June 30, 2025, and of the Company's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the Company, which have been relied upon in the preparation of the company financial statements as well as the adequacy of the systems of internal financial control.

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**Statement of Directors' Responsibilities (Continued)**

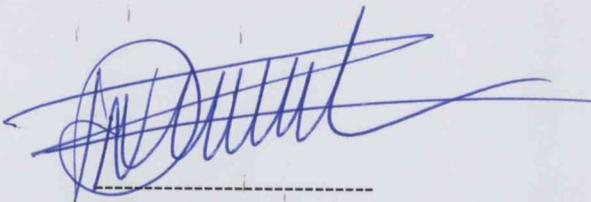
In preparing the financial statements, the Directors have assessed the entity's ability to continue as a going concern

**Approval of the financial statements**

The company financial statements were approved by the Board on 12<sup>th</sup> August 2025 and signed on its behalf by:

SIGNED: \_\_\_\_\_

  
**RT. REV. DR. T. Gichere**  
Chairperson of the Board

  
\_\_\_\_\_  
**ENG. D. NG'ANG'A**  
Managing Director

**13. Report of the Independent Auditor For the Financial Statement of Fort Beverage Industries Ltd**

# REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

## REPORT OF THE AUDITOR-GENERAL ON FORT BEVERAGE INDUSTRIES COMPANY LIMITED FOR THE YEAR ENDED 30 JUNE, 2025

---

### PREAMBLE

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

- A. Report on 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 the 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; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, 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 is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities 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

#### Opinion

I have audited the accompanying financial statements of Fort Beverage Industries Company Limited set out on pages 1 to 19, which comprise of the statement of financial

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position as at 30 June, 2025 and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Fort Beverage Industries Company Limited as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with the Companies Act, 2015 and the Public Finance Management Act, 2012.

### **Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Fort Beverage Industries Company Limited 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 judgement, 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 Matter**

In the prior years' audit report, one issue was raised under the Report on Financial Statements relating to Unsupported Expenditure of Kshs.171,680; Under Report on Lawfulness and Effectiveness in Use of Public Resources, the issue raised was on noncompliance with the law on staff Ethnic diversity and Report on Effectiveness of Internal Controls, Risk Management and Governance had no issue.

Review of the status during audit in 2024/2025 revealed that the matters remained unresolved.

### **Other Information**

The Management is responsible for the Other Information set out on page iii to xxiii which comprise of Key Entity Information, The Board of Directors, Key Management Team,

Chairman's Statement, Report of the Managing Director, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors, and the Statement of Directors Responsibilities.

The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Company's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

## REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

### Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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. Non-Compliance with Law on Staff Ethnic Diversity

The statement of financial performance and as disclosed in Note 7 to the financial statements reflects Kshs.2,899,185 in respect of staff costs. Staff establishment presented for audit and as reported in the report for the previous year revealed that all the company's Five (5) staff members were drawn from the same ethnic community. Also revealed by the audit was that all the eleven (11) members of the Board of Directors were also drawn from the same ethnic community contrary to Article 232(1) of the Constitution which requires representation of Kenya's diverse communities and affording adequate and equal opportunities for appointment at all levels of the public service for the members of all ethnic groups.

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

## **2. Non-Compliance with Minimum Requirements on Staff Gender Composition**

The statement of financial performance and as disclosed in note 7 to the financial statements reflects Kshs.2,899,185 in respect of staff costs. Review of the company's staff establishment revealed that out of the staff population of five (5) four (4) of them or approximately 80% (4) comprise of the same gender contrary to Article 27 (6) of the constitution which provides that, the State shall take legislative and other measures to implement the principle that not more than two-thirds of the members of elective or appointive bodies shall be of the same gender.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require 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 comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

#### **Conclusion**

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

#### **Basis for Conclusion**

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

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

#### **Conclusion**

As required by the Companies Act, I report, based on my audit, that: 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; the information given in the Directors' report on pages xxi is consistent with the financial statements.

The Companies Act requires that I report on the legal or regulatory requirements, or on performance information disclosed. These matters require expressing a separate opinion as to the Company's compliance with laws and regulations. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of the Management and the Board of Directors**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for maintaining effective internal controls 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 controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention 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 comply 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 Company'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**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

  
**FCPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**31 October, 2025**

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**14. Statement of Profit or Loss & Other Comprehensive Income For The Year Ended 30 June, 2025**

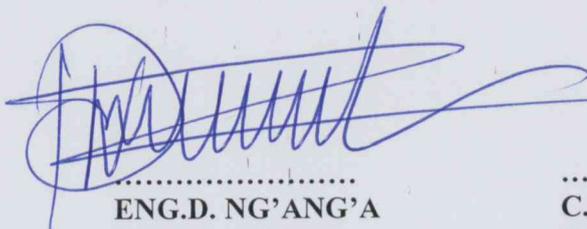
	Note	2024/2025	2023/2024
		Kshs	Kshs
<b>Revenue</b>			
Operating Revenue	6	20,037,052	20,175,918
<b>Total Revenue</b>		<b>20,037,052</b>	<b>20,175,918</b>
<b>Expenses</b>			
Staff Costs	7	2,899,185	2,416,293
General And Operations Expenses	8	7,727,018	7,130,335
Production and maintenance expenses	9	8,684,086	9,656,248
Depreciation and amortization	10 & 11	530,848	568,868
<b>Total Expenses</b>		<b>19,841,137</b>	<b>19,771,744</b>
<b>Profit/(Loss) Before Taxation</b>		<b>195,915</b>	<b>404,174</b>
<b>Income Tax Expense</b>		<b>(185,517)</b>	<b>-</b>
<b>Profit/(Loss) After Taxation</b>		<b>10,398</b>	<b>404,174</b>

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

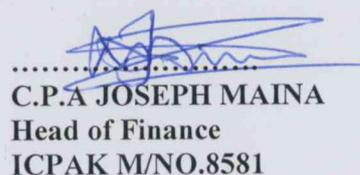
**15. Statement of Financial Position As at 30 June, 2024**

	Note	2024/2025	2023/2024
		Kshs	Kshs
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and Equipment	10	15,292,907	15,813,848
Intangible assets	11	39,630	49,537
<b>Total Non-Current Asset</b>		<b>15,332,537</b>	<b>15,863,385</b>
<b>Current Asset</b>			
Inventory	12	1,087,666	1,032,111
Receivables	13	3,216,887	2,782,185
Bank And Cash Balances	14	653,251	725,704
<b>Total Current Assets</b>		<b>4,957,804</b>	<b>4,540,000</b>
<b>TOTAL ASSETS</b>		<b>20,290,341</b>	<b>20,403,385</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Revenue Reserves	15	(22,039,460)	(22,049,858)
Share Capital	16	40,748,029	40,748,029
<b>Total Capital and reserves</b>		<b>18,708,569</b>	<b>18,698,171</b>
<b>Non current liabilities</b>			
<b>Total Non-Current liability</b>		<b>-</b>	<b>-</b>
<b>Current Liabilities</b>			
Trade and other payables	17	1,581,772	1,705,214
<b>Total Current Liabilities</b>		<b>1,581,772</b>	<b>1,705,214</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>20,290,341</b>	<b>20,403,385</b>

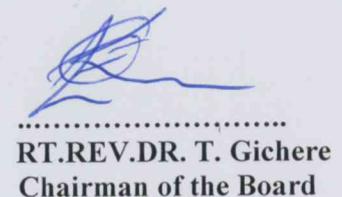
The financial statements on pages 1-18 were approved by the board of directors on 12/08/2025 and were signed on its behalf by:



.....  
**ENG.D. NG'ANG'A**  
 Managing Director



.....  
**C.P.A JOSEPH MAINA**  
 Head of Finance  
 ICPAK M/NO.8581



.....  
**RT.REV.DR. T. Gichere**  
 Chairman of the Board

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 30 JUNE, 2025**

**16. Statement of Changes In Equity For The Year Ended 30 June 2025**

	NOTES	REVENUE RESERVES (Kshs)	SHARE CAPITAL	TOTALS (Kshs)
As at July 1, 2023		(22,454,032)	40,748,029	18,293,997
Loss for the year		404,174		404,174
As at June 30, 2024		(22,049,858)	40,748,029	18,698,171
As at July 1, 2024	16	(22,049,858)	40,748,029	18,698,171
Profit for the year		10,398		10,398
As at June 30, 2025	15	(22,039,460)	40,748,029	18,708,569

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 30 JUNE, 2025**

**17. Statement of Cash Flows for The Year Ended 30 June, 2025**

	Note	2024/2025	20223/2024
		Kshs	Kshs
<b>Cash Flows from Operating Activities</b>			
<b>Receipts</b>			
Operating Receipts		23,203,899	23,857,741
<b>Total Receipts</b>		<b>23,203,899</b>	<b>23,857,741</b>
<b>Payments</b>			
Staff cost		2,843,453	2,391,059
Administration expenses		10,234,920	10,325,094
Production and maintenance expenses		10,197,979	11,147,030
General and operating expenses			
Board expenses		-	-
<b>Total Payments</b>		<b>23,276,352</b>	<b>23,863,183</b>
<b>Net Cash From/ (Used In) Operating Activities</b>		<b>(72,453)</b>	<b>(5,442)</b>
<b>Cash Flows From Investing Activities</b>			
Purchase Of Property, Plant And Equipment (PPE)		-	-
<b>Net Cash From/ (Used In) Investing Activities</b>		<b>-</b>	<b>-</b>
<b>Cash And Cash Equivalent At Beginning Of Year</b>		<b>725,704</b>	<b>731,146</b>
<b>Cash And Cash Equivalent At End of the Year</b>	<b>14</b>	<b>653,251</b>	<b>725,704</b>

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**18. Statement of Comparison of Budget & Actual Amounts for The Period Ended 30 June, 2025**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization	Explanation of Material Variances
<b>Revenue</b>	<b>Ksh</b>	<b>Ksh</b>	<b>Ksh</b>				
Operating revenue	26,843,319	(6,000,000)	20,843,319	20,037,052	806,267	96	
<b>Total Revenue</b>	<b>26,843,319</b>	<b>(6,000,000)</b>	<b>20,843,319</b>	<b>20,037,052</b>	<b>806,267</b>		
<b>EXPENSES</b>							
Staff Cost	3,015,339	20,000	3,035,339	2,899,185	136,154	96	
Production and Maintenance Expense	11,532,478	(1,500,000)	10,032,478	8,684,086	1,348,392	87	Large opening stock from previous period
General and Operations Expenses	8,917,700	520,000	9,437,700	7,727,018	1,710,682	82	Less tax paid because of low sales volume
<b>Total Recurrent Expenditure</b>	<b>23,465,517</b>	<b>(960,000)</b>	<b>22,505,517</b>	<b>19,310,289</b>			
<b>Profit/Loss</b>	<b>3,377,802</b>			<b>726,763</b>			
Capital expenditure	1,300,000	(1,300,000)					
<b>Reconciliation items not in the budget</b>							
Depreciation				530,848			
<b>Profit before taxation</b>				<b>195,915</b>			

Explanation of variances is on +/- 10%

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 30 JUNE, 2025**

**19. Notes to the Financial Statements**

**1. General Information**

Fort Beverage Industries Company Ltd is established by and derives its authority and accountability from companies Act. The Company is wholly owned by the Murang'a Water and Sanitation Company ltd and is domiciled in Kenya. The Company's principal activity is produce and sell bottled water. For Kenyan Companies Act reporting purposes, the balance sheet is represented by the statement of financial position and the profit and loss account by the statement of profit or loss and other comprehensive income in these financial statements.

**2. Statement of Compliance and Basis of Preparation**

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Company. The figures are rounded to the nearest Kenyan shilling.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, Water Act 2016 and the Company's Act, and International Financial Reporting Standards (IFRS). The accounting policies adopted have been consistently applied to all the years presented.

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**Notes to the Financial Statements (continued)**

**3. Application of New and Revised International Financial Reporting Standards (IFRS)**

**i. New and amended standards and interpretations in issue and effective in the year ended 30 June 2025.**

Title	Description	Effective Date
Amendments to IAS 1 titled Classification of Liabilities as Current or Non-current (issued in January 2020, amended in October 2022)	The amendments, applicable to annual periods beginning on or after 1st January 2024, clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period	January 1, 2024.
Amendment to IFRS 16 titled Lease Liability in a Sale and Leaseback (issued in September 2022)	The amendment, applicable to annual periods beginning on or after 1st January 2024, requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss.	January 1, 2024.
Amendments to the Classification and Measurement of Financial Instruments Amendments to IFRS 9 and IFRS 7	The amendments specify: <ul style="list-style-type: none"> <li data-bbox="523 952 1046 1086">i. when a financial liability settled using an electronic payment system can be deemed to be discharged before the settlement date.</li> <li data-bbox="523 1086 1046 1288">ii. how to assess the contractual cash flow characteristics of financial assets with contingent features when the nature of the contingent event does not relate directly to changes in basic lending risks and costs; and</li> <li data-bbox="523 1288 1046 1572">iii. new or amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.</li> </ul>	January 1, 2026

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**Notes to the Financial Statements (continued)**

**ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.**

IFRS 18 Presentation and Disclosure in Financial statements	The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.	January 1, 2027.
IFRS 19 Subsidiaries without Public Accountability	IFRS 19 Subsidiaries without Public Accountability: Disclosures IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued in May 2024. IFRS 19 permits some subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. These entities apply the requirements in other IFRS Accounting Standards except for their disclosure requirements. Instead, these entities apply the requirements in IFRS 19	January 1, 2027

**iii. Early adoption of standards**

Fort Beverage Industries Ltd did not early – adopt any new or amended standards in year under review.

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 30 JUNE, 2025**

**Notes to the Financial Statements (continued)**

The Directors do not plan to apply any of the above until they become effective. Based on their assessment of the potential impact of application of the above, they do not expect that there will be a significant impact on the company's financial statements.

**iii. Early adoption of standards**

Fort Beverage Industries Company Ltd did not early – adopt any new or amended standards in year under review.

**4. Summary of Accounting Policies**

**a. Revenue Recognition**

Revenue is measured based on the consideration to which the entity expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The entity recognizes revenue when it transfers control of a product or service to a customer.

**Revenue from the sale of goods** is recognized in the year in which the Company delivers products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured

**b. Property, Plant and Equipment**

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

**c. Depreciation, impairment of Property, plant and Equipment**

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

<b>Per Annum</b>	<b>RATE</b>
	<b>%</b>
-Computers	30
-Computer software	20
-Buildings	2.5
-Furniture	12.5
-Equipments	12.5

Depreciation is provided for the full year of purchase irrespective of the month of purchase but no depreciation charged to works in progress and in the year of disposal.

**d. Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on the reducing balance basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

**e. Reserves**

Reserves of the company comprise revenue reserves which represents the excess of the income over recurrent expenditure.

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 30 JUNE, 2025**

**Notes to the Financial Statements (continued)**

**f. Taxation**

The company pays income tax at the rate of 30%.

Judgment is required in determining the tax liability due to the complexity of legislation. There are many transactions and calculations for which tax determination is uncertain during ordinary course of business. The company recognizes tax liability for anticipated tax audit issues based on estimates of whether additional tax will be due. Where the final tax outcome of these matters is different from amounts that were initially anticipated, such difference will impact the income tax in the period in which such determination is made.

**g. Related party transactions**

Fort beverage industries co. ltd is a subsidiary of Muranga Water and Sanitation Company. Other related parties are as stipulated in note 18

**h. Inventory**

The company recognizes inventory at the lower of cost and net realizable value using first in first out method of inventory valuation.

**i. Trade and other receivables**

Trade and other receivables are recognized at amortized cost 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.

**j. Cash and Cash Equivalent**

Cash and cash equivalents include cash on hand and cash at bank. Bank account balances include amount held at Equity bank and Mpesa at the end of financial year.

**k. Trade and other Payables**

The liability for accounts payable and other payables are non-interest bearing and are carried at cost, which is measured at the fair or contractual value of the consideration to be paid in future in respect of goods and services supplied, whether billed to the company or not, less any payments made to suppliers.

**l. Financial risk management**

The board of directors is the primary risk supervisor, exercising its role through various board approved committees. The company's internal audit section plays a vital role within governance processes by keeping the Board and senior management aware of risk and control issues and assessing the effectiveness of risk management. Reporting to the Audit and risk management committee of the Board, the section objectively and independently evaluates the existing risk and control framework and analyses department's processes and associated controls.

**m. Liquidity risk management**

The company has various obligations and liabilities as outlined in note 18 of the accounts. The company manages liquidity risk by maintaining banking facilities through continuous monitoring of forecast and actual cash flow.

**n. Market risk**

The company had no interest bearing financial obligation as at the end of financial year.

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 30 JUNE, 2025**

**Notes to the Financial Statements (continued)**

**o. Significant judgments and sources of estimation**

The directors are responsible for selecting and disclosure of the company's critical accounting policies and estimates and the application of these policies and estimates.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

**p. Useful lives and residual values of property plant and equipment**

The company tests annually whether the useful life and residue value were appropriate and in accordance with its accounting policy. Useful lives and residual values of PPE have been determined based on previous experience and anticipated disposal values when assets are disposed.

**q. Reporting currency**

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

**r. Retirement benefit obligations**

The company contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The company's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at 6 % per employee per month. The company and employees also contribute to CPF financial services

**s. Provision for staff leave pay**

Employees' entitlements to annual leave are recognized as they accrue. A provision is made for the estimated liability for annual leave at the reporting date.

**t. Comparative figures**

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

**u. Budget information**

The budget for financial year 2024-2025 was approved by the board of directors on 24<sup>th</sup> April 2024. Both the financial statements and the budget are prepared on accrual basis. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget is presented in the statement of comparison of budget and actual amounts.

**v. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2025.

**w. Incorporation**

The entity is incorporated in Kenya under the Kenya Companies Act and domiciled in Kenya.

**x. Ultimate and holding entity**

The entity is a subsidiary of Muranga Water and Sanitation Company.

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**Notes to the Financial Statements (continued)**

**5. Significant judgments and sources of estimation**

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. This include;

**a) Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared.

However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**b) Useful lives and residual values**

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the Company
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the assets

**c) 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 8 & 11

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.

The provision for bad debt is at 10% of total receivables. For depreciation of assets is estimated using useful life of asset.

**6) Operating Revenue**

These are sales for 300 ml, 500ml, 1 ltr, 1.5 ltr, 5 ltr, 10 ltr and 18.9 ltr.

	2024/2025	2023/2024
	Kshs	Kshs
300 mls	506,035	610,638
500 mls	12,312,750	12,374,039
1 lts	4,448,397	4,617,534
1.5 lts	83,534	91,207
5.lts	95,750	131,345
10 lts	121,603	156,914
18.9 lts	2,468,983	2,194,241
<b>Total</b>	<b>20,037,052</b>	<b>20,175,918</b>

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 30 JUNE, 2025**

**Notes to the Financial Statements (continued)**

**7. Staff Cost**

	2024/2025	2023/2024
	Kshs	Kshs
Gross Salary and Allowances	2,505,382	2,196,664
Provisions for Leave pay	81,304	-
Employer's contributions to social security schemes	139,391	90,300
Employer's contributions to pension scheme	84,564	48,516
Casual workers' Wages	51,000	56,900
Housing Levy	37,544	23,913
<b>Total</b>	<b>2,899,185</b>	<b>2,416,293</b>
<b>The average number of employees during the year</b>	<b>5</b>	<b>5</b>

**8. General And Operating Expenses**

	2024/2025	2023/2024
	Kshs	Kshs
Training	3,000	3,000
Electricity and water bills	408,612	410,000
Transport	608,000	1,120,754
P.P.E.s	207,758	132,328
Office Supplies	241,392	221,685
Consultancy/professional fees	490,000	219,000
Courier & postal services	2,060	2,623
Communication and internet expenses	37,800	76,688
Licenses & permits	14,784	94,250
Catering services	121,972	111,159
Contracted guards services	-	377,258
Bank/m-pesa charges	115,283	196,285
Marketing and promotion	450,000	37,000
Travel cost	14,400	34,650
Subsistence allowances	237,880	306,460
First aid expenses	14,500	9,000
Provision for bad debts	48,299	(38,929)
KEBS Levy	39,659	40,384
Insurance	192,638	123,421
Taxes	4,478,981	3,653,319
<b>Total</b>	<b>7,727,018</b>	<b>7,130,335</b>

**9. Production & maintenance expenses**

	2024/2025	2023/2024
	Kshs	Kshs
Production materials	8,291,780	8,564,630
Motor vehicle	250,344	868,816
Operating and maintenance cost	141,962	222,802
<b>Total</b>	<b>8,684,086</b>	<b>9,656,248</b>

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 30 JUNE, 2025**

**Notes to the Financial Statements (continued)**

**10. Property, Plant & Equipments (KSHs)**

<b>COSTS</b>	<b>1)Buildings ( Kshs)</b>	<b>2)Furniture ( Kshs)</b>	<b>3)Computer &amp; accessories ( Kshs)</b>	<b>4) Equipments ( Kshs)</b>	<b>TOTALS ( Kshs)</b>
As at 1 July 2023	17,478,737	167,046	334,739	2,702,516	20,683,038
Additions during the year	-	-	-	-	-
As at 30 JUNE 2024	17,478,737	167,046	334,739	2,702,516	20,683,038
As at 1 July 2024	17,478,737	167,046	334,739	2,702,516	20,683,038
Additions during the year	-	-	-	-	-
As at 30 JUNE 2025	17,478,737	167,046	334,739	2,702,516	20,683,038
<b>DEPRECIATION</b>					
At July 1, 2023	2,463,308	92,76	267,683	1,489,640	4,312,707
Charge for the year	375,386	9,371	20,117	151,609	556,483
As at 30 <sup>th</sup> June 2024	2,838,694	101,448	287,800	1,641,249	4,869,190
At July 1, 2024	2,838,694	101,448	287,800	1,641,249	4,869,190
Charge for the year	366,000	8,200	14,082	132,658	520,941
As at 30 <sup>th</sup> June 2025	3,204,694	109,648	301,882	1,773,907	5,390,131
<b>NET BOOK VALUE</b>					
At June 30, 2025	14,274,043	57,398	32,857	928,609	15,292,907
At June 30, 2024	14,640,044	65,598	46,939	1,061,267	15,813,848

-The company's buildings lies on government land but its yet to be transferred by Tana Water Works Development Agency to Muranga'a Water And Sanitation Company.

-The motor vehicle used in the operations of the company also belongs to Tana Water Works Development Agency and is not yet transferred to the Muranga'a Water And Sanitation Company.

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 30 JUNE, 2025**

**Notes to the Financial Statements (continued)**

**11. Intangible Assets (Payroll Software)**

	<b>Kshs</b>
As at 1 July 2023	175,596
Additions during the year	-
<b>As at 30<sup>th</sup> June, 2024</b>	<b>175,596</b>
As at 1 July 2024	175,596
Additions during the year	-
<b>As at 30<sup>th</sup> June, 2025</b>	<b>175,596</b>
<b>AMORTISATION</b>	
At July 1, 2023	113,675
Charge for the year	12,384
<b>As at 30<sup>th</sup> June 2024</b>	<b>126,059</b>
At July 1, 2024	126,059
Charge for the year	9,907
<b>As at 30<sup>th</sup> June 2025</b>	<b>135,966</b>
<b>NET BOOK VALUE</b>	
<b>At June 30, 2025</b>	<b>39,630</b>
<b>At June 30, 2024</b>	<b>49,537</b>

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 30 JUNE, 2025**

**Notes to the Financial Statements (continued)**

**12. Inventory**

	2024/2025	2023/2024
	Kshs	Kshs
Finished goods	252,230	382,297
Empty bottles	466,351	420,570
Labels	232,885	110,587
Seals	3,625	17,081
Shrink wraps	106,475	75,476
Heat gun	26,100	26,100
<b>TOTAL</b>	<b>1,087,666</b>	<b>1,032,111</b>

**13. Trade Receivables**

	2024/2025	2023/2024
	Kshs	Kshs
Gross trade receivables	3,574,319	3,091,317
Provision for doubtful receivables	(357,432)	(309,132)
<b>Net trade receivables</b>	<b>3,216,887</b>	<b>2,782,185</b>
<b>As at June 30, the ageing analysis of the gross trade receivables was as follows:</b>		
Less than 30 days	1,031,715	721,899
Between 30 and 60 days	350,001	294,800
Between 61 and 90 days	263,371	168,050
Between 91 and 120 days	95,782	83,820
Over 120 days	1,833,450	1,822,748
<b>Total</b>	<b>3,574,319</b>	<b>3,091,317</b>

**14. Bank And Cash Balances**

	2024/2025	2023/2024
	Shs	Shs
Cash at bank	587,721	549,324
Cash in hand	6,244	68,694
M pesa	59,286	107,686
<b>TOTALS</b>	<b>653,251</b>	<b>725,704</b>

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**Notes to the Financial Statements (Continued)**

**Detailed analysis of the cash and cash equivalents**

Financial institution	Account /Till number	2024/2025	2023/2024
		Kshs	Kshs
<b>a) Current accounts</b>			
Equity bank	0220272638432	87,721	49,324
<b>b) Sub- total</b>		<b>87,721</b>	<b>49,324</b>
Fixed deposit		500,000	500,000
<b>Sub- total</b>		<b>500,000</b>	<b>500,000</b>
<b>c) Others</b>			
Mobile money account	795410	59,286	107,686
Cash in hand		6,244	68,694
<b>Sub- total</b>		<b>65,530</b>	<b>176,380</b>
<b>Grand Total</b>		<b>653,251</b>	<b>725,704</b>

**15. Revenue Reserves**

	2024/2025	2023/2024
	Kshs	Kshs
Brought forward	(22,049,858)	(22,454,032)
Current year	10,398	404,174
<b>Balance carried forward</b>	<b>(22,039,460)</b>	<b>(22,049,858)</b>

**16. Share Capital**

	2024/2025	2023/2024
	Kshs	Kshs
Share capital b/f	40,748,029	
MUWASCO loans converted to share Capital	-	20,259,661
Assets developed by parent company converted to share capital	-	20,488,368
<b>BALANCE</b>	<b>40,748,029</b>	<b>40,748,029</b>

**17. Trade And Other Payables**

	2024/2025	2023/2024
	Kshs	Kshs
Suppliers creditors	876,876	1,136,624
Other creditors	334,466	521,036
Muwasco payables	350,362	34,953
Prepayments by customers	20,068	12,601
<b>TOTALS</b>	<b>1,581,772</b>	<b>1,705,214</b>

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**Notes to the Financial Statements (Continued)**

**Aging Analysis for Trade and other Payables**

	<b>2024/2025</b>	<b>% of the total</b>	<b>2023/2024</b>	<b>% of the total</b>
Under one year	1,024,898	64.8	1,002,443	58.8
1-2 years	145,664	9.2	50,761	3
2-3 years	390,310	24.7	631,010	37
Over 3 years	21,000	1.3	21,000	1.2
<b>Total</b>	<b>1,581,772</b>	<b>100</b>	<b>1,705,214</b>	<b>100</b>

**18. Related Party Disclosures**

The following are the related parties of Fort Beverage Industries Ltd

- (a) Murang'a Water and Sanitation Company
- (b) County Government of Murang'a
- (c) Key Management
- (d) Board of Directors

**19. Ordinary share capital**

	<b>2024/2025</b>	<b>2023/2024</b>
	<b>Kshs</b>	<b>Kshs</b>
Authorized		
8,152 shares of ksh 5,000 per each	40,760,000	40,760,000
Issued and fully paid 8,150 of ksh 5,000 per each	40,750,000	40,750,000
Un paid 2 of ksh 5,000 per each	10,000	10,000

**FORT BEVERAGE INDUSTRIES COMPANY LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025**

**20. Appendices**

**Appendix 1: Progress On Follow Up Of Auditor Recommendations**

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>
1.	Unsupported Expenditure – Purchase of Motor Vehicle Tyres.	Procurement process for purchase of motor vehicle tyres was within the law and procurement method used to procure was request for quotation not open tender. Public entity may use a request for quotation from the registered suppliers for procurement as long as the public entity meets the conditions required for use of request for quotation method	resolved
2.	Unresolved Prior Year Matters	As management we have put in place an action plan to ensure all pending prior year audit issues are resolved	Not resolved
3.	Budgetary control and performance	Budget review	resolved
4.	Non-compliance with the law in staff ethnic composition	Fort beverage is a subsidiary of Murang'a water and sanitation company and most of the staff were seconded from the parent company which was company was started when the National Cohesion and Integration Act was not in operation and the composition of employee was 100% from the dominant community in Murang'a however as management we will ensure progressive compliance with the Act in our future recruitments.	Not resolved

.....  
**ENG.D. NG'ANG'A**  
**MANAGING DIRECTOR**

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