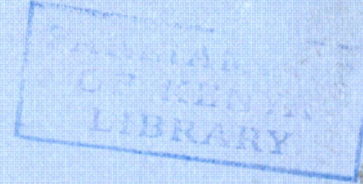


REPUBLIC OF KENYA

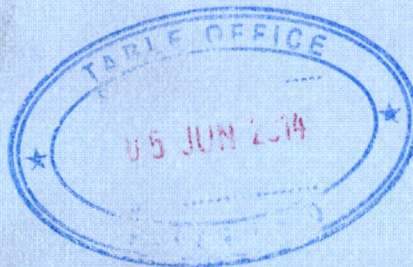


**KENYA NATIONAL AUDIT OFFICE**



**REPORT  
OF  
THE AUDITOR-GENERAL  
ON  
THE FINANCIAL STATEMENTS OF  
MOUNT ELGON LODGE LIMITED**

**FOR THE YEAR ENDED  
30 JUNE 2013**



# MOUNT ELGON LODGE LIMITED



Colobus

**SERVATIONS:**  
Utalii House, Uhuru Highway  
P. O. Box 42013  
Tel: (02) 330820 / 29751 / 23488 / 22661  
Telex: 23009  
NAIROBI, KENYA

REGIONAL AUDIT OFFICE  
RIFT VALLEY PROVINCE  
RECEIVED  
30 SEP 2013  
Box 2774 - 30100, ELDORET  
TEL: 053 2031133.

## ANNUAL REPORT

AND

## FINANCIAL STATEMENT

FOR

THE YEAR ENDED 30<sup>TH</sup> JUNE 2013

# MT ELGON LODGE

## TABLE OF CONTENTS

Table of Contents.....	1
Corporation Information.....	2
Report to the Directors .....	3
Statement of Directors responsibility .....	4
Statement of Financial position.....	5
Statement of Comprehensive Income and Expenditure.....	6
Cash Flow Statement.....	7
Statement of Changes in Equity.....	8
Notes to the financial Statements.....	9-16

# **MT ELGON LODGE**

## **COMPANY INFORMATION**

### **REGISTERED OFFICE**

MT. ELGON LODGE LIMITED  
MT ELGON NATIONAL PARK  
P.O. BOX 7  
ENDEBESS, KITALE.

### **PRINCIPAL BANKERS**

KENYA COMMERCIAL BANK LIMITED  
P.O. BOX 1974-30200  
KITALE BRANCH

### **COMPANY SECRETARY**

MR. CARRY FRANCIS ODHIAMBO  
UTALII HOUSE - UHURU HIGHWAY  
P.O. BOX 42013 - 00100  
NAIROBI

### **INDEPENDENT AUDITORS**

AUDITOR - GENERAL  
KENYA NATIONAL AUDIT OFFICE  
P.O.BOX 30084 - 00100  
NAIROBI

## **MT ELGON LODGE**

### **REPORT OF THE DIRECTORS**

The Directors submit their Report together with the Financial Statements for the Year Ended 30th June 2013

### **PRINCIPAL ACTIVITY**

The principal Activity of the Company is to operate the hotel providing accommodation and catering services to customers.

### **FINANCIAL RESULTS**

The results for the year are to be read in conjunction with the accounting policies and notes that form part of these financial statements are set out from pages 5 to 16.

### **DIVIDEND**

The Directors do not recommend payment of dividend.

### **LIST OF DIRECTORS**

Mr. Al-Hajj Yussuf M.K. Murigu	- Chairman & Director KTDC (Up to 20th July 2012)
Mrs. Marianne Jordan	- Managing Director KTDC
Mr. Abdilalim Saleh	- Director KTDC (Up to 20th July 2012)
Mr. Bunyasi Samson/ Kwanusu	- Chairman Trans Nzoia County Council (up to 3 <sup>rd</sup> March 2013)
Mr. Charles Bonyo	- Mayor Kitale Municipal Council (up to 3 <sup>rd</sup> March 2013)
Mr. Ainea Indakwa	- Clerk – Trans Nzoia County Council (up to 3 <sup>rd</sup> March 2013)
Mr. John Mosongo/ Rashid	- Clerk – Kitale Municipal Council (up to 3 <sup>rd</sup> March 2013)

### **RESERVES**

The Directors propose to carry forward the balance of accumulated losses amounting Kshs. (22,197,909)

### **AUDITORS**

The Auditors-General continue in Office in accordance with section 14(3) of the State Corporation Act Cap 446.

### **COMPANY SECRETARY**

BY ORDER OF THE BOARD

# MT ELGON LODGE

## STATEMENT OF DIRECTORS' RESPONSIBILITY

The Companies Act Cap 486 requires the Directors to prepare financial statements for each financial year that give true and fair view of state of affairs of the company at the end of the financial year and of the state of the company for that year. It also requires the directors to ensure that the company keeps proper accounting, records that disclose, with reasonable accuracy, the financial position of the Company. They are also responsible for safeguarding the assets of the company.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with International Financial Reporting Standards and the requirements of the Kenyan Companies Act. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the group and of the company and of the group's profit or loss in accordance with International Financial Reporting Standards.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement.

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

Signed on behalf of the Board by:

.....  
Director

.....  
Director

DATE 27/9/13 .....

DATE 20/09/2013 .....

# REPUBLIC OF KENYA

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Fax: +254-20-311482  
E-Mail: oag@oagkenya.go.ke  
Website: www.kenao.go.ke



P.O. Box 30084-00100  
NAIROBI

## KENYA NATIONAL AUDIT OFFICE

### **REPORT OF THE AUDITOR-GENERAL ON MOUNT ELGON LODGE LIMITED FOR THE YEAR ENDED 30 JUNE 2013**

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#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Mount Elgon Lodge Limited set out on pages 5 to 16, which comprise the statement of financial position as at June 30, 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows 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 14 of the Public Audit Act, 2003. 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.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 13 of the Public Audit Act, 2003.

#### **Auditor-General's Responsibility**

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 15(2) of the Public Audit Act, 2003 and submit the audit report in accordance with Articles 229(7) of the Constitution of Kenya. The audit was conducted in accordance with International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

### **Basis for Qualified Opinion**

#### **1. Going Concern**

The Lodge's statement of Comprehensive Income reflects a loss during the year of Kshs. 274,367.00 bringing the accumulated losses to Kshs.22,197,909.00 as at 30 June 2013. In addition, the current liabilities of Kshs.18,971,135.00 as at 30 June 2013 exceed the current assets of Kshs.2,908,685 by Kshs.16,062,450.00. The lodge is therefore technically insolvent and may face challenges in future in meeting its obligations as and when they fall due. The existence of the Lodge as a going concern is therefore dependent on continued support from the main shareholder Kenya Tourism Development Corporation (KTDC) and the creditors.

#### **2. Non-Current Assets**

The statements reflects non-current assets balance of Kshs.51,377,396.00 as at 30 June 2013. As previously reported, the property, plant and equipment includes land, buildings, furniture and fittings valued in the year ended 30 June 2010 resulting in a revaluation reserve of Kshs.53,070,705.00. However, the valuation report has not been provided for audit review. Consequently, the accuracy and validity of the non-current assets figure of Kshs.51,377,396.00 reflected in these statements can not be confirmed.

#### **3. Trade and Other Receivables**

The trade and other receivables balance of Kshs.1,964,753.00 as at 30 June 2013 includes debts amounting to Kshs.1,220,992.00 or approximately 62% of the total debtors which relate to 2011/2012 and prior years. The Lodge's management has not indicated the measures being taken to have these debtors recovered. Further, no provision for bad and doubtful debts was made during the

year under review and no explanation has been provided by the management for failure to provide for the same. Consequently, the recoverability of the trade and other receivables balance of Kshs. 1,964,753.00 as at 30 June 2013 could not be confirmed.

#### **4. Cash and Bank Balances**

The statement of financial position reflects cash and bank balance of Kshs.302,050.00 as at 30 June 2013. However monthly bank reconciliation statements were not prepared and provided for audit review. Consequently, the accuracy of the cash and bank balance of Kshs.302,050.00 as at 30 June 2013 could not be confirmed.

#### **5. Trade and Other Payables**

##### **i. Statutory deductions**

The trade and other payables balance of Kshs.9,441,758.00 as at 30 June 2013 includes statutory deductions totaling Kshs.5,880,613.00 which the Lodge has over the years defaulted in remitting to the relevant institutions. Failure to remit the deductions is a breach of the law and will attract severe penalties and interest charges.

##### **ii. Secretarial Fees Payable**

The trade and other payables figure also includes accrued Secretarial fees payable to KTDC for offering secretarial services totaling Kshs.230,000.00. However as in the previous years, the necessary agreement between the Lodge and KTDC creating the obligation has not been produced for audit review. Under the circumstances, the validity of the debt could not be confirmed.

##### **iii. Outstanding Audit Fees**

Further, the trade and other payables as at 30 June 2013 include outstanding audit fees of Kshs.957,600.00 payable to the Auditor-General. The Lodge has not indicated how it intends to clear the outstanding audit fee. Non- payment of the fees contravenes Section 19(1) and (2) of the Public Audit Act, 2003 which requires that every State Corporation meets the costs of the audit.

#### **Qualified Opinion**

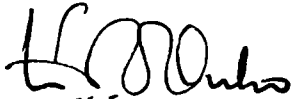
In my opinion, except for the effect of the matters discussed in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Lodge as at 30 June 2013 and of its financial performance and its cash flows for the year then ended in

accordance with International Financial Reporting Standards and comply with the Companies Act, Cap.486 of Laws of Kenya.

### **Report on Other Legal and Regulatory Requirements**

As required by the Kenya Companies Act, I report based on my audit, that:

- i. 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; and,
- ii. In my opinion, proper books of account have been kept by the Lodge, so far as appears from my examination of those books; and,
- iii. The Lodge's statement of financial position and statement of comprehensive income are in agreement with the books of account.



**Edward R.O. Ouko, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**13 May 2014**

## MT ELGON LODGE

### STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30TH JUNE 2013

<u>ASSETS</u>	<u>NOTE</u>	<u>2013</u>	<u>2012</u>
		<u>KSHS</u>	<u>KSHS</u>
<b><u>Non- Current Assets</u></b>			
Property, Plant and Equipment	5	<u>51,377,396</u>	<u>52,147,737</u>
		<u>51,377,396</u>	<u>52,147,737</u>
<b><u>Current Assets</u></b>			
Stock & Stores	P	214,194	238,040
Trade and other receivables	Q	1,964,753	1,852,014
Prepaid salaries		427,688	446,420
Cash & Bank Balances	S	<u>302,050</u>	<u>33,676</u>
		<u>2,908,685</u>	<u>2,570,150</u>
<b>TOTAL ASSETS</b>		<u><u>54,286,081</u></u>	<u><u>54,717,887</u></u>
<b><u>EQUITY AND LIABILITIES:</u></b>			
<b><u>Current Liabilities</u></b>			
Trade and other Payables	8	9,441,758	8,496,903
K.T.D.C. Advances	9	9,466,377	9,466,377
K.T.D.C. Loan intrests	P	0	1,165,294
Land Leases	Q	<u>63,000</u>	<u>        </u>
		<u>18,971,135</u>	<u>19,128,574</u>
<b><u>Non - Current Liabilities</u></b>			
Long Term Loan From KTDC	6	<u>2,596,370</u>	<u>2,596,370</u>
		<u>2,596,370</u>	<u>2,596,370</u>
<b><u>EQUITY:</u></b>			
<b><u>Capital and Reserves</u></b>			
Share Capital	2	1,845,780	1,845,780
Revaluation Reserve		53,070,705	53,070,705
Accumulated Profits / Loss		<u>(22,197,909)</u>	<u>(21,923,542)</u>
<b>Total shareholders Equity</b>		<u>32,718,576</u>	<u>32,992,943</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u><u>54,286,081</u></u>	<u><u>54,717,887</u></u>

The Financial statements were approved by Board of Directors on 27<sup>th</sup> September 2013 and were signed on behalf by:-

Director ..... M. Jordan .....

Date & Signature ..... 27/9/13 .....

Director ..... [Signature] .....

Date & Signature ..... 30/09/2013 .....

# MT ELGON LODGE

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE 2013

		2013	2012
<b><u>REVENUE</u></b>		<b><u>KSHS</u></b>	<b><u>KSHS</u></b>
Sales	Ai	2,510,846	3,450,502
Cost of sales	B	-1,883,583	-2,371,656
<b>GROSS PROFIT</b>		<b>627,263</b>	<b>1,078,846</b>
Other Income/ rental	Aii	5,374,058	4,198,614
10% Service charge	Aii	17,358	17,910
		<b>6,018,679</b>	<b>5,295,370</b>
<b><u>EXPENDITURE</u></b>			
Salaries & Wages	C	2,590,809	2,044,923
Staff Expenses	D	1,453,933	1,875,446
Staff Travel	E	128,441	420,674
Property upkeep & Expenses	F	129,630	33,070
Repairs & Renewals	G	29,125	75,880
Operating cost	H	655,848	269,106
Office Expenses	I	383,933	186,330
Administration Expenses	J	6,300	47,106
Advertisement & Promotion	K	25,390	36,000
General Services	L	19,621	78,095
Depreciation	5	772,341	798,534
Interest and other charges	O	0	349,442
Directors Expenses	N	15,000	85,420
Finance charges	W	36,275	
Provision for Bad debts		0	0
Provision for Audit fees	J	46,400	46,400
<b>TOTAL EXPENDITURE</b>		<b>6,293,046</b>	<b>6,346,426</b>
<b>NET PROFIT (LOSS) FOR THE YEAR</b>		<b>-274,367</b>	<b>-1,051,056</b>

## MT ELGON LODGE

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2013

<u>Cash Flow from Operating Activities</u>	<u>2,013</u>	<u>2,012</u>
Net Profit/( Loss) for the year	(274,367)	(1,051,056)
Depreciation	<u>772,341</u>	<u>798,534</u>
<b>Operating Profit / (Loss) before Working</b>	<b>497,974</b>	<b>-252,522</b>
<b>Capital Changes</b>		
(Increase)/ Decrease in Stocks	23,846	(72,192)
(Increase)/ Decrease in Debtors	(112,739)	(274,228)
Increase/ (Decrease) in Prepayments	16,732	(404,959)
Increase/ (Decrease) in Creditors	944,855	792,714
Interest expenses paid	(1,165,294)	234,442
Increase/ (Decrease) in Short Term borrowing	0	0
Increase/ (Decrease) in Unexpired Leases	<u>63,000</u>	<u>0</u>
	<b>(229,600)</b>	<b>275,777</b>
<b>Net Inflow/(Outflow) From Operating Activities</b>	<b><u>268,374</u></b>	<b><u>23,255</u></b>
 <u>Cash Flow from Investing Activities</u>		
Acquisition/ Disposal of assets	0	0
Advances / Bank Overdrafts Repaid	<u>0</u>	<u>0</u>
<b>Net Inflow/(Outflow) From Investing Activities</b>	<b><u>0</u></b>	<b><u>0</u></b>
 <u>Cash Flow from Financing Activities</u>		
prepayment of Long Term Borrowing	0	0
proceeds from Long Term Borrowing	0	0
Dividends Paid	<u>0</u>	<u>0</u>
<b>Net Inflow/(Outflow) From Financing Activities</b>	<b><u>0</u></b>	<b><u>0</u></b>
 Net Increase/(Decrease) in Cash & Cash equivalent	268,374	23,255
Cash / Cash equivalent at the beginning 1 <sup>st</sup> July 2012	<u>33,676</u>	<u>10,421</u>
<b>Cash/ Cash equivalent at the end 30<sup>th</sup> June 2013</b>	<b><u>302,050</u></b>	<b><u>33,676</u></b>

# MT ELGON LODGE

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2013

	Share Capital KSHS	Revenue Reserve KSHS	Revaluation Reserve KSHS	Shareholder Equity KSHS
<b>As at 30/6/2011</b>	<b>1,845,780</b>	<b>20,872,486</b>	<b>53,070,705</b>	<b>34,043,999</b>
As at 01/07/2011	1,845,780	-20,872,486	53,070,705	34,043,999
Profit/Loss for the period	0	-1,051,056	0	-1,051,056
<b>As at 30/June/2012</b>	<b>1,845,780</b>	<b>21,923,542</b>	<b>53,070,705</b>	<b>32,992,943</b>
As at 01/07/2012	1,845,780	-21,923,542	53,070,705	32,992,943
Profit/Loss for the period	0	-274,367	0	-274,367
<b>As at 30/June/2013</b>	<b>1,845,780</b>	<b>22,197,909</b>	<b>53,070,705</b>	<b>32,718,576</b>

# MT ELGON LODGE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2013

## NOTES TO THE FINANCIAL STATEMENTS

THE PRINCIPAL ACCOUNTING POLICIES ADOPTED IN THE PREPARATION OF THESE FINANCIAL STATEMENTS ARE SET OUT BELOW:-

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### 1 BASIS OF PREPARATION

The Financial Statements are presented in the Kenya Shillings ( Kshs) and are prepared under the historical cost convention.

#### 2 REVENUE

The revenue represents the amount received and receivable for services provided

#### 3 STOCK

Stocks are valued at the lower of cost or net realisable value less further cost expected to be incurred

#### 4 Property, Plant and Equipment and Depreciation

Depreciation is calculated on the Reducing Balance basis on Net Book value to write down the cost of each assets or the revalued amounts to their residual value over their estimated useful lives as follows:-

Land	- Nil
Buildings	- 2.5 % p.a
Furniture & Fittings	- 12.5 % p.a
Equipments	- 12.5% p.a
Computers	- 33.3% p.a

## MT ELGON LODGE

### NOTES TO THE FINANCIAL STATEMENTS CONTINUED .....

#### 1 PRINCIPAL ACTIVITY

The Principal Activity is to operate a lodge in Mt. Elgon National Park

#### 2 SHARE CAPITAL

Authorised issues and fully paid 92,289 Ordinary Shares of Kshs. 20 as follows:-

	Shares No.	Value Kshs
K.T.D.C.	67,289	1,345,780
Trans Nzoia County Government	25,000	500,000
	<u>92,289</u>	<u>1,845,780</u>

The Share Capital as at 30th June 2013 is the same as it was on 30th June 2012

#### 3 CORPORATION TAX

The Company made loss and no tax is provided

## MT ELGON LODGE

### 5. SCHEDULE NON CURRENT ASSETS

COST	LAND KSHS	BUILDING KSHS	FURNITURE & FITTINGS KSHS	EQUIPMENT KSHS	TOTAL KSHS
<b>As at 30/06/2012</b>	<b>23,000,000</b>	<b>31,000,000</b>	<b>827,357</b>	<b>772,643</b>	<b>55,600,000</b>
Additions	-	-	-	-	-
Disposal	-	-	-	-	-
prior year adjustments	-	-	-	-	-
<b>As at 30/6/2013</b>	<b>23,000,000</b>	<b>31,000,000</b>	<b>827,357</b>	<b>772,643</b>	<b>55,600,000</b>
<b>ACCUM DEPRECIATION</b>					
<b>As at 1.7.2012</b>	-	2,286,250	489,043	674,970	3,450,263
Additions	-	-	-	-	-
Disposal	-	-	-	-	-
Change for the year	-	717,843	42,289	12,209	772,341
<b>As at 30/6/2013</b>	-	<b>3,004,093</b>	<b>531,332</b>	<b>687,179</b>	<b>4,222,604</b>
<b>NBV as at 30.6.2013</b>	<b>23,000,000</b>	<b>27,995,907</b>	<b>296,025</b>	<b>85,464</b>	<b>51,377,396</b>
<b>NBV as at 30.6.2012</b>	<b>23,000,000</b>	<b>28,713,750</b>	<b>338,314</b>	<b>97,673</b>	<b>52,149,737</b>

# MT ELGON LODGE

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED .....

	2013	2012
<b>6 K.T.D.C. LONG TERM LOAN</b>		
<b>(a) <u>Principal Loan</u></b>		
The loan balance as at 30th June 2013 stands at		
Initial Principal amount:	2,596,370	2,596,370
Additions	<u>0</u>	<u>0</u>
	<u><u>2,596,370</u></u>	<u><u>2,596,370</u></u>
<b>7 Salaries amounting to Kshs 427,688/= was prepaid as at 30th June 2013</b>	<u>427,688</u>	<u>446,420</u>
	<u><u>427,688</u></u>	<u><u>446,420</u></u>
<b>8 Trade &amp; Other Payables</b>		
<b><u>These comprise:</u></b>		
Trade Payables	879,287	302,576
Statutory Deductions	5,880,613	5,880,325
Accrued Audit Fees	957,600	911,200
Accrued Secretarial Fees	230,000	230,000
Accrued Director's Fees	266,000	266,000
Accrued salaries	1,228,258	906,802
Unexpired land Leases	<u>63,000</u>	<u>        </u>
<b>Total</b>	<u><b>9,504,758</b></u>	<u><b>8,496,903</b></u>
<b>9 KTDC Advances</b>		
Balance b/d on 1 July 2012	9,466,377	9,466,377
Addition 2012/13	<u>0</u>	<u>0</u>
	<u><b>9,466,377</b></u>	<u><b>9,466,377</b></u>
<b>10 Accrued KTDC Loan Interest</b>		
KTDC Loan Interest- suspended	1,165,294	930,852
additions	<u>0</u>	<u>234,442</u>
	<u><b>1,165,294</b></u>	<u><b>1,165,294</b></u>

## MT ELGON LODGE

### SIGNED STATEMENT OF AFFAIRS AS AT 30TH JUNE 2013

	<u>DR</u>	<u>CR</u>
<b>A SALES</b>	KSHS	KSHS
Accommodation		236,203
Food-Residents		174,240
Casual-Food		637,473
Beverage		1,436,640
Tobacco and match boxes		26,290
		<u>2,510,846</u>
<b>Aii Other Income/rental</b>		
Misc income		43,710
Land rental		570,000
10% Service charge		17,358
KTDC payroll support		3,581,383
Suspended KTDC loan Interest		1,165,294
provision for debtors for 2010/11 Recognised		13,671
		<u>5,391,416</u>
<b>B COST OF SALES</b>		
Food	660,082	
Beverage	1,212,910	
Tobacco and match boxes	10,591	
TAXES INPUTS	0	
	<u>1,883,583</u>	
<b>C SALARIES &amp; WAGES</b>		
Administration	620,603	
Rooms	285,115	
Food	260,074	
Bar & Restaurant	292,103	
Maintenance	271,756	
Casual	192,567	
PAYE	196,603	
NSSF Employees Contributions	280,800	
NHIF	49,280	
Union Dues	31,908	
Management Entertainment	90,000	
Terminal benefit	20,000	
	<u>2,590,809</u>	
<b>D STAFF EXPENSES</b>		
Meals & Food Allowance	211,359	
Staff Housing	1,000,014	
Uniforms	236,560	
Staff Service Charge( 90% )	0	
Other expenses	6000	
	<u>1,453,933</u>	
<b>E STAFF TRAVEL</b>		
Leave Travelling - Management	55648	

## MT ELGON LODGE

	<u>128,441</u>
<b>F PROPERTY UPKEEP</b>	
Ground rent	30,000
Building Maintenance	96,980
Grounds expenses	2,650
	<u>129,630</u>
<b>G REPAIRS &amp; RENEWALS</b>	
Cutlery & Holloware	4,328
Linen	8,480
Misc. Electrical & Tools	8,053
Glassware	60
Crokery	7,421
Kitchen utensils	783
	<u>29,125</u>
<b>H OPERATING COSTS</b>	
Licences	4,000
Electricity/ generator	122,096
Fuel and Gas	118,828
Water and Sanitation	0
Cleaning & House Keeping Expenses	47,792
Guest Entertainment	46,135
Toilet requisites	806
Kitchen/ Restaurant& bar	3,881
Traveling Expenses	170,320
Staff Transport	141,990
	<u>655,848</u>
<b>I OFFICE EXPENSES</b>	
Printing and Stationery	256,159
Office Miscellaneous	37,244
Postal & Delivery	6000
Telephone and Postage	84,530
	<u>383,933</u>
<b>J ADMINISTRATION EXPENSES</b>	
Audit fees	46,400
Audit Expenses	6,300
	<u>52,700</u>
<b>K ADVERTISING &amp; PROMOTION</b>	
Advertising( E-mail)	0
Agents commission	7,000
Discount allowed	2,800
Complimentaries	15,590
	<u>25,390</u>
<b>L General Charges</b>	
Donation and Subscriptions	18,500

## MT ELGON LODGE

	Flowers & Decorations	1,121	
	Security Services	0	
		<u>19,621</u>	
<b>M</b>	<b>BOARD EXPENCES</b>		
	Secretarial services	0	
		<u>0</u>	
<b>N</b>	<b>DIRECTORS EXPENSES</b>		
	Director expenses	0	
	Directors Allowances	15000	
	Directors Annual fees	0	
	Directors Honorarium	0	
		<u>15,000</u>	
<b>O</b>	<b>INTEREST &amp; OTHER CHARGES</b>		
	Long term Interest	0	
		<u>0</u>	
<b>P</b>	<b>STOCKS &amp; STORES</b>		
	Food	5,514	
	Drinks	15,937	
	Tobacco & Matches	93	
	Container/Other	192,650	
		<u>214,194</u>	
<b>Q</b>	<b>DEBTORS &amp; REPAYMENTS</b>		
	Trade debtor	1,392,906	
	Other debtor	535,847	
	land Lease Debtors	36,000	
		<u>1,964,753</u>	
<b>R</b>	<b>CREDITORS &amp; PROVISIONS</b>		
	Trade & Other Payable		9,441,758
	KTDC Advances		9,466,377
	Accrued KTDC loan interest		0
	Unexpired land Leases		63,000
			<u>18,971,135</u>
<b>S</b>	<b>CASH &amp; BANK BALANCE</b>		
	Cash at Bank	50,870	
	Cash in Hand	251,180	
		<u>302,050</u>	
<b>T</b>	<b>FIXED ASSETS COST</b>		
	Land	23,000,000	
	Buildings	31,000,000	
	Furniture & Fittings	827,357	
	Equipment	772,643	
		<u>55,600,000</u>	
<b>U</b>	<b>ACCUMULATED DEPRECIATION</b>		
	Buildings		2,286,250
	Furniture & Fittings		489,043
	Equipments		674,970

## MT ELGON LODGE

	<u>3,450,263</u>	
<b>V KTDC Loan restructured</b>		2,596,370
Retained loss B/F	21,923,542	
Share capital		1,845,780
Revaluation Reserves		<u>53,070,705</u>
	<u>21,923,542</u>	<u>57,512,855</u>
<b>W FINANCE CHARGES</b>		
Bank charges	<u>36,275</u>	
	<u>36,275</u>	
<b>TOTAL OF TRIAL BALANCE:</b>	<u>87,836,515</u>	<u>87,836,515</u>