

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 2012**

MOUNT ELGON LODGE LIMITED



RESERVATIONS:
House, Uhuru Highway
Box 42013
Tel: 330820 / 29751 / 23488 / 22661
Fax: 23009
NAIROBI, KENYA.

ANNUAL REPORT

AND

FINANCIAL STATEMENT

FOR

THE YEAR ENDED 30TH JUNE 2012

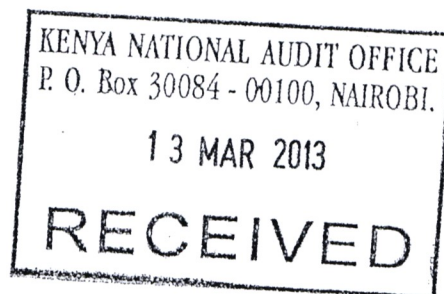


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MT.ELGON LODGE LTD.

ESTABLISHMENT

The lodge, established is located on Mt Elgon National park gate and stands on a 151 acre piece of land. It is a subsidiary of Kenya Tourism Development Corporation that owns majority shares of 72.91% with other shareholders; Kitale Municipal Council and Trans-Nzoia County Council holding 13.54 % each.

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

Mt. Elgon Lodge Limited
Utalii House-Uhuru Highway
P O Box 42013-00100
NAIROBI

Mt. Elgon Lodge
At Mt. Elgon National Park
P O Box 7
ENDEBESS VIA KITALE
MOBILE: 0202094643 & 0722875768
Fax 05430323
Website: www.mtelgonlodge.com

PRINCIPAL BANKERS

Kenya Commercial Bank Limited Kitale Branch

INDEPENDENT AUDITORS

The Auditor general
Kenya National Audit office
P.O. Box 30084.00100
NAIROBI.

Core Business of the Corporation

The main Business activity of the company is to operate the hotel providing accommodation and catering services to customers

MT. ELGON LODGE LTD.

VISION, MISSION AND CORE VALUES

Vision statement

To be the leading Lodge/ Hotel providing exceptional and personalized services exceeding expectations to all customers within the Western Region and Kenya as a whole.

Mission Statement

To provide quality services with integrity to all customers within the Western Region and Kenya as a whole.

Core Values

Teamwork

We endeavor to bring forth better service delivery with team effort

Respect

We respect the objectives of our stakeholders, values of our guests, and the cultural difference in the locations that we operate.

Integrity

We are straightforward in our interactions with our owners, guests, colleagues and the communities in which we operate.

Continuous Improvement

We are innovative and utilize the best practices
Professionalism

Hard work

Exceptional Service Delivery

We strive to ensure a value enhancement with our service delivery to be up to par with the standards.

MT. ELGON LODGE LTD.

MEMBERS OF THE BOARD

Mr. Al-Hajj Murigu	Board Chairman
Permanent Secretary	Rep. Ministry of Tourism & Wildlife
Ms. Marianne Jordan	Managing Director – KTDC
Mr. Abdifalim Saleh	Director – KTDC
Mr. Bunyasi Samson/ Kwanusu	Chairman – Trans Nzoia County Council
Mr. Charles Bonyo	Mayor – Kitale Municipal Council
Mr. Ainea Indakwa	Clerk – Trans Nzoia County Council
Mr. John Mosongo/ Rashid	Clerk – Kitale Municipal Council

Functions and responsibilities of the Board

It provides that the functions of the board shall be;

1. To ensure that the company keeps in order proper accounting records disclose reasonable accuracy and the financial position of the company.
2. Safeguarding the assets of the company.
3. To prepare Financial statements for each financial year that give a true and fair view of the company's state of affairs.

Executive and Principal Officers of the Lodge

Ms. Marianne Jordan	Managing Director – KTDC
Mr. Dominic Ndewa	Head of Investments – KTDC
Mr. Abner Momanyi	Lodge Manger

BY ORDER OF THE BOARD OF DIRECTORS


CARREY FRANCIS
COMPANY SECRETARY

MT.ELGON LODGE LTD.

CHAIRMAN'S REPORT

I am privileged to present the annual report for the year ended 30th June 2012.

The financial performance of the Company recorded an increase in sales from kshs 1,952,443/= in 2010/11 to kshs 3,450,502/= in 2011/12.

Further with the limited resources available to the Company, particularly in terms of finance, it was not able to compete effectively with other players in the region. The crippling debt burden that has grown over the years has also continued to cause major challenges to the operations of the Company. It is however refreshing to note that the mother company KTDC, continually committed to paying staff salaries. In order to improve performance it will be critical for the shareholders to continue to support the Company through the injection of sufficient resources in terms of capital.

Financial performance

During the year under review there was a loss of Kshs.1,051,056, the Company recorded an increase in sales. This is addition to the previous accumulation loses brought forward which stood at Kshs.20,872,486.00 The total assets stand at Kshs.54,717,887.00 million

Share holders equity stood at Kshs.32,992,943 while advances stood at Kshs.13,098,596 million.

The continued support through cash injection reflects the shareholders confidence in the lodge potential up full restoration and modernization given its strategic location in the region.

Appreciation

This continued survival of the lodge was made possible as a result of the support from the shareholders, stake holders and customers. As a Chairman of the Board, I am indebted to my fellow Board members for their insights and support. I also wish to acknowledge the shareholders for their valuable contribution and dedication particularly through this challenging period.

Finally, on behalf of the Board, I wish to take this opportunity to thank the Ministry of Tourism and other stake agencies for their support through continuous investments.



MR. AL-HAJI MURIGU

CHAIRMAN

MT ELGON LODGE LTD.

MANAGER'S REPORT

The Mt. Elgon Lodge is situated at Mt. Elgon National Park approximately 28 km from Kitale town.

The principal activity of the Lodge is to provide catering and accommodation services to customers visiting the region.

The operations of the Lodge have been rather difficult (low) owing to the cash flow constrains. Turnover increased over last year from Kshs.1,952,443/= 2010/11 to Kshs 3,450,502/= in 2011/2012. The main challenges having a direct negative impact on the lodge performance, include lack of lodge furbishing and renovation.

Despite these challenges, management with the support of the Board of Directors and the stakeholder has managed to continue in business. Management appreciated the fact that just like in the past years the shareholders have currently injected funds to enable the lodge meet its daily obligation in the year 2011/2012, KTDC funds advanced to the Lodge Kshs. 3,632,219 substantially cleared outstanding wages/salary for staff.

I wish to thank the shareholders, the parent Ministry and the Board of Directors for their continuous support to the management.

Thanks



ABNER MOMANYI

LODGE MANAGER

MT.ELGON LODGE LTD.

STATEMENT OF BOARD MEMBERS RESPONSIBILITY FOR THE FINANCIAL STATEMENT

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 the 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.

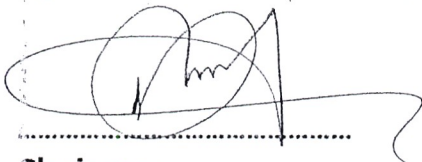
The Directors accept responsibility for the Annual Financial Statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment and estimates in conformity with International Financial Reporting and requirements of the Companies Act.

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 Company.

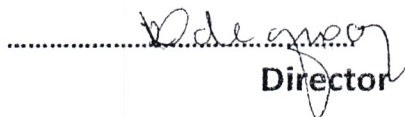
The Directors further accept the responsibility of the maintenance of accounting records that may be relied upon in the preparation of the Financial Statements as well as adequate systems of International Financial Control.

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.

Signed on behalf of the Board by:



Chairman



Director

DATE 15/3/13

DATE 12/3/13





KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON MOUNT ELGON LODGE LIMITED FOR THE YEAR ENDED 30 JUNE 2012

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Mount Elgon Lodge Limited set out on pages 8 to 18, which comprise the statement of financial position as at 30 June 2012, 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 compliance with Article 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 judgement, 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 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 Lodge's 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 audit opinion.

Basis for Qualified Opinion

1. Going Concern

During the year under review, the Lodge recorded a loss of Kshs 1,051,056 compared to 2011 loss of Kshs 4,342,493 resulting in accumulated losses of Kshs 21,923,542 as at 30 June 2012. Further, the current liabilities of Kshs 19,128,574 as at 30 June 2012 exceeded the current assets of Kshs 2,568,150 by Kshs 16,560,424. The Lodge is therefore technically insolvent and may face challenges in meeting its obligations as and when they fall due. The existence of the Lodge as a going concern will therefore depend on the continued support from Kenya Tourism Development Corporation (KTDC) and creditors.

2. Valuation of Non-Current Assets

As previously reported, the property, plant and equipment net balance of Kshs 52,149,737 as at 30 June 2012, includes land, buildings, furniture and fittings, valued in the year ended 30 June 2010 resulting in a revaluation reserve of Kshs 53,070,705. However, the valuation report has not been produced for audit verification. Consequently, the accuracy of the figure of Kshs 53,070,705 could not be ascertained.

3. Trade & Other Receivables

The trade and other receivables gross balance of Kshs 1,845,014 as at 30 June 2012 includes debts totalling Kshs 1,363,699 (74%) which have been outstanding since the year 2007 to date. Further, the provision for bad and doubtful debts of Kshs 13,671 in the 2010/11 financial statements has not been recognized in these financial statements and management has not explained how the same has been

treated. The recoverability and accuracy of the trade and other receivables balance of Kshs.1,852,014 as at 30 June 2012 could not therefore be confirmed.

4. Trade and Other Payables

(i) Statutory Deductions and Ground Rent

The trade and other payables balance of Kshs.8,496,903 includes statutory deductions totalling Kshs.5,880,325 which the Lodge has over the years defaulted in remitting to the relevant Government institutions. In addition the ground rent payable to Commissioner of Lands for the year under review has not been accrued in the financial statements.

Further, the Lodge is not a registered VAT collector, though it has been charging VAT output tax on sales. The resultant amount totalling to Kshs.3,525,270 as 30 June 2012 is included in the outstanding statutory deductions. The failure to remit the deductions is a breach of the Law which will attract serious penalties and interest charges.

(ii) Secretarial Fees Payable

In addition the trade and other payables figure of Kshs.8,496,903 includes accrued Secretarial fees payable to KTDC for offering secretarial services totalling Kshs.230,000. However, the necessary agreement between the Lodge and KTDC creating the obligation was not produced for audit review.

(iii) Outstanding Audit Fees

Further, records available reflect outstanding audit fees of Kshs.911,200 payable to the Kenya National Audit Office as at 30 June 2012. 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.

In the foregoing circumstances, the accuracy of the trade and other payables balance of Kshs.8,496,903 as at 30 June 2012 could not be determined.

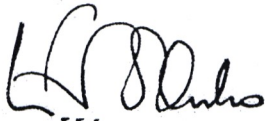
Qualified Opinion

In my opinion, except for the effect of the matters described 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 2012 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 the 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;
- (ii) In my opinion, proper books of accounts have been kept by the Company, so far as appears from my examination of those books; and
- (iii) The Company'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

8 April 2013

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30TH JUNE 2012

<u>ASSETS</u>	<u>NOTE</u>	<u>2012</u>	<u>2011</u>
<u>Non- Current Assets</u>		<u>KSHS</u>	<u>KSHS</u>
Property, Plant and Equipment	5	52,149,737	52,948,271
		<u>52,149,737</u>	<u>52,948,271</u>
<u>Current Assets</u>			
Stock & Stores	P	238,040	165,848
Trade and other receivables	Q	1,852,014	1,577,786
Prepaid salaries	7	444,420	39,461
Cash & Bank Balances	R	33,676	10,421
		<u>2,568,150</u>	<u>1,793,516</u>
TOTAL ASSETS		<u>54,717,887</u>	<u>54,741,787</u>
EQUITY AND LIABILITIES:			
<u>Current Liabilities</u>			
Trade and other Payables	8	8,496,903	7,704,189
K.T.D.C. Advances	9	9,466,377	9,466,377
K.T.D.C. Loan interests	P	1,165,294	930,852
		<u>19,128,574</u>	<u>18,101,418</u>
<u>Non - Current Liabilities</u>			
Long Term Loan From KTDC	6	2,596,370	2,596,370
		<u>2,596,370</u>	<u>2,596,370</u>
EQUITY:			
<u>Capital and Reserves</u>			
Share Capital	3	1,845,780	1,845,780
Revaluation Reserve		53,070,705	53,070,705
Accumulated Profits / Loss		(21,923,542)	(20,872,486)
Total shareholders Equity		<u>32,992,943</u>	<u>34,043,999</u>
TOTAL EQUITY & LIABILITIES		<u>54,717,887</u>	<u>54,741,787</u>

The financial statements were approved by Board of Directors on.....

and signed by:-

CHAIRMAN.....

DATE..... 18/3/13

DIRECTOR:.....

DATE..... 12/3/13

MT.ELGON LODGE LTD.

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE 2012

		2012	2011
		<u>KSHS</u>	<u>KSHS</u>
REVENUE			
Sales	Ai	3,450,502	1,952,443
Cost of sales	B	<u>(2,371,656)</u>	<u>(995,659)</u>
GROSS PROFIT		1,078,846	956,784
Other Income/ rental	Aii	4,198,614	470,690
10% Service charge	Aii	17,910	11,673
		<u>5,295,370</u>	<u>1,439,147</u>
EXPENDITURE			
Salaries & Wages	C	2,044,923	2,494,609
Staff Expenses	D	1,875,446	184,873
Staff Travel	E	420,674	454,825
Property upkeep & Expenses	F	33,070	21,880
Repairs & Renewals	G	75,880	968,878
Operating cost	H	269,106	216,014
Office Expenses	I	186,330	183,727
Administration Expenses	J	47,106	14,632
Advertisement & Promotion	K	36,000	73,285
Central Services	L	78095	0
Depreciation	S	798,534	846,180
Interest and other charges	P	349,442	262,666
Directors Expenses	N	85420	0
Provision for Bad debts		0	13,671
Audit fees	J	46,400	46,400
TOTAL EXPENDITURE		<u>6,346,426</u>	<u>5,781,640</u>
NET PROFIT (LOSS) FOR THE YEAR		<u>(1,051,056)</u>	<u>(4,342,493)</u>

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30TH JUNE 2012

<u>Cash Flow from Operating Activities</u>	<u>2012</u>	<u>2011</u>
Net Profit/(Loss) for the year	(1,051,056.00)	(4,342,493.00)
Depreciation	798,534.00	846,180.00
Operating Profit / (Loss) before Working Capital Changes	(252,522.00)	(3,496,313.00)
(Increase)/ Decrease in Stocks	(72,192.00)	(143,240.00)
(Increase)/ Decrease in Debtors	(274,228.00)	(125,031.00)
Increase/ (Decrease) in Prepayments	(404,959.00)	(39,461.00)
Increase/ (Decrease) in Creditors	792,714.00	916,442.00
Interest expenses paid	234,442.00	262,666.00
Increase/ (Decrease) in Short Term borrowing	0.00	1,648,860.00
	275,777.00	2,520,236.00
Net Inflow/(Outflow) From Operating Activities	23,255.00	(976,077.00)
<u>Cash Flow from Investing Activities</u>		
acquisition/ Disposal of assets	0.00	0.00
Advances / Bank Overdrafts	0.00	0.00
Net Inflow/(Outflow) From Investing Activities	0.00	0.00
<u>Cash Flow from Financing Activities</u>		
Repayment of Long Term Borrowing	0.00	(262,666.00)
proceeds from Long Term Borrowing	0.00	1,000,000.00
Dividends Paid	0.00	242,166.00
Net Inflow/(Outflow) From Financing Activities	0.00	979,500.00
Net Increase/(Decrease) in Cash & Cash equivalent	23,255.00	3,422.00
Cash / Cash equivalent at the beginning 1 st July 2011	10,421.00	6,999.00
Cash/ Cash equivalent at the end 30th June 2012	33,676.00	10,421.00

MT.ELGON LODGE LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2012

	Share Capital KSHS	Revenue Reserve KSHS	Revaluation Reserve KSHS	Shareholder Equity KSHS
As at 30/6/2010	1,845,780	(16,529,993)	53,070,705	38,386,492
As at 01/07/2011	1,845,780	(16,529,993)	53,070,705	38,386,492
Profit/Loss for the period	-	(4,342,493)	-	(4,342,493)
As at 30/June/2011	1,845,780	(20,872,486)	53,070,705	34,043,999
As at 01/07/2011	1,845,780	(20,872,486)	53,070,705	34,043,999
Profit/Loss for the period	-	(1,051,056)	-	(1,051,056)
As at 30/June/2012	1,845,780	(21,923,542)	53,070,705	32,992,943

MT.ELGON LODGE LTD.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2012
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

a Basis of preparation and Form of Presentation

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

b Revenue

The revenue represents the amount received and receivable for services provided

c Stock

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

d 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

MT.ELGON LODGE LTD

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2 PRINCIPAL ACTIVITY

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

3 SHARE CAPITAL

Authorized 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
Kitale Municipal Council	12,500	250,000
Trans. Nzoia County Council	12,500	250,000
	<u>92,289</u>	<u>1,845,780</u>

The Share Capital as at 30th June 2012 is the same as it was on 30th June 2011

4 CORPORATION TAX

The Company made loss and no tax is provided

MT.ELGON LODGE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED...)

5. SCHEDULE NON CURRENT ASSETS

COST	LAND KSHS	BUILDING KSHS	FURNITURE & FITTINGS KSHS	EQUIPMENT KSHS	TOTAL KSHS
As at 30/06/2011	23,000,000	31,000,000	827,357	772,643	55,600,000
Additions	-	-	-	-	-
Disposal	-	-	-	-	-
prior year adjustments	-	-	-	-	-
As at 30/6/2012	23,000,000	31,000,000	827,357	772,643	55,600,000
ACCUM DEPRECIATION					
As at 1.7.2011	-	1,550,000	440,712	661,017	2,651,729
Additions	-	-	-	-	-
Disposal	-	-	-	-	-
Charge for the year	-	736,250	48,331	13,953	798,534
As at 30/6/2012	-	2,286,250	489,043	674,970	3,450,263
	-	-	-	-	-
NBV as at 30.6.2012	23,000,000	28713,750	338,314	97,673	52,149,737
NBV as at 30.6.2011	23,000,000	29,450,000	286,645	111,626	52,948,271

MT. ELGON LODGE LTD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2012

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

6 K.T.D.C. LONG TERM LOAN	2012	2011
(a) <u>Principal Loan</u>		
The loan balance as at 30th June 2011 stands at		
Initial Principal amount:	2,596,370	1,596,370
Additions		1,000,000
	<u>2,596,370</u>	<u>2,596,370</u>
7 Salaries amounting to Kshs 444,420 was prepaid as at 30th June 2012	<u>444,420</u>	<u>444,420</u>
8 Trade & Other Payables		
<u>These comprise:</u>		
Trade Payables	302,576	933,262
Statutory Deductions	5,880,325	4,639,923
Accrued Audit Fees	911,200	864,800
Accrued Secretarial Fees	230,000	230,000
Accrued Director's Fees	266,000	266,000
Accrued salaries	906,802	770,204
Total	<u>8,496,903</u>	<u>7,704,189</u>
9 KTDC Advances		
Balance b/d on 1 July 2011	9,466,377	7,817,517
Addition 2011/2012	0	1,648,860
Valuation fees paid by KTDC	0	0
	<u>9,466,377</u>	<u>9,466,377</u>
10 Accrued KTDC loan interest		
Balance b/d on 1.7.2011	930,852	688,686
Additions for 2011/2012	<u>234,442</u>	<u>242,166</u>
Total	<u>1,165,294</u>	<u>930,852</u>

TRIAL BALANCE AS AT 30TH JUNE 2012

	<u>DR</u>	<u>CR</u>
	KSHS	KSHS
A SALES		
Accommodation		445,612
Food-Residents		99,775
Casual-Food		642,900
Beverage		2,236,840
Tobacco and match boxes		25,375
		3,450,502
Aii Other Income/rental		
Misc income		28,395
Land rental		538,000
10% Service charge		17,910
KTDC payroll support		3,632,219
		4,216,524
B COST OF SALES		
Food	565,903	
Beverage	1,379,113	
Tobacco and match boxes	18,423	
TAXES INPUTS	408,217	
	2,371,656	
C SALARIES & WAGES		
Administration Prepaid Services	854,934	
Rooms	287,052	
Food	173,454	
Bar & Restaurant	287,172	
Maintenance	263,922	
Casual	142,989	
NSSF Employees Contributions	35,400	
	2,044,923	
D STAFF EXPENSES		
Meals & Food Allowance	236,525	
Staff Housing	883,497	
Uniforms	594,220	
Staff Service Charge(90%)	161,204	
	1,875,446	
E STAFF TRAVEL		
Leave Travelling - management	84,014	
-Other staff	63,800	
Traveling Expenses	159,700	
Staff Transport	113,160	
	420,674	

MT ELGON LODGE

F	PROPERTY UPKEEP	
	Building Maintenance	33,070
		<u>33,070</u>
G	REPAIRS & RENEWALS	
	Cutlery & Holloware	12,721
	Linen	6,900
	Misc. Electrical & Tools	56,259
		<u>75,880</u>
H	OPERATING COSTS	
	Licences	3,000
	Electricity/ generator	69,598
	Fuel and Gas	91,380
	Water and Sanitation	17,699
	Cleaning & House Keeping Expenses	37,514
	Guest Entertainment	49,915
		<u>269,106</u>
I	OFFICE EXPENSES	
	Printing and Stationery	92,486
	Office Miscellaneous	22,909
	Postal & Delivery	6,665
	Telephone and Postage	64,270
		<u>186,330</u>
J	ADMINISTRATION EXPENSES	
	Audit fees	46,400
	Audit Expenses	7,500
	Bank Charges	39,606
		<u>93,506</u>
K	ADVERTISING & PROMOTION	
	Guest Entertainment	36,000
	Advertising(E-mail)	0
	Agents commission	0
	Discount allowed	0
		<u>36,000</u>
L	Central Services	
	Donation and Subscriptions	69,310
	Flowers & Decorations	785
	Security Services	0
	Other Expenses	8,000
		<u>78,095</u>
M	BOARD EXPENCES	
	Secretarial services	0
		<u>0</u>

MT ELGON LODGE

TRIAL BALANCE CONTINUE.....

N	DIRECTORS EXPENSES		
	Director expenses	9420	
	Directors Allowances	76000	
	Directors Annual fees	0	
	Directors Honorarium	0	
		<u>85,420</u>	
O	INTEREST & OTHER CHARGES		
	Long term Internet	234,442	
	Gratuity/Terminal Benefit.	115,000	
		<u>349,442</u>	
P	STOCKS & STORES		
	Food	6,027	
	Drinks	12,515	
	Tobacco & Mather	1,015	
	Container/Other	218,483	
		<u>238,040</u>	
Q	DEBTORS & REPAYMENTS		
	Trade debtor	1,316,167	
	Other debtor	535,846	
		<u>1,852,014</u>	
	CREDITORS & PROVISIONS		
	Trade & Other Payable		8,496,903
	KTDC Advances		9,466,377
	Accrued KTDC loan interest		1,165,294
			<u>19,128,574</u>
R	CASH & BANK BALANCE		
	Cash at Bank	(332)	
	Cash in Hand	34,008	
		<u>33,676</u>	
S	FIXED ASSETS COST		
	Land	23,000,000	
	Buildings	31,000,000	
	Furniture & Fittings	827,357	
	Equipment	772,643	
		<u>55,600,000</u>	
5	ACCUMULATED DEPRECIATION		
	Buildings		1,550,000
	Furniture & fittings		440,712
	Equipments		661,017
			<u>2,651,729</u>
6	KTDC Loan restructured		2,596,370
	Retained loss B/F	20,872,486	
	Share capital		1,845,780
	Revaluation Reserves		53,070,705
			<u>57,512,855</u>
	TOTAL OF TRIAL BALANCE:	<u>86,960,184</u>	<u>86,960,184</u>

