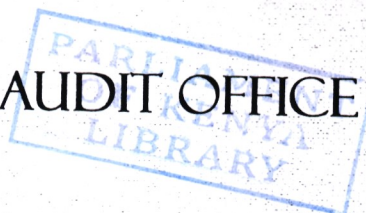


REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE



REPORT

OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
GOLF HOTEL LIMITED**

**FOR THE YEAR ENDED
30 JUNE 2013**

Indexed

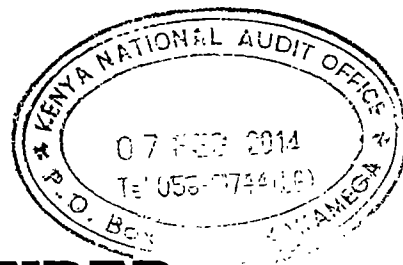
GOLF HOTEL LIMITED

ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR



THE YEAR ENDED

30TH JUNE 2013

GOLF HOTEL LIMITED

Vision, Mission and Values

Vision

To be the leading provider of Hotel and related services in the Western Kenya Region

Mission

To provide effective, efficient and consistent services to our clients all the time

Values

Our Values are our understanding on how we should conduct our business:

Integrity - we should be open and transparent in all our business dealings

Creativity - ready to change in response to changing demands of clientele

Professionalism & Consistency - handle all clientele and all other issues

Care - care for environment and take part in activities that support
professionally & consistently
conservation of our natural heritage

Teamwork - cultivate participatory management style by encouraging
involvement of our employees and developing a well motivated
workforce

GOLF HOTEL LIMITED

DIRECTORS:

The Directors who served during the year are as follows:
MR. Abdo Mohamed Bahajj - Chairman (Directors KTDC-Upto 20th July 2012)
Mrs. Hilda Mawanda - (Director KTDC-Upto 20th July 2012)
Mrs. Marianne Jordan (Managing Director KTDC)
Dr. Abdulahi Ibrahim Ali - (Director KTDC-Upto 20th July 2012)
Cllr. Vincent Nyapola - His Worship The Mayor (Upto 3rd March 2013)
Mr. Newton Mukabue - Town Clerk Kakamega (Upto 3rd March 2013)
Mr. Chrisologus Makhoha - (Rep. Inspectorate of State Corp.)

COMPANY SECRETARY:

Mr. Carey Francis

REGISTERED OFFICE:

Golf Hotel Kakamega
Khasakhala Road
P.O. Box 118 - 50100
Kakamega

HOTEL:

Golf Hotel is a limited liability company, a subsidiary of Kenya Tourist Development Corporation incorporated in Kenya on 20th December 1979.

AUDITORS:

Auditor-General
P.O. Box 49384-00100
Nairobi

BANKERS:

Kenya Commercial Bank of Kenya
P.O. Box 152
Kakamega

GOLF HOTEL LIMITED

DIRECTORS REPORT

72) The Directors have the pleasure of submitting their Annual Report together with the Audited Financial Statements for the Year ended 30th June 2013

PRINCIPAL ACTIVITIES: The Principal activity of the Hotel is the provision of Accomodation and conference facility services.

RESULTS FOR THE YEAR: Profit before Tax Kshs 26,251,645

DIVIDENDS: Directors do recommend payment of dividends at Kshs 8 per share

DIRECTORS: The Directors who served during the year are as follows:
MR. Abdo Mohamed Bahajj - Chairman (Directors KTDC-Upto 20th July 2012)
Mrs. Hilda Mawanda - (Director KTDC-Upto 20th July 2012)
Mrs. Marianne Jordan (Managing Director KTDC)
Dr. Abdulahi Ibrahim Ali - (Director KTDC-Upto 20th July 2012)
Cllr. Vincent Nyapola - His Worship The Mayor (Upto 3rd March 2013)
Mr. Newton Mukabue - Town Clerk Kakamega (Upto 3rd March 2013)
Mr. Chrisologus Makhoha - (Rep. Inspectorate of State Corp.)

APPOINTMENT OF AUDITORS

The Auditor-General continues in office in accordance with section 14 of the Public Audit Act, 2003.

BY ORDER OF THE BOARD



MR. CAREY FRANCIS
COMPANY SECRETARY

GOLF HOTEL LIMITED

Telephone:
Fax: +25
E-Mail:
Website:

STATEMENT OF DIRECTORS RESPONSIBILITIES

The Company's Act requires the Directors to prepare financial statements for each financial year that give true and fair view of the state of affairs of the company as at the end of the financial year and of the profit and loss 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 and prudent judgments and estimates in conformity with International Financial Reporting Standards and requirements of the Company's 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 company.

The Directors further accept the responsibility for the maintenance of Accounting records that may be relied upon in the preparation of the Financial statements as well as adequate systems of Internal Financial Control.

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.

Director.....*Sauwale*

DATE:.....*27/9/13*

Director.....*R. Di. g... 2*

DATE:.....*27/9/13*

REPUBLIC OF KENYA

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Fax: +254-20-311482
Email: cag@kenao.go.ke
Website: www.kenao.go.ke

P.O. Box 30084-00100
NAIROBI



KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON GOLF HOTEL LIMITED FOR THE YEAR ENDED 30 JUNE 2013

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Golf Hotel Limited set out on pages 5 to 17 which comprise the statement of financial position as at 30 June 2013 and the statement of comprehensive income, statement of accumulated funds 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 Accounting 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 compliance with Article 229(7) of the Constitution of Kenya. The audit was conducted in accordance with the 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 judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control 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 Hotels' internal control. 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. Directors' Allowance and Expenses

The Hotel incurred Kshs.174,275.00 on directors' allowances and expenses. However, the gazette notice which appointed the directors' and board minutes to support the expenditure were not availed for audit verification.

In the circumstances, it was not possible to confirm the propriety of the expenditure.

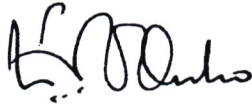
2. KTDC Loan

The long term loan balance of Kshs.28,095,705.00 includes a loan of Kshs.16,496,000.00 obtained from KTDC in the financial year 2011/2012. However, as previously reported, the loan agreement and approval from the board of directors were not availed for audit review. Consequently, it has not been possible to confirm whether the KTDC loan as stated in the financial statements was fairly stated.

Qualified Opinion

In my opinion, except for the effect of matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all materials respects, the financial position of the Hotel 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 Kenyan Companies Act, Cap 486 of the Laws of Kenya.



Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

26 February 2014

GOLF HOTEL LIMITED

Statement of Comprehensive Income for the Year ended 30th June 2013

	Notes	2013 <u>Kshs</u>	2012 <u>Kshs</u>
Sales		38,969,483	30,395,532
Accommodation	16(a)	48,936,252	44,934,313
Food	16(b)	16,970,315	15,949,814
Drinks	16(c)	196,355	214,270
Tobacco	16(d)	8,113,597	5,607,345
Other income	16(e)	<u>113,186,002</u>	<u>97,101,273</u>
Total			
 <u>Cost of Sales</u>			
Food	17(a)	15,069,246	13,151,563
Drinks	17(b)	9,505,128	9,500,515
Tobacco	17(c)	173,657	196,947
Total		<u>24,748,031</u>	<u>22,849,026</u>
 Gross Profit		<u>88,437,971</u>	<u>74,252,247</u>
 <u>Expenditure</u>			
Management and Administration	18(a)	30,928,720	28,249,998
Establishment	b)	13,356,456	13,589,089
Repairs and Renewals	c)	3,168,774	3,420,184
Office and General	d)	4,655,281	4,005,150
Advertising and Promotion	e)	2,783,574	2,365,857
Financial Charges	f)	1,492,262	353,983
Depreciation and Amortization	g)	5,317,841	4,850,525
Directors sitting allowance & Expenses	h)	174,257	2,721,021
Provision for bad debts	i)	309,160	293,029
Total		<u>62,186,326</u>	<u>59,848,836</u>
 Net Profit before tax and Extra-ordinary items		<u>26,251,645</u>	<u>14,403,411</u>
Net Profit before tax and after Extra-ordinary items		<u>26,251,645</u>	<u>14,403,411</u>
 Prior year Adjustments	21		<u>(17,604,291)</u>
Adjusted Profit/(Loss)			<u>(3,200,880)</u>

GOLF HOTEL LIMITED

Statement of Financial Position as at 30th June 2013

ASSETS			2013	RE-STATEMENT
NON-CURRENT ASSETS	NOTE		Kshs	2012
CURRENT ASSETS			Kshs	Kshs
Property Plant & Equipment	2		71,609,609	69,675,34
CURRENT ASSETS				
Inventories	3		841,121	941,390
Tax Reserves	8		4,843,737	-
Trade and Other Receivables	4		27,491,085	22,827,851
Investment	5		25,000,000	10,000,000
Cash & Bank	6		<u>6,883,853</u>	<u>17,436,403</u>
			<u>65,059,796</u>	<u>51,205,644</u>
CURRENT LIABILITIES				
Trade and Other Payables	9		15,855,101	18,847,687
Dividends	10		6,000,000	4,000,000
Deferred tax	7		11,280,259	12,780,259
Taxation	11		<u>7,884,218</u>	<u>4,321,023</u>
			<u>41,019,578</u>	<u>39,948,969</u>
NET CURRENT ASSETS			24,040,219	11,256,675
NET ASSETS			<u>95,649,828</u>	<u>80,932,016</u>
FINANCED BY:				
Share Capital	12		5,000,000	5,000,000
Accumulated Profits	13		21,553,968	5,186,540
Revaluation Surplus	14		<u>41,000,155</u>	<u>41,000,155</u>
Non Current Liabilities			<u>67,554,123</u>	<u>51,186,695</u>
Long Term Loan	15		<u>28,095,705</u>	<u>29,745,321</u>
			<u>95,649,828</u>	<u>80,932,016</u>

The Financial Statements on pages 5 to 17 were approved by the Board of Directors on.....
and were signed on its behalf by:

Director..... *[Signature]* 27/9/13

Director..... *[Signature]* 27/9/13

GOLF HOTEL LIMITED

Statement of Cash Flows For the Year Ended 30th June 2013

	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
Cash flows from operating activities		
Profit before tax and extra-ordinary items	26,251,645	14,403,411
Adjustments for:		
Depreciation	5,317,841	4,850,525
Decrease/(Increase) in debtors	(4,663,235)	(8,389,437)
Decrease/(Increase) in stocks	100,269	(573,557)
(Decrease)/Increase in creditors	<u>(2,992,586)</u>	<u>(17,348,624)</u>
Net Cash generated from operations	<u>24,013,935</u>	<u>(7,057,682)</u>
Cash flows from investing activities		
Investment	(15,000,000)	-
Purchase of property Plant & Equipment	<u>(7,252,110)</u>	<u>(5,010,104)</u>
Net cash used in investing activities	<u>(22,252,110)</u>	<u>(5,010,104)</u>
Cash flows from Financing activities		
Loan from KTDC	-	16,496,102
Dividends Paid	-	(2,000,000)
Tax Reserves	(4,843,737)	-
Deferred Tax	(1,500,000)	-
Taxation Paid	(4,321,023)	-
Repayment of KTDC Loan	<u>(1,649,616)</u>	<u>(2,093,690)</u>
Net cash used in financing activities	<u>(12,314,376)</u>	<u>12,402,412</u>
Net decrease in cash and cash equivalent	(10,552,550)	334,626
Cash & Cash Equivalent at the beginning of the year	17,436,403	17,101,777
Cash & Cash Equivalent at the end of the year	<u>6,883,853</u>	<u>17,436,403</u>

GOLF HOTEL LIMITED

Statement of changes in Equity

Note	<u>Share Capital Kshs</u>	<u>Revaluation Surplus Kshs</u>	<u>Retained Earnings Kshs</u>	<u>Total Kshs</u>
As at 01/07/2011	5,000,000	41,000,155	14,708,443	60,708,598
Proposed Dividends			(2,000,000)	(2,000,000)
Taxation			(4,321,023)	(4,321,023)
Profit for the year	-	-	14,403,411	14,403,411
As at 30/06/2012	<u>5,000,000</u>	<u>41,000,155</u>	<u>22,790,831</u>	<u>68,790,986</u>
As at 01/07/2012	5,000,000	41,000,155	22,790,831	68,790,986
Proposed dividends			(2,000,000)	(2,000,000)
Prior year adjustments			(17,604,291)	(17,604,291)
Taxation			(7,884,218)	(7,884,218)
Profit for the year	-	-	26,251,645	26,251,645
As at 30/06/2013	<u>5,000,000</u>	<u>41,000,155</u>	<u>21,553,968</u>	<u>67,554,123</u>

17

Notes

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GOLF HOTEL LIMITED

Notes to the Financial Statements

1. Accounting Policies

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

a) Basis of Preparation

The financial statements are prepared under the historical cost convention as modified by the carrying of certain investment property at fair value and are in compliance with International Financial Reporting Standards.

b) Turnover

The turnover represents the amount received and receivable for the service provided and this is net of Government taxes and levies.

c) Depreciation

Land and all other fixed assets are amortized and depreciated on the straight-line basis to write off the cost of assets down to their residual value over expected useful lives at the following rates:

Land	Over 99 years Lease period
Building	2.5%
Furniture	12.5%
Plant & Machinery	12.5%
Motor Vehicle	25%
Computer & Accessories	30%

d) Stocks

Stocks are stated at the lower of cost and net realizable value. Cost is determined by First-in First-out (FIFO) method. Net realizable value is the estimate of the selling price in the ordinary course of business, less the selling expense

e) Translation of foreign currencies

Foreign currency transactions during the year are converted into Kenya Shillings at rates ruling at the transaction date. The resulting differences from conversion and translation are dealt with in the Profit and Loss Statement in the year in which they arise.

f) Revenue Recognition

Revenue is recognised on accrual basis

GOLF HOTEL LIMITED

Notes to the Financial Statements

Note 2 Property Plant & Equipment as at 30th June 2013

Cost	Land	Buildings	Furniture & Equipment	Computers Accessory	Plant & Machinery	Motor Vehicle	Total
	<u>Kshs</u>	<u>Kshs</u>	<u>Kshs</u>	<u>Kshs</u>	<u>Kshs</u>	<u>Kshs</u>	<u>Kshs</u>
As at 1/7/2012	8,000,000	67,265,768	17,509,697	3,286,843	6,964,787	1,887,931	104,915,026
Additions		1,450,037	4,851,948	188,500	761,625		7,252,110
Disposals							
As at 30/6/2013	<u>8,000,000</u>	<u>68,715,805</u>	<u>22,361,645</u>	<u>3,475,343</u>	<u>7,726,412</u>	<u>1,887,931</u>	<u>112,167,136</u>
Depreciation							
As at 1/7/2012	767,093	19,007,786	7,909,071	1,692,766	3,975,038	1,887,931	35,239,685
On disposals	-	-	-	-	-	-	-
Charge for the Year	109,584	1,706,099	2,280,247	683,150	538,761	-	5,317,841
As at 30/6/2013	<u>876,677</u>	<u>20,713,885</u>	<u>10,189,318</u>	<u>2,375,916</u>	<u>4,513,799</u>	<u>1,887,931</u>	<u>40,557,526</u>
NBV							
As at 30/6/2013	<u>7,123,323</u>	<u>48,001,920</u>	<u>12,172,326</u>	<u>1,099,427</u>	<u>3,212,613</u>	-	<u>71,609,609</u>
As at 30/6/2012	<u>7,232,907</u>	<u>48,257,982</u>	<u>9,600,626</u>	<u>1,594,077</u>	<u>2,989,749</u>	-	<u>69,675,341</u>

N/B - Amortization on leasehold land has been factored, taking into account the remaining 73 years of remaining lease period with effect from 2006.

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Food
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GOLF HOTEL LIMITED

Note 3 Inventories

Food
Beers and Tobacco

	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
	330,914	330,468
	510,208	610,922
	<u>841,121</u>	<u>941,390</u>

Note 4 Trade and Other Receivables

Trade Debtors
Restated debtors
Staff Advances
Staff Debtors
Accrued Interest on FDR
Deposits
Total
Provision For Bad Doubtful Debts
Debtors for the year net of provisions

	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
	28,503,075	23,149,333
	-	(312,764.00)
	14,000	26,200
	-	84,449
	-	714,051
	100,000	-
	<u>28,617,075</u>	<u>23,661,269</u>
	1,125,990	833,418
	<u>27,491,085</u>	<u>22,827,851</u>

(Restated debtors are adjustments to specific debtors' accounts to correct the opening balances)

Note 5 Investment

Fixed Deposit Account (At KCB)

	<u>25,000,000</u>	<u>10,000,000</u>
	<u>25,000,000</u>	<u>10,000,000</u>

Note 6 Cash & Bank

Cash in hand
Cash at Bank (Forex Account)
Cash at Bank (Current Account)

	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
	87,960	44,420
	2,063,628	11,836,908
	4,732,265	5,555,075
	<u>6,883,853</u>	<u>17,436,403</u>

Note 7 Deferred Tax

This arose as a result of audit assessment by KRA for the period 2008/2009-2010/2011 as follows:

<u>Tax</u>	<u>Principal</u>	
1. Corporation tax	11,769,584	
2. Value Added Tax	847,394	
3. Withholding Income Tax	163,281	
Total Assessed	<u>12,780,259</u>	
Less: Paid in the year 2012/2013	(1,500,000)	
Balance outstanding as at 30/06/2013	<u>11,280,259</u>	

Note 8 Tax Reserves

Installment tax paid for the current financial year 2012/2013
Tax W/held on FDR interest

	4,400,000	
	443,737	
	<u>4,843,737</u>	

GOLF HOTEL LIMITED

Note 9 Trade and other Payables

	2013		
	<u>Kshs</u>	<u>Kshs</u>	<u>Kshs</u>
Trade Creditors	4,341,416	3,542,000	3,542,000
VAT	1,164,153	1,355,000	1,355,000
Prior Year Adjustment-VAT arrears (Note 17)	-	4,267,800	4,267,800
Restated Trade and other payables	-	243,600	243,600
CLT	193,615	-	-
Accrued salaries and wages	-	247,270	247,270
Staff service Charge	-	147,380	147,380
Accrued Central charges	608,949	778,902	778,902
Accrued Audit Fee	7,385,000	7,385,000	7,385,000
NSSF	150,000	150,000	150,000
NHIF	47,000	-	-
AmedoCentre	22,200	3,600	3,600
Casuals netpay	3,377	-	-
Golf Sacco	177,518	-	-
HELB	923,352	-	-
PAYE	20,856	-	-
Pension	437,213	-	-
Union dues	117,398	-	-
Terminal dues	12,600	-	-
Others	239,254	-	-
Prepayments	11,200	-	-
Total	-	726,779	726,779
	<u>15,855,101</u>	<u>18,847,687</u>	<u>18,847,687</u>

(Restated Trade and other payables are adjustments to specific creditors' and payables accounts)
to correct the opening balances)

Note 10 Dividends

	2013		2012
	<u>Kshs</u>	<u>Kshs</u>	<u>Kshs</u>
Balance at the beginning of the year	4,000,000	-	4,000,000
Dividends Paid during the year	-	(2,000,000)	(2,000,000)
Proposed Dividend	2,000,000	2,000,000	2,000,000
	<u>6,000,000</u>	<u>4,000,000</u>	<u>4,000,000</u>

Note 11 Taxation

Balance B/Forward	4,321,023	-	-
Tax paid	(4,321,023)	-	-
Profit for the year	26,251,645	14,403,411	14,403,411
Add back Depreciation	5,317,841	4,850,525	4,850,525
Add back Donations	29,080	33,474	33,474
Less Wear and Tear Allowances	(5,317,841)	(4,850,525)	(4,850,525)
Taxation at 30%	26,280,725	14,436,885	14,436,885
	<u>7,884,218</u>	<u>4,321,023</u>	<u>4,321,023</u>

Note 12 Share Capital

250,000 Shares @ Kshs 20	5,000,000	5,000,000
--------------------------	-----------	-----------

Note 13 Accumulated Profit/ losses

	2013		2012
	<u>Kshs</u>	<u>Kshs</u>	<u>Kshs</u>
At beginning of the year	5,186,540	14,708,443	14,708,443
Add Profit (loss) for the year	26,251,645	14,403,411	14,403,411
Taxation	(7,884,218)	(4,321,023)	(4,321,023)
Proposed dividends	(2,000,000)	(2,000,000)	(2,000,000)
Prior Year End Adjustment	-	(17,604,291)	(17,604,291)
At year end	<u>21,553,968</u>	<u>5,186,540</u>	<u>5,186,540</u>

GOLF HOTEL LIMITED

Note 14 Revaluation Reserves

2013	2012
<u>Kshs</u>	<u>Kshs</u>
<u>41,000,155</u>	<u>41,000,155</u>

These reserves arose due to the valuation of the Hotel's buildings and land. Land and Building were initially taken at a value of Kshs 524,360 and Kshs 8,000,000 respectively. However after revaluation, the values came to Kshs 8,000,000 for Land and Kshs 47,000,000 for Building. This therefore resulted in reserves of Kshs 7,475,640 for Land and Kshs 33,524,515 for Buildings respectively. A total of Kshs 41,000,155.

Note 15 Long Term Loan

	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
Loan balance at the beginning of the year	29,745,321	15,342,909
Additional Loan during the year	-	16,496,102
Loan Repaid during the year	<u>(1,649,616)</u>	<u>(2,093,690)</u>
	<u>28,095,705</u>	<u>29,745,321</u>

Note 16 Sales

	Kshs	Kshs
Accommodation 16(a)	38,969,483	30,395,532
Food 16(b)	48,936,252	44,934,313
Drinks 16(c)	16,970,315	15,949,814
Tobacco 16(d)	196,355	214,270

Other Income

	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
Laundry	437,416	305,435
Swimming Pool	668,384	651,335
Shop Rent	99,010	97,012
Interest on Fixed Deposit Account	1,440,449	831,887
Hall/Projector Hire/Stationery	4,640,522	3,157,836
Company Service Charge	827,337	563,840
Gain / (loss) in foreign currency translation	478	-
Total	<u>8,113,597</u>	<u>5,607,345</u>

Notes 17 Cost of Sales

	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
Food 17(a)	15,069,246	13,151,563
Drinks 17(b)	9,505,128	9,500,515
Tobacco 17(c)	173,657	196,947
Total	<u>24,748,031</u>	<u>22,849,025</u>

GOLF HOTEL LIMITED

18(a) Management & Administration

	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
Salaries & Wages	18,787,932	16,311,581
House Allowance	6,026,605	5,343,588
NSSF	182,400	151,000
Staff Meals	1,740,874	1,250,082
Terminal Dues	239,254	1,116,081
Medical Expenses	1,152,693	715,293
Staff Travel Expenses	1,579,056	1,441,730
Pension	677,714	533,537
Bonus	-	115,825
Leave Travel Allowance	271,200	218,050
Training Expenses	123,680	40,700
Staff Welfare	147,313	107,536
Directors Fees	-	425,000
Secretarial Fees	-	480,000
Total	<u>30,928,720</u>	<u>28,249,998</u>

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b) Establishment

	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
Building and Maintenance	1,159,524	1,836,032
Garden & Grounds	149,899	200,560
Fuel & Gas	2,441,466	1,745,745
Electricity	4,145,495	4,314,657
Water and Sanitation	2,280,404	2,872,309
Cleaning and Cleansing	782,670	747,074
Toilet Requisites	298,328	254,627
Vehicle Operating Expenses	280,102	156,455
Licenses	239,490	129,430
Laundry	18,700	5,790
Kitchen, Restaurant & Bar	889,022	792,675
Guest Supplies	467,275	329,655
Rents & Rates	204,080	204,080
Total	<u>13,356,456</u>	<u>13,589,089</u>

c) Repairs & Renewals

	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
Linen	968,559	885,910
Cutlery and Crockery	203,054	337,197
Uniforms	457,728	535,830
Kitchen Utensils	113,460	152,475
Plant and Machinery	722,400	659,617
Motor Vehicle	29,704	16,547
Misc. Electrical	383,524	515,320
Furniture, Fittings & Equipment	285,305	317,289
Glassware	5,040	-
Total	<u>3,168,774</u>	<u>3,420,184</u>

GOLF HOTEL LIMITED

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2d) Office & General	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
Insurance	458,286	386,204
Telephone & Postage	190,975	154,071
Printing & Stationery	1,881,048	1,402,541
Legal Expenses	5,162	5,000
Audit	150,000	150,000
Consultation	299,628	252,900
Delivery charges	73,445	104,573
Conference expenses	196,100	291,400
Office Miscellaneous	13,300	26,524
Donations and Subscriptions	29,080	33,474
Flowers and Decorations	71,120	48,350
Security charges	1,287,138	1,150,113
Total	<u>4,655,281</u>	<u>4,005,150</u>

e) Advertising and Promotion	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
Advertising	133,380	233,740
Agents Commission	612,780	484,468
Entertainment	918,000	530,000
Marketing	1,119,414	1,117,650
Total	<u>2,783,574</u>	<u>2,365,857</u>

f) Financial Charges	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
KTDC Loan Interest	1,428,519	258,004
Bank Charges	63,743	95,979
Total	<u>1,492,262</u>	<u>353,983</u>

(The interest on KTDC loan was for the loan acquired in the course of the year for paying off VAT arrears. This had not been factored in the budget).

g) Depreciation and Amortization	2013	2012
	<u>Kshs</u>	<u>Kshs</u>
Building	1,706,099	1,681,644
Plant and Machinery	538,761	394,915
Furniture, Fittings & Equipment	2,280,247	1,880,561
Computers and Accessories	683,150	508,498
Land	109,584	109,584
Motor Vehicle	-	275,322
Total	<u>5,317,841</u>	<u>4,850,524</u>