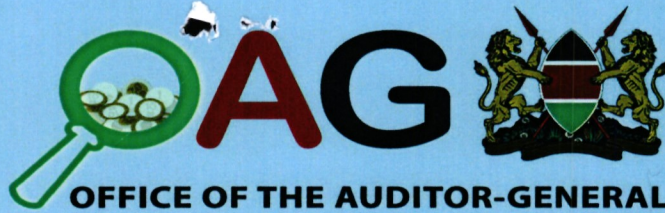


REPUBLIC OF KENYA



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REPORT

OF

THE AUDITOR-GENERAL

ON

MENENGAI GEOTHERMAL PROJECT

**FOR THE YEAR ENDED
30 JUNE, 2021**

**GEOTHERMAL DEVELOPMENT
COMPANY LIMITED**

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 10 FEB 2022	DAY: Three
TABLED BY: LDM	
CLERK-AT THE-TABLE: B. Inzofu	





J

1-1



MENENGAJ GEOTHERMAL PROJECT

Being implemented by

GEOTHERMAL DEVELOPMENT COMPANY LIMITED

PROJECT GRANT/CREDIT NUMBER

SCF Grant No. 5565155000401

SCF Loan No. 5565130000101

ADB Loan No. 2100150026101

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2021

**Prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector
Accounting Standards (IPSAS)**

**Menengai Geothermal Project
Report and Financial Statements
For the financial year ended June 30, 2021**

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**Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021**

1. PROJECT INFORMATION AND OVERALL PERFORMANCE

1.1 Name and registered office

The project's official name is Menengai Geothermal Project ("The Project"). The project's official is the Managing Director (MD) & Chief Executive Officer (CEO) of Geothermal Development Company Limited (GDC or "The Company").

Objective:

The key objective of the project is to facilitate realisation of at least 465MW geothermal power by 2026, through an accelerated Geothermal Development program. The 465MW geothermal power will be generated as follows:

Field	Phase	Capacity MW
Menengai	I	105
	II	60
	III	100
	IV	100
	V	100
Total		465

Address:

The project headquarters offices are:
Kawi House, South C, Off Mombasa Road,
P.O Box 100746-00101,
Nairobi, Kenya

The address of its registered office is:
Polo Center, Tom Mboya Road (Branch),
P.O. Box 17700-20100,
Nakuru, Kenya

Telephone: +254 719 036 500
E-mail: info@gdc.go.ke
Website: www.gdc.co.ke

1.2 Project Information

Project Start Date:	The project start date was 10 July 2012
Project End Date:	The expected project end date is June 2026
Project Manager:	The project manager is Eng. George Kinyanjui
Project Sponsor:	Government of Kenya (GoK)
	African Development Bank (AfDB) - SCF Grant No. 5565155000401, SCF Loan No. 5565130000101 and ADB Loan No. 2100150026101
	French Development Agency (AFD) - Agreement No. CKE 1038.01K
	European Investment Bank (EIB) - Loan No. 25.944
	German Development Bank (KfW) - Loan No. 2013.66.103
	United States Trade and Development Agency (USTDA) - Grant Agreement No. GH2010110010
	Nordic Development Fund (NDF) - NDF GRANT -C41

***Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021***

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of the Ministry of Energy.
Project number	P-KE-FZO-003
Strategic goals of the project	<p>The strategic goals of the project are as follows:</p> <ul style="list-style-type: none"> (i) Facilitate realisation of at least 465MW from Menengai Geothermal project (ii) Reduce electricity tariffs due to inclusion of cheaper power mix. This will in turn spur economic growth. (iii) Lower the cost of electric power by providing fuel (steam to power generators). (iv) To promote alternative uses of geothermal energy.
Achievement of strategic goals	<p>The project management aims to achieve the goals through the following means:</p> <ul style="list-style-type: none"> (i) Facilitate early generation of electricity through provision of steam to Independent Power Producers (IPP's) to ensure electricity becomes available faster. (ii) Environmental sustainability through displacement of biomass and fossil fuel by cleaner and environmentally friendly alternatives. (iii) To promote alternative uses of geothermal resources other than electricity generation. These include greenhouse heating, drying of grains, pasteurizing milk, cooling and heating of rooms, among others.
Other important background information of the project	<p>The project entails the drilling of wells for the connection to power plants. Key activities include the following:</p> <ul style="list-style-type: none"> • Geo-scientific studies. • Access roads and well pads. • Water infrastructure. • Drilling and testing of wells. • Feasibility study. • Construction of steam gathering system. • Construction of power transmission system. • Construction of power plants.
Current situation that the project was formed to intervene	<ul style="list-style-type: none"> • Undertake exploration, appraisal and production drilling to mitigate upfront risks associated with geothermal development that deters the private sector. • To increase the national electricity generation capacity. • Lower unit cost of electricity by providing steam (fuel) to power generators. • Attract capital for accelerated development by opening up opportunities for private sector participation.
Project duration	The project started on 10 July 2012 and is expected to run until 30 June 2026.

***Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021***

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.4 Bankers

The following were the bankers for the year:
Cooperative Bank of Kenya Limited,
Upper Hill Branch, Nairobi.

Kenya Commercial Bank,
Kipande House, Kenyatta Avenue, Nairobi.

1.5 Auditor

The project is audited by the Auditor General:

Office of the Auditor General
Anniversary Towers
P.O Box 30084-GPO 00100,
Nairobi, Kenya.

1.6 Roles and Responsibilities

Names	Title Designation	Key Qualifications	Responsibilities
Eng. Jared O. Othieno	Managing Director & CEO	Master of Business Administration (MBA) and BSc in Electrical Engineering from the University of Nairobi	Coordination of project work to attain strategic project objectives
Dr. George Muia	Project Manager	PhD in Earth Science, Master of Science in Integrated Petroleum Geoscience, Master of Arts in Environmental Planning & Management and a Bachelor of Science in Geology	Supervision of project work

Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.7 Funding Summary

The Project duration is for 14 years from 2012 to 2026 with initial donor funding of US\$ 343,589 equivalent to KShs 31,518,951. The total donor commitments at the reporting were US\$ 348,805 equivalent to KShs 32,125,077 as per the table below:

Source of funds	Donor commitments		Amount received to date (30.06.2021)		Undrawn balance to date	
	Donor Currency (USD)	Kshs	Donor currency (USD)	Kshs	Donor currency (USD)	Kshs
	(A) '000'	(A) '000'	(B) '000'	(B) '000'	(A)-(B) '000'	(A)-(B) '000'
(i) Grant						
African Development Bank (AfDB)	17,500	1,766,625	14,513	1,467,018	2,987	299,607
French Development Agency (AFD)	170,000	14,589,647	70,000	6,669,805	100,000	7,919,842
European Investment Bank (EIB)	17,330	1,448,800	14,769	1,310,249	2,561	138,551
United States Trade Development Agency (USTDA)	544	46,727	544	46,727	-	-
German Development Bank (KfW)	13,716	1,143,845	13,716	1,143,845	-	-
Nordic Development Fund (NDF)	1,500	186,000	98	10,386	1,402	175,614
ICEIDA	715	72,308	363	36,893	352	35,415
Total	221,305	19,253,952	114,003	10,684,923	107,302	8,569,029
(ii) Loan						
African Development Bank (AfDB)	127,500	12,871,125	120,634	10,356,630	6,866	2,514,495
Term loan	-	-	-	3,377,572	-	-
(iii) Counterpart Funds						
Government of Kenya	-	90,844,781	-	41,699,186	-	-
Company Contribution	-	-	-	20,416,057	-	-
Grand Total	348,805	122,969,858	234,637	86,325,101	114,169	11,083,524

**Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021**

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.7 Funding Summary

Application of funds	Amount received to date – (30th June 2021)		Cumulative Amount paid to date – (30th June 2021)		Unutilised balance to date 30th June 2021	
	Donor currency	Kshs	Donor currency	Kshs	Donor currency	Kshs
	(A)	(A')	(B')	(A)-(B)		
(i) Grant						
African Development Bank (AfDB)	14,513	1,467,018	14,513	1,467,018	-	-
French Development Agency (AFD)	70,000	6,669,805	70,000	6,669,805	-	-
European Investment Bank (EIB)	14,769	1,310,249	12,829	1,100,982	1,940	209,267
United States Trade Development Agency (USTDA)	544	46,727	544	46,727	-	-
German Development Bank (KfW)	13,716	1,143,845	13,716	1,143,845	-	-
Nordic Development Fund (NDF)	98	10,386	98	10,386	-	-
ICEIDA	363	36,893	363	36,893	-	-
	114,003	10,684,923	112,063	10,475,656	1,940	209,267
(ii) Loan						
African Development Bank (AfDB)	120,634	10,356,630	120,634	10,356,630	-	-
Term loan				3,377,572		
(iii) Counterpart funds						
Government of Kenya	-	41,699,186	-	41,699,186	-	-
Company contribution		20,416,057		20,416,057		
Total	234,637	83,156,797	232,697	86,534,369	1,940	209,267

***Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021***

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

1.8 Summary of Overall Project Performance

Physical progress based on outputs, outcomes and impacts since project commencement:

Measurement per year	FY 2020/21	
	Target	Actual
Drilling geothermal wells (No of wells)	2	2
Construction of access roads (Kms)	-	-
Construction of well pads	-	-

Comment on value-for-money achievements:

- Drilling done substantially by GDC staff.
- 56 wells drilled i.e 7 top holed and 49 completed.
- 169 MW of steam available.
- Steam gathering system (SGS) for 105MW is complete.
- Transmission line completed.
- Letter of Support negotiations ongoing for one IPP (Orpower).
- Two IPPs at advanced stage of attaining financial closure
- Signing of Lease with Kenya Forest Services done
- Obtaining Geothermal License complete

Implementation challenges

- Delay in Issuance of Government Support Measures (Letter of support and PRG) to IPP's
- Insufficient Counterpart Funding.

Way forward;

- Engaging Financiers to waive conditions that might derail achievement of financial closure for IPPs.
- Enhance resource mobilization from multi –lateral partners and request for enhanced exchequer appropriation.

1.9 Summary of Project Compliance

- **Compliance with applicable environmental laws and regulations**

The Company has strived to ensure compliance with all relevant national and international environmental and other statutory regulatory provisions that apply to Menengai Geothermal Power Project as relates to licensing/permitting for water usage and project implementation to ensure sound environmental management practice. The key national laws are; the Environmental Management and Coordination Act (EMCA) of 1999 Amendment 2015 and the associated regulations; the Water Act of 2016 and Associated Rules/Guidelines; Occupational Safety and Health Act 2007 and Associated Rules and any other regulations relating to environmental conservation and management. Key international best practices that guide project implementation include the International Finance Corporation (IFC) Performance Standards on Environment and Social Sustainability. The Menengai geothermal project's environmental and social management/monitoring plans are anchored on these regulations, standards and best practices.

GDC continues to streamline its environmental and social management/monitoring plans to be in total compliance with International Environmental Best Practices and Standards. Dissemination of knowledge on environmental conservation has been a key component through the social afforestation program and national/international environmental conservation and management awareness campaigns. The Company has also continued to contribute to the national realization of Sustainable Development Goals (SDGs) relating to: Affordable and Clean Energy; Clean Water and Sanitation for communities in project areas; Improved Infrastructure, and Climate Change Action.

***Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021***

PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)

- **Consequences if any suffered on account of non-compliance or likely to be suffered**

The Company has a valid Water permit (Menengai boreholes) and has continuously undertaken timely quarterly & annual environmental audits. GDC has not suffered any consequence as a result of non-compliance due to its commitment towards environmental regulatory compliance. The Company is working towards implementation of ISO 14001 (EMS) and has also streamlined its environmental and social management/monitoring plans to be in total compliance with International Environmental Standards such as the IFC Performance Standards.

***Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021***

2. STATEMENT OF PERFORMANCE AGAINST PROJECT'S PREDETRMINED OBJECTIVES

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The Menengai Geothermal project aims at increasing the national electricity generation capacity by 465MW from Geothermal sources

The key development objectives of the *project's 2018-2022* plan are to:

- a) Provide reliable power supply to customers;
- b) Reduce electricity tariffs due to inclusion of cheaper power mix;
- c) Create employment opportunities and income generation
- d) Environmental sustainability through displacement of biomass and fossil fuel by cleaner and environmentally friendly alternatives.
- e) Increase private sector participation in electricity generation

Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bund (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Project	Objective	Outcome	Indicator	Performance
Menengai Geothermal Project	To connect 465MWe of geothermal power to the national grid	Cheap and affordable power to the people of Kenya	Amount of MWe generated	In the FY 2020/21, cumulative generation at well head stood at 169MW
	To increase private sector participation in energy generation	Risk diversification and share of returns generated from energy sector investments	Number of IPPs	As at FY 2020/21 three IPPs were engaged to construct three 35MW powerplants on a Build Own Operate model
	To enhance environmental sustainability through provision of clean energy	Clean energy and attainment of health benefits associated with a clean environment	Percentage of geothermal power in Kenya energy mix	In the FY 2020/21 Geothermal power generation was 828MW representing a 29% share in the Kenyan energy mix

3. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

GDC has a deeply rooted tradition of acting in a responsible and ethical manner, and of being actively and positively present in the communities where it is established. It continues to emphasize the need for sustainable relationships with communities in and around its project areas. The value conferred to social acceptance continues to top the Company's agenda as project success is anchored on this important aspect.

Our approach

GDC's approach to corporate social responsibility (CSR) replicates the steps that we are taking as a company to ensure we are, and remain, a good corporate citizen. Social responsibility embraces everything we do that has an impact on society around us – it is our values and behaviour as an organisation. The company continues to emphasize social, economic and environmental sustainability

1. Social Sustainability

a) Education

Further, the Company provided career guidance talks to students in secondary schools within the Menengai and Bogoria-Silali project areas

b) Health

In light of the medical response challenges within the Bogoria-Silali project area, the Company has provided first aid support and ambulance services to the local community. The company also procured sanitary towels for distribution to secondary schools within the financial year.

c) Sports

GDC has facilitated youth empowerment by sponsoring a football club (GDC FC) that nurtures local talent and create opportunities to expose their skills.

2. Economic Sustainability

a) Reserved Tender Opportunities

The Company has undertaken procurement sensitization to local businesses, women, youth and People Living with Disabilities (PWDs) on AGPO on all areas of operation. This has enabled most of the special groups to successfully participate in the tendering process at GDC. These procurement opportunities have created diverse financial benefits for the special groups as well as enhancing the GDC corporate image and reputation.

b) Road Infrastructure

The Company has improved the accessibility to the Bogoria-Silali region through a road network system of over 100km within the project area. By extension, the road system has immensely benefited the host community by streamlining transport and communication for commerce, education, health services and government administrative services.

c) Employment Opportunities

The host communities in the areas of operation have benefited from employment opportunities by GDC and its contractors. This has boosted the living standards of the communities in the project areas

d) Employment Opportunities

The host communities in the areas of operation have benefited from employment opportunities by GDC and its contractors. This has boosted the living standards of the communities in the project areas

Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021

CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING
(Continued)

e) Corporate Sponsorship

GDC sponsored and participated in the Nakuru International Investment Conference (NIICO) held in Naivasha between the 29th November and 1st December 2019. Key issues discussed at the conference include the place of geothermal energy as a natural source of reliable power and its importance to the national economy. The Company also sponsored and participated in the Fifth Africa Engineering Week and Third Africa Engineering Conference held between the 17th and 21st September 2019.

3. Environmental sustainability

The Company's contribution to societal well-being in its operational areas continues to be a pillar for business continuity. The Company envisions lowering the cost of power in Kenya through development of 1065MW from geothermal resources. To ensure sustainability of the business, the Company endeavors to align its activities to ensure minimal impact on the environment.

a) Compliance with Applicable Environmental Laws and Regulations

GDC participated in this year's World Environment Day (WED), this year's theme was "Ecosystem restoration". This activity was spearheaded by NEMA, GDC played an active role in events leading to the build-up for WED as well as participated in tree planting activities in Menengai where GDC planted over 1500 tree seedlings on 5th June 2021. GDC also participated in the International day of forest on the 21st of March.

GDC's environmental and social management/monitoring plans are anchored on environmental laws, regulations, standards and best practices. The Company ensures compliance with all relevant national and international environmental and other statutory regulatory provisions that apply to its projects as pertains to licensing/permitting for water usage (abstraction license) and project implementation to ensure safe and sound environmental management practice

The Company undertakes bi annual environmental audits and has valid permits and licenses for its operations to ensure continual improvement of the environmental systems in place. The Company is working towards implementation of ISO 14001 (EMS) and has also streamlined its environmental and social management/monitoring plans to be in total compliance with following;

- the Environmental Management and Coordination Act (EMCA) of 1999 Amendment 2015 and the associated regulations;
- the Water Act of 2016 and Associated Rules/Guidelines;
- Occupational Safety and Health Act 2007 and Associated Rules and any other regulations relating to environmental conservation and management.

Project implementation is guided by the international best practices that include the International Finance Corporation (IFC) Performance Standards on environment and social sustainability.

Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021

4. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES

The MD & CEO and Project Manager for Menengai Geothermal Project are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the Project's transactions of the Project for and as at the end of the financial year ended 30 June 2021. This responsibility includes:

- (i) maintaining adequate financial management arrangement 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 Project;
- (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 Project;
- (v) selecting and applying appropriate accounting policies; and
- (vi) making accounting estimates that are reasonable in the circumstances.

The MD & CEO and Project Manager for Menengai Geothermal project accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.


The MD & CEO and Project Manager for Menengai Geothermal project are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year ended June 30, 2021, and of the Project's financial position as at that date. The MD & CEO and Project Manager for Menengai Geothermal project further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

The MD & CEO and Project Manager for Menengai Geothermal Project confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that the Project funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project financial statements

The Project financial statements were approved by MD & CEO and Project Manager for Menengai Geothermal project

on _____ 2021 and signed by them.



Eng. Jared O. Othieno
Managing Director & CEO



Dr. George Muia
Project Manager



Stephen Busieney
General Manager Finance:
ICPAK No.:4880

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON MENENGAI GEOTHERMAL PROJECT FOR THE YEAR ENDED 30 JUNE, 2021 - GEOTHERMAL DEVELOPMENT COMPANY LIMITED

PREAMBLE

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

- A. Report on the 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 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 government achieves value for money and that such funds are applied for intended purpose.
- 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, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal control, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General 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

Qualified Opinion

I have audited the accompanying financial statements of Menengai Geothermal Project set out on pages 13 to 34, which comprise the statement of financial assets as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and

statement of comparative 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, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Menengai Geothermal Project as at 30 June, 2021, and of its financial performance and cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Financing Agreements No.2100150026101, No.5565130000101 and No.5565155000401 dated 12 March, 2012, between the Government of Kenya and African Development Bank (AfDB) and Agreement No.CKE 1038.01K dated 5 April, 2011 with the Agence Francaise De Development (AFD) and the Public Finance Management Act, 2012.

In addition, the special account statement presents fairly, transactions for the period, and the closing balance has been reconciled with the books of account.

Basis for Qualified Opinion

Cash and Cash Equivalents

The statement of financial assets as at 30 June, 2021 reflects cash and cash equivalents amounting to Kshs.368,370,000 comprising bank balances for three (3) foreign currency accounts, two (2) local currency accounts and one guarantee deposit (escrow) account all held at Cooperative Bank of Kenya. The balance includes Kshs.86,723,643 in respect of an escrow account whose cashbook balance differs with the bank balance amounting to Kshs.134,809,533 resulting in an unexplained and unreconciled variance of Kshs.48,085,890. According to Note 10.12 to the financial statements, the escrow account balance is made up of an account balance of Kshs.139,849,000 and adjusted for interest of Kshs.53,125,000. However, the reasons for adjusting the account balance for interest has not been documented.

Consequently, the accuracy of the cash and cash equivalents balance amounting to Kshs.368,370,000 reflected in the statement of financial assets as at 30 June, 2021 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Menengai Geothermal Project Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audit of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters which, in my professional judgment, were of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there were no other Key Audit Matters to communicate in my report.

Other Matter

Undisbursed Counterpart Funding

The statement of comparison of budgeted and actual amount for the year under review reflects a receipts budget of Kshs.2,432,000,000 under transfers from Government entities representing GOK counterpart funding. However, only Kshs.2,208,774,000 was realized. According to the Project management, an exchequer requisition of Kshs.260,000,000 was made to The National Treasury through the Ministry of Energy in March 2021, but the amount remained undisbursed by close of the financial year. This, therefore, meant that the planned activities could not be implemented, which in turn impacted negatively on the project workplan.

Other Information

The Managing Director and Chief Executive Officer of Geothermal Development Company and the Project Implementation Team are responsible for the other information, which comprise the Project Information and Overall Performance, and the Corporate Social Responsibility Statement as required by the Public Financial Management (PFM) Act, 2012. The other information does not include the financial statements and our auditor's report thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in 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.

1. Commingling of Funds

Payment documents provided for audit review revealed that Kshs.6,743,335 relating to Bogoria Silali Geothermal Project expenditure was paid through Menengai Geothermal Project account. The Management explained that payment from the said project account was occasioned by delays in receiving disbursement from the financing partner, KfW Development Bank, and the Company had to support various drilling operations. However, this was contrary to Regulation 76(1) of the Public Finance Management

(National Government), 2015 which requires a project account to be opened, maintained and operated solely for the project for which it is opened.

2. Delay in Power Plants Development Under Menengai Phase I Project

A Project Implementation and Steam Supply Agreements (PISSA) signed with three (3) Independent Power Producers (IPPs) on 1 November, 2014 for development of a 35 MW geothermal power generating plant in Menengai Geothermal Project area provided that GDC shall complete, test and commission the steam gathering system while the three IPPs upon getting partial risk guarantee would finalize the signing of the power purchase agreement and get a letter of support from the Government. The finalization of the IPPs conditions would make lenders provide the required funds for the Project.

A review of implementation status of the IPPs and GDC deliverables as at 30 June, 2021 revealed as follows: -

- i) Quantum Power East Africa (QPEA) was yet to obtain a partial risk guarantee from the National Treasury. The request was made on 9 October, 2019 but no response had been received by 30 June, 2021.
- ii) Sosian Menengai Geothermal Power Limited (SMGPL) was awaiting the Kenya Power and Lighting Company PLC to finalize the signing of the Power Purchase Agreement (PPA), with the same still pending as at 30 June, 2021.
- iii) Orpower Twenty-Two Limited was to yet get a letter of support from the Government of Kenya as an application made on 24 April, 2019 had not been responded to.
- iv) GDC on the other hand, had sunk 52 well, 21 which are producing; and completed, tested, and commissioned the steam gathering systems whereas the IPPs were yet to fulfil any of their obligations.

Failure of the parties to fulfil their contractual obligations has led to the delay in the Project implementation by over seven (7) years, risking the investment made by GDC of Kshs.69,055,342,000 on steam wells and associated infrastructure. Further, it was not certain when the Project would be completed since the effective start date was indicated to be the date the IPPs takes over the sites. In addition, the amount spent continue to attract significant interest charges with no income generation.

The Management indicated that M/s Sosian Menengai Geothermal Power Limited's Power Purchase Agreement became effective on 23 September, 2021 and that it was mobilizing funds to start the construction. However, no works had started so far and the status of the other two IPPs remained the same.

3. Long outstanding Pending Bills

Note 11.1 to the financial statements reflect pending bills totaling Kshs.461,177,000. A review of the pending bills and their respective age analysis revealed bills totalling Kshs.132,286,818 outstanding from 2019/2020 and earlier years. There has however,

been payments for current year supplies before settling the pending bills, implying that they did not form the first charge during the financial year 2020/2021 as directed by the National Treasury in circular No.10/2020 issued on 16 June, 2020.

No explanation has been given for the failure to give priority to prior year pending bills which reflects unfairness towards the Project's suppliers.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance on whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities which 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 overall governance, were not effective.

Basis for Conclusion

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

As required by African Development Bank and Agence Francaise De Development (AFD), 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, adequate accounting records have been kept by the Project, so far as appears from the examination of those records; and
- iii. The Project's financial statements are in agreement with the accounting records and returns.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis), and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements which are free from material misstatement, whether due to fraud or error and for assessment of the effectiveness of the internal control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Project's ability to continue sustaining services, disclosing as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Project, or 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Project's financial reporting process, reviewing the effectiveness of Management's systems for monitoring 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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report which includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance review is planned and performed to express a conclusion on whether, in all material respects, the activities,

financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution, and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control which might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level, the risk that misstatements caused by error or fraud in amounts which would be material in relation to the financial statements being audited, may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Project's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence which is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions which may cast significant doubt on the Project's ability to continue sustaining its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Project to cease sustaining its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner which achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Project to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control which are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters which may reasonably be thought to bear on my independence, and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 December, 2021

**Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2020**

5. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 June 2021

The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.

		FY 2020/21			FY 2019/20			Cumulative to-date Kshs'000
		Receipts & payments controlled by entity	Payments made by third parties	Total	Receipts & payments controlled by entity	Payments made by third parties	Total	
		Kshs'000	Kshs'000	Kshs'000	Kshs'000	Kshs'000	Kshs'000	
Receipts								
Transfer from government entities	10.3	-	-	-	370,750	-	370,750	41,699,186
Company contributions	10.3	2,208,774	-	2,208,774	1,238,231	-	1,238,231	17,528,176
Proceeds from domestic and foreign grants	10.4	-	219,744	219,744	-	49,870	49,870	10,684,923
Loan from external development partners	10.5	-	2,877	2,877	-	23,306	23,306	10,356,630
Miscellaneous receipts	10.6	-	-	-	3,943	-	3,943	2,886,279
Loans	10.5A & 10.12C	245,266	-	245,266	562,497	-	562,497	3,377,572
Total receipts		2,454,040	222,621	2,676,662	2,175,421	73,176	2,248,597	86,532,766
Total payments								
Compensation of employees	10.7	1,331,369	-	1,331,369	1,452,110	-	1,452,110	12,171,480
Purchase of goods and services	10.8	510,124	-	510,124	460,871	9,318	470,189	15,502,338
Social security benefits	10.9	175,871	-	175,871	177,896	-	177,896	1,050,627
Acquisition of non-financial assets	10.10	301,933	13,354	315,288	593,598	63,858	657,456	55,858,351
Other grants and transfers and payments	10.11	-	-	-	-	-	-	1,581,381
Total payments		2,319,298	13,354	2,332,652	2,684,475	73,176	2,757,651	86,164,177
Surplus/(deficit) for the year		134,743	209,267	344,010	(509,054)	-	(509,054)	368,589

Eng. Jared O. Othieno
Managing Director & CEO

Dr. George Muia
Project Manager

Stephen Busieney
General Manager Finance
ICPAK No.:4880

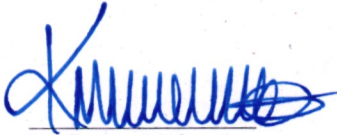
**Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021**

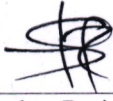
6. STATEMENT OF FINANCIAL ASSETS AS AT 30 June 2021

	Note	FY 2020/21 Kshs'000	FY 2019/20 Kshs'000
FINANCIAL ASSETS			
Cash and cash equivalents			
Bank balances	10.12.A	368,370	24,519
Cash balances	10.12.B	-	50
		<hr/>	<hr/>
Total cash and cash equivalents		368,370	24,569
Accounts receivables	10.13.A	1,176	1,011
Total Financial Assets		369,546	25,580
Financial Liabilities			
Payables	10.13.B	(957)	(1,001)
		<hr/>	<hr/>
NET ASSETS		368,589	24,579
REPRESENTED BY:			
Fund balance brought forward	10.14	24,579	533,633
Surplus (Defecit) for the year		344,010	(509,054)
		<hr/>	<hr/>
NET FINANCIAL POSITION		368,589	24,579
		<hr/>	<hr/>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on _____ 2021 and signed by:


Eng. Jared O. Othieno
Managing Director & CEO


Dr. George Muia
Project Manager

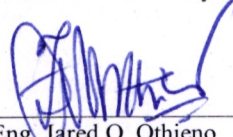

Stephen Busieny
General Mnager Finance
ICPAK Member No. 4880

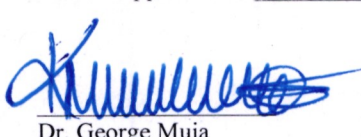
Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021


7. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 June 2021

	Note	FY 2020/21 Ksh'000	FY 2019/20 Ksh'000
Receipts for operating activities			
Transfer from Government entities	10.3	2,208,774	1,608,981
Proceeds from domestic and foreign grants	10.4	219,744	49,870
Miscellaneous Receipts	10.6	-	3,943
		<u>2,428,519</u>	<u>1,662,794</u>
Payments for operating activities			
Compensation of employees	10.7	(1,331,369)	(1,452,110)
Purchase of goods and services	10.8	(342,132)	(187,675)
Social Security benefits	10.9	(175,871)	(177,896)
		<u>(1,849,371)</u>	<u>(1,817,681)</u>
Net cash flow from operating activities		579,147	(154,887)
Cash flow from investing activities			
Acquisition of assets	10.10	(315,288)	(657,456)
Net cash flows from Investing activities		(315,288)	(657,456)
Cash flow from financing activities			
Proceeds from borrowings	10.5	2,877	23,306
Repayment of Bank Loan	10.5. A	(167,992)	(282,514)
Borrowings	10.12.C	245,2676	562,497
Net cash flow from financing activities		80,151	303,289
Net increase in cash and cash equivalent		344,010	(509,054)
Cash and cash equivalent at beginning of the year	10.12	24,579	533,633
Cash and cash equivalent at end of the year		368,589	24,579

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2021 and signed by:


 Eng. Jared O. Othieno
 Managing Director & CEO


 Dr. George Muia
 Project Manager

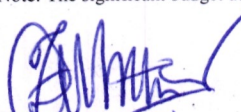

 Stephen Busieney
 General Manager Finance:
 ICPAK No. 4880

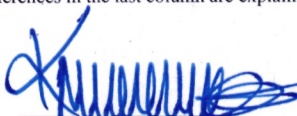
Menengai Geothermal Project
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For the financial year ended June 30, 2021

8. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 June 2021

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Ksh'000	Ksh'000	Ksh'000	Ksh'000	Ksh'000	Ksh'000
Receipts						
Transfer from Government entities	2,059,000	373,000	2,432,000	2,208,774	223,226	91%
Proceeds from domestic and foreign grants	9,700	280,000	289,700	219,744	69,956	76%
Proceeds from borrowings	-	-	-	2,877	(2,877)	0%
Total Receipts	2,068,700	653,000	2,721,700	2,431,396	290,304	89%
Payments						
Compensation of employees	1,307,206	24,120	1,331,326	1,331,369	(43)	100%
Purchase of goods and services	290,614	228,564	519,178	510,124	9,054	98%
Social security benefits	94,871	81,000	175,871	175,871	-	100%
Acquisition of non-financial assets	376,009	319,316	695,325	315,288	380,037	45%
Total Payments	2,068,700	653,000	2,721,700	2,332,651	389,049	86%

Note: The significant budget utilisation/performance differences in the last column are explained in Annex 1 to these financial statements.


 Eng. Jared O. Othieno
 Managing Director & CEO


 Dr. George Muia
 Project Manager


 Stephen Busieney
 General Manager Finance:
 ICPAK No. 4880

9. NOTES TO THE FINANCIAL STATEMENTS

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

9.1 Basis of Preparation

9.2 Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of accounting, as prescribed by the PSASB and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

The accounting policies adopted have been consistently applied to all the years presented.

9.3 Reporting entity

The financial statements are for the Menennai Geothermal Project under National Government of Kenya. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 .

9.4 Reporting currency

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Project and all values are rounded to the nearest Kenya Shilling.

9.5 Significant Accounting Policies

a) Recognition of receipts

The Project recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the Government.

i) Transfers from the Exchequer

Transfer from Exchequer is be recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

ii) External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

iii) Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

***Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021***

9 NOTES TO THE FINANCIAL STATEMENTS (continued)

c) Proceeds from borrowing

Borrowing includes Treasury bill, treasury bonds, corporate bonds, sovereign bonds and external loans acquired by the Project or any other debt the Project may take on will be treated on cash basis and recognized as a receipt during the year they were received.

d) Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for the Project currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. An analysis of the Project's undrawn external assistance is shown in the funding summary

e) Recognition of payments

The Project recognises all payments when the event occurs, and the related cash has actually been paid out by the Project.

i) Compensation of employees

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

ii) Use of goods and services

Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. If not paid for during the period where goods/services are consumed, they shall be disclosed as pending bills.

iii) Interest on borrowing

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.

iv) Repayment of borrowing (principal amount)

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the consolidated financial statements.

v) Acquisition of fixed assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

***Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021***

9 NOTES TO THE FINANCIAL STATEMENTS (continued)

f) In-kind donations

In-kind contributions are donations that are made to the Project in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Project includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

Restriction on cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third part deposits.

h) Accounts receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year is treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

Significant Accounting Policies (Continued)

i) Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

***Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021***

9 NOTES TO THE FINANCIAL STATEMENTS (continued)

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships,

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. **Annex 5** of this financial statement is a register of the contingent liabilities in the year.

Section 89 (2) (i) of the PFM Act requires the National Government to report on the payments made, or losses incurred, by the county government to meet contingent liabilities as a result of loans during the financial year, including payments made in respect of loan write-offs or waiver of interest on loans

j) Contingent Assets

The Entity does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

k) Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Project at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

l) Budget

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis (except for accounts receivable - outstanding imprest and clearance accounts and accounts payable - deposits, which are accounted for on an accrual basis), and for the same period as the financial statements. The Project's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers and are eliminated upon consolidation.

A high-level assessment of the Project's actual performance against the comparable budget for the financial year/period under review has been included in an annex to these financial statements.

***Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021***

9 NOTES TO THE FINANCIAL STATEMENTS (continued)

m) Third party payments

Included in the receipts and payments, are payments made on its behalf by to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties column in the statement of receipts and payments.

During the year **Kshs 13.354** million being loan disbursements were received in form of direct payments from third parties.

n) Exchange rate differences

The accounting records are maintained in the functional currency of the primary economic environment in which the Project operates, Kenya Shillings. Transactions in foreign currencies during the year/period are converted into the functional currency using the exchange rates prevailing at the dates of the transactions. Any foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of receipts and payments.

o) Comparative figures

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

p) Subsequent events

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2021

q) Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. Restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

***Menengai Geothermal Project
Reports and Financial Statements
For the financial year ended June 30, 2021***

10. NOTES TO THE FINANCIAL STATEMENTS (continued)

10.3 RECEIPTS FROM GOVERNMENT OF KENYA

These represent counterpart funding and other receipts from government as follows:

Details	FY 2020/21 Kshs'000	FY 2019/20 Kshs'000	Cumulative to-date Kshs'000
Counterpart funding through Ministry of Energy			
Counterpart funds Quarter 1	-	70,750	7,331,624
Counterpart funds Quarter 2	-	-	10,668,374
Counterpart funds Quarter 3	-	200,000	12,502,348
Counterpart funds Quarter 4	-	100,000	11,196,840
	<u>-</u>	<u>370,750</u>	<u>41,699,186</u>
Appropriations-in-Aid			
Company contributions	2,208,774	852,202	12,578,963
Company contributions for FY 2019/20 received in FY 2020/21	-	386,029	4,949,213
	<u>2,208,774</u>	<u>1,238,231</u>	<u>17,528,176</u>
Total	<u><u>2,208,774</u></u>	<u><u>1,608,981</u></u>	<u><u>59,227,362</u></u>

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10. NOTES TO THE FINANCIAL STATEMENTS (continued)

10.4 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

During the year ended 30 June 2021, grants received from donors as detailed in the table below:

Name of Donor	Date received	Amount received in donor currency	Grants received in cash	Grants received as direct payment	Grants received in kind	Total amount FY 2020/21	Total amount FY 2019/20
		Kshs'000	Kshs'000	Kshs'000	Kshs'000	Kshs'000	Kshs'000
Grants received from multilateral donors							
African Development Bank	30.06.2021	\$97	-	10,477	-	10,477	3,657
NDF	30.06.2021	€ 0	-	-	-	-	9,319
ICEIDA	30.06.2021	\$0	-	-	-	-	-
EIB	30.06.2021	€ 1,629	-	209,267	-	209,267	36,894
				219,744	-	219,744	49,870
				219,744	-	219,744	49,870

10.5. LOAN FROM EXTERNAL DEVELOPMENT PARTNERS

The Project receives funding from development partners in form of loans negotiated by the National Treasury. The National Treasury has advanced the loans to the Project as grants as detailed in the table below:

Name of Donor	Date received	Amount received in donor currency	Grants received as direct payment	Total amount FY 2020/21	Total amount FY 2019/20
		USD'000	Kshs'000	Kshs'000	Kshs'000
Loans Received from Multilateral donors					
African Development Bank	30.06.2021	\$ 27	2,877	2,877	23,306
		27	2,877	2,877	23,306
		27	2,877	2,877	23,306

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10. NOTES TO THE FINANCIAL STATEMENTS (continued)

10.5A. PROCEEDS FROM LONG TERM LOAN

Name of donor	Date received	Amount received in donor currency	Loan received in cash	Total amount	Total amount
		USD'000	Kshs'000	FY 2020/21 Kshs'000	FY 2019/20 Kshs'000
Loan Balance as at 30.06.2020		-	-	2,287,295	2,569,809
Less: Repayment on Loan Principal		-	-	(167,992)	(282,514)
Loan Balance as at 30.06.2021		-	-	2,119,303	2,287,295

10.6 MISCELLANEOUS RECEIPTS

	FY 2020/21			FY 2019/20	Cumulative to date
	Receipts made by entity in cash	Receipts from third parties	Total	Receipts from third parties	
	Kshs'000	Kshs'000	Kshs'000	Kshs'000	Kshs'000
Other receipts not classified elsewhere	-	-	-	3,943	2,886,278

10.7 COMPENSATION OF EMPLOYEES

	FY 2020/21			FY 2019/20		Total Payments	Cumulative to-date
	Payments made by entity in cash	Payments made by third parties	Total	Payments made by entity in cash	Payments made by third parties		
	Kshs'000	Kshs'000	Kshs'000	Kshs'000	Kshs'000		
Basic salaries of permanent employees	679,019	-	679,019	1,451,811	-	1,451,811	6,207,646
Personal allowances paid as part of salary	652,350	-	652,350	299	-	299	5,963,834
Total	1,331,369	-	1,331,369	1,452,110	-	1,452,110	12,171,480

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10. NOTES TO THE FINANCIAL STATEMENTS (continued)

10.8 PURCHASE OF GOODS AND SERVICES

	FY 2020/21		FY 2019/20		Cumulative to-date Kshs'000
	Payments made by entity in cash Kshs'000	Total Kshs'000	Payments made by entity in cash Kshs'000	Payments made by third parties Kshs'000	
Utilities, supplies and service	56,838	56,838	33,203	-	2,020,617
Communication, supplies & services	8,470	8,470	18,848	-	128,764
Domestic travel & subsistence	19,930	19,930	74,420	-	2,349,290
Foreign travel and subsistence	1,722	1,722	201	-	79,757
Printing, advertising and information supplies & services	3,166	3,166	3,359	-	272,048
Training Expenses	1,851	1,851	15,668	9,318	975,748
Hospitality supplies and services	8,903	8,903	7,533	-	369,002
Insurance costs	-	-	-	-	308,293
Other operating expenses	370,450	370,450	292,669	-	8,977,831
Routine maintenance vehicles, transport equipment	35,695	35,695	14,970	-	653,627
Foreign exchange (gains) (net)	3,101	3,101	-	-	-632,637
	510,124	510,124	460,871	9,318	15,502,338

*Included in note 10.8 is the amount of Ksh 167, 992 in relation to principle loan repayment

10.9. SOCIAL SECURITY BENEFITS

	FY 2020/21		FY 2019/20		Cumulative to-date Kshs'000
	Payments made by entity in cash Kshs'000	Total payments Kshs'000	Payments made by entity in cash Kshs'000	Total payments Kshs'000	
Government pension and retirement benefits	172,255	172,255	175,398	175,398	1,028,141
Social security benefits in cash and in kind	3,616	3,616	2,498	2,498	22,486
	175,871	175,871	177,896	177,896	1,050,627

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10. NOTES TO THE FINANCIAL STATEMENTS (continued)

10.10 ACQUISITION OF NON-FINANCIAL ASSETS

	FY 2020/21			FY 2019/20			Cumulative to-date Kshs'000
	Controlled by GDC Kshs'000	Controlled by third parties Kshs'000	Total payments Kshs'000	Controlled by GDC Kshs'000	Controlled by third parties Kshs'000	Total payments Kshs'000	
Construction of buildings	-	-	-	728	-	728	46,686
Refurbishment of buildings	5,324	-	5,324	527	-	527	24,894
Construction of roads & civil works	9,921	-	9,921	14,877	-	14,877	5,050,670
Purchase of office furniture & general equipment	4,950	-	4,950	562	-	562	325,434
Purchase of specialized plant, equipment and machinery	2,989	-	2,989	8,101	36,894	44,995	11,035,984
Exploration and evaluation activities	222,862	13,354	236,218	439,669	22,502	462,171	27,065,376
Acquisition of strategic stocks	55,888	-	55,888	128,973	4,462	133,435	11,871,403
Acquisition of land	-	-	-	-	-	-	71,806
Acquisition of other intangible assets	-	-	-	161	-	161	366,099
Exchange rate losses/gains (net)	-	-	-	-	-	-	-
Total	301,933	13,354	315,288	593,598	63,858	657,456	55,858,351

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10. NOTES TO THE FINANCIAL STATEMENTS (continued)

10.11 OTHER GRANTS AND TRANSFERS AND PAYMENTS

	FY 2020/21			FY 2019/20			Cumulative to-date Kshs'000
	Payments made by entity in cash	Payments made by third parties	Total Payments	Payments made by entity in cash	Payments made by third parties	Total Payments	
	Kshs'000	Kshs'000	Kshs'000	Kshs'000	Kshs'000	Kshs'000	
Miscellaneous payments	-	-	-	-	-	-	(1,581,381)

10.12 CASH AND CASH EQUIVALENTS

	FY 2020/21 Kshs'000'	FY 2019/20 Kshs'000'
Bank accounts (Note 10.12A)	368,370	24,519
Cash in hand (Note 10.12B)	-	50
Outstanding imprests and advances (Note 10.13A)	1,176	1,011
Payables (Note 10.13B)	(957)	(1,001)
	368,589	24,579

10.12A Bank Accounts
Project Bank Accounts

	FY 2020/21 Kshs'000'	FY 2019/20 Kshs'000'
Foreign Currency Accounts		
Co-operative Bank of Kenya [A/c No 02150168576]	53,858	1,602
Co-operative Bank of Kenya [A/c No 02120160857600]	539	532
Co-operative Bank of Kenya [A/c No 22120160857600]	-	102
Co-operative Bank of Kenya Escrow [A/c No.02692160857600]	139,849	-
Less: Interest portion (Recurrent cost)	(53,125)	-
Closing Escrow Balance	86,724	-
	141,121	2,236

Local Currency Accounts

Cooperative Bank of Kenya [A/c No 01136350124400]	351	2,026
Kenya Commercial Bank [A/c No 1119615208]	-	817
Guarantee deposits	17,632	19,440
Cooperative Bank of Kenya [A/c No 011360857601]	209,266	-
Total local currency balances	227,249	22,283
Total bank account balances	368,370	24,519

Note:

The balance in the Escrow account No. 02692160857600 of Ksh 139,849,000 has been adjusted for the interest portion of Ksh 53,125,000 attributable to recurrent expenditure (non-project cost)

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10. NOTES TO THE FINANCIAL STATEMENTS (continued)

10.12.B Cash in hand

	FY 2020/21 Kshs'000	FY 2019/20 Kshs'000
Nakuru office	-	50
	=====	=====

10.12.C Borrowings

	FY 2020/21 Kshs'000	FY 2019/20 Kshs'000
Co-operative Bank of Kenya [A/c No 01136160857600]	245,267	562,497
	=====	=====

Special deposit accounts

The balances in the Project's Special Deposit Accounts (SDA) as at 30 June 2021 are not included in the Statement of Financial Assets since they are below the line items and are yet to be drawn into the Exchequer Account as a voted provision.

Below is the SDA movement schedule which shows the flow of funds that were voted in the year. These funds have been reported as loans/grants received in the year under the Statement of Receipts and Payments

Special Deposit Accounts movement schedule

	FY 2020/21 KShs	FY 2019/20 KShs
(i) Menengai Geothermal Development Project [A/c No 1111000435]		
Opening balance	505	505
Total amount deposited in the account	-	-
Total amount withdrawn (<i>as per Statement of Receipts and Payments</i>)	-	-
	-----	-----
Closing balance (<i>as per SDA bank account statement attached</i>)	505	505
	=====	=====

The Special Deposit Account reconciliation statement has been attached as *Appendix* to support the closing balances.

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10. NOTES TO THE FINANCIAL STATEMENTS (continued)

10.13. A BREAKDOWN OF IMPRESTS AND ADVANCES

Name of Officer or Institution	Amount taken	Due date of surrender	Amount surrendered	Balance FY 2020/21	Balance FY 2019/20
	Kshs'000		Kshs'000		Kshs'000
Thomas Amunga Eshuchi	40	11.07.2011	40	-	40
Isaac Aremon	30	03.08.2010	-	30	30
Robert Kariuki Matindi	32	13.08.2011	-	32	32
Flavia Nasambu Okanya	27	08.03.2018	-	27	27
Natalia Wairimu	14	15.01.2018	-	14	14
Marietta Mutonga	354	30.09.2021	-	354	-
Thomas Miyora	353	30.09.2022	-	353	-
Milkah Wanjiru	366	30.11.2016	-	366	366
Julius Karuri	4	15.07.2019	4	-	4
Nicholas Kitonga	64	27.12.2014	64	-	64
Benjamin Mutai	425	24.08.2015	425	-	425
David Kariuki	63	30.06.2020	63	-	9
Total	1,772		596	1,176	1,011

10.13. B PAYABLES

Name of Officer or Institution	Amount	Due date of surrender	Amount surrendered	Balance FY 2020/21	Balance FY 2019/20
	Kshs'000		Kshs'000		Kshs'000
Wilson Githu Rutinu	(413)	13.01.2014	-	(413)	(413)
Lindah Onditi Apondi	(358)	22.02.2017	-	(358)	(358)
George Mulusa	(4)	09.07.2011	-	(4)	(4)
Shammah Kiptanui	(3)	15.05.2013	-	(3)	(3)
Francis Opiyo	(44)	02.02.2018	(44)	-	(44)
Moses Kachumo	(92)	28.02.2019	-	(92)	(92)
Dennis Chirchir	(78)	25.05.2017	-	(78)	(78)
John K Barmao	(9)	08.06.2018	-	(9)	(9)
Total	(1,001)		(44)	(957)	(1,001)

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10. NOTES TO THE FINANCIAL STATEMENTS (continued)

10.14 FUND BALANCE BROUGHT FORWARD

	FY 2020/21	FY 2019/20
	Kshs'000	Kshs'000
Bank accounts (Note 10.12A)	368,370	24,519
Cash in hand (Note 10.12B)	-	50
Outstanding imprests and advances (Note 10.13A)	1,176	1,011
Payables (Note 10.13B)	(957)	(1,001)
	<hr/>	<hr/>
	368,589	24,579
	<hr/> <hr/>	<hr/> <hr/>

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11. OTHER IMPORTANT DISCLOSURES

11.1 PENDING ACCOUNTS PAYABLE (See Annex 2A)

	Balance b/f FY 2019/20 KShs'000	Additions for the period KShs'000	Paid during the year KShs'000	Balance c/f FY 2020/21 KShs'000
Supply of goods	84,755	306,855	336,290	55,320
Supply of services	304,893	593,598	492,634	405,857
Total	389,648	900,453.00	828,924	461,177

11.2 PENDING STAFF PAYABLES (See Annex 2B)

	Balance c/f FY 2019/20 KShs'000	Additions for the period KShs'000	Paid during the year KShs'000	Balance c/f FY 2020/21 KShs'000
Senior management	16,231	4,564	19,328	1,467
Middle Management	11,559	7,547.00	10,631.00	8,475
Unionisable employees	1,247	6,848.00	733.00	7,362
Others	-	-	-	2,176
Total	29,037	18,959	30,692	19,480

11.3 EXTERNAL ASSISTANCE

	FY 2020/21 KShs'000	FY 2019/20 KShs'000
External assistance received as loans and grants	222,621	73,176
Total	222,621	73,176

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11. OTHER IMPORTANT DISCLOSURES

a) External assistance relating loans and grants

	FY 2020/21	FY 2019/20
	KShs'000	KShs'000
External assistance received as loans	2,877	23,306
External assistance received as grants	219,744	49,870
Total	<u>222,621</u>	<u>73,176</u>
	=====	=====

b) Undrawn external assistance

Description	Purpose for which the undrawn external assistance may be used	FY 2020/21	FY 2019/20
		KShs'000	KShs'000
Undrawn external assistance - loans	Purchase of strategic stocks, equipment and specialized drilling services	2,514,495	2,517,372
Undrawn external assistance - grants	Purchase of strategic stocks, equipment and consultancies	8,569,029	8,440,955
Total		<u>11,083,524</u>	<u>10,958,328</u>
		=====	=====

c) Classes of providers of external assistance

	FY 2020/21	FY 2019/20
	KShs'000	KShs'000
Multilateral donors	222,621	73,176
Total	<u>222,621</u>	<u>73,176</u>
	=====	=====

The external assistance was provided for purposes of economic development activities.

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11. OTHER IMPORTANT DISCLOSURES (Continued)

d) Purpose and use of external assistance

	FY 2020/21	FY 2019/20
	KShs'000	KShs'000
Use of goods and services	-	9,318
Acquisition of assets	13,354	63,858
	<u>13,354</u>	<u>73,176</u>
	=====	=====

N/B The above sub-classification will be adopted based on the purpose of the external assistance and how the external assistance was used.

e) External assistance paid by third parties on behalf of the entity by source

	FY 2020/21	FY 2019/20
	KShs'000	KShs'000
Multilateral Donors	13,354	73,176
	<u>13,354</u>	<u>73,176</u>
	=====	=====


N/B The above sub-classification will be adopted based on the purpose of the external assistance and how the external assistance was used.

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12. PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR'S RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Commingling of funds	Management to effect separation of bank accounts	Stephen Busieney GM-Finance	Not resolved	30.06.2022


 Eng. Jared O. Othfeno
Managing Director & CEO


 Dr. George Muia
Project Manager

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ANNEXES

ANNEX 1 – VARIANCE EXPLANATIONS - COMPARATIVE BUDGET AND ACTUAL AMOUNTS

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comment
	a	b	c=a+b	d	e=c-d	f=d/c %	
	Ksh'000	Ksh'000	Ksh'000	Ksh'000	Ksh'000	Ksh'000	
Receipts							
Transfer from Government entities	2,059,000	373,000	2,432,000	2,208,774	223,226	91%	Development budget for 260 Million was not received during the year.
Proceeds from domestic and foreign grants	9,700	280,000	289,700	219,744	69,956	76%	EIB had not granted approval to withdraw from the subsidy account
Proceeds from borrowings	-	-	-	2,877	(2,877)	0%	N/a
Total Receipts	2,068,700	653,000	2,721,700	2,431,396	290,304	89%	
Payments							
Compensation of employees	1,307,206	24,120	1,331,326	1,331,369	(43)	100%	N/a
Purchase of goods and services	290,614	228,564	519,178	510,124	9,054	98%	N/a
Social security benefits	94,871	81,000	175,871	175,871	-	100%	N/a
Acquisition of non-financial assets	376,009	319,316	695,325	315,288	380,037	45%	EIB had not granted approval to withdraw from the subsidy account
Total Payments	2,068,700	653,000	2,721,700	2,332,652	389,049	86%	

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ANNEX 2A – ANALYSIS OF PENDING BILLS

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020/21	Outstanding Balance 2019/20
	a	b	c	d=a-c	
	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'
Supply of goods					
Odex Chemicals Limited	61,016	31.11.2017	48,392	12,624	12,624
Bamburi Cement Limited	7,062	30.06.2020	7,062	-	7,062
Nov Eurasia Downhole	2,113	28.01.2020	-	2,113	2,113
Fast Choice Ltd	2,025	30.04.2021	2,025	-	2,025
Chem-Rectic Ltd	66	06.01.2021	-	66	832
Ajira Connect Limited	600	23.04.2020	600	-	600
Cmc Motors Group	558	23.03.2020	558	-	558
Noranate Solutions	407	08.07.2020	407	-	407
Realistic Systems And Technologies	319	07.05.2020	319	-	319
Zonge International Inc.	165	01.07.2015	-	165	165
Kaka Building And Constructions Company Limitrd	162	08.06.2020	162	-	162
Esrinnet Ventures	1,866	28.04.2021	-	1,866	160
Bebz International Ventures	153	28.06.2020	-	-	153
Trace Shield Limited	150	29.12.2019	-	-	150
Logisys Trading Company Limited	145	15.12.2020	-	145	138
D.T.Dobie	124	25.02.2020	124	-	124
Bennetts Ventures Limited	104	18.05.2020	104	-	104
Archamo Holdings	72	27.03.2018	-	72	72
Anchor Flour Millers Company Limite	53	12.05.2015	-	53	53
Nyathi Agencies	894	01.03.2020	894	-	894
Mfi Document Solutions Limited	1,292	19.04.2021	-	1,292	876
Globalinks Enterprises Limited	114	02.06.2020	114	-	114
Fontana Enterprises Ltd	8,624	21.03.2020	8,624	-	8,624
Bhogals Garage Limited	4,218	23.05.2020	4,218	-	4,218
Gifkana Investments Limited	3,182	07.05.2020	3,182	-	3,182
Kenya Meat Commission	564	25.11.2020	-	564	3,114
Kylewanz Limited	2,893	03.02.2020	2,893	-	2,893
Azmasoft Limited	2,194	31.03.2021	-	2,194	1,810

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020/21	Outstanding Balance 2019/20
	a	b	c	d=a-c	
	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'
Tonline Agencies	1,663	15.06.2020	1,663	-	1,663
Stevian Trading Agencies	1,515	14.02.2020	1,515	-	1,515
New Kcc Ltd	917	02.04.2021	-	917	1,355
Lotus Link Limited	1,249	25.10.2019	1,249	-	1,249
Red Hat Agencies	44	26.11.2020	-	44	1,249
Nelka Regional Ventures	1,760	15.01.2021	-	1,760	1,205
Power Options Limited	3	07.05.2019	-	3	1,069
Marileon International Consultants	991	15.01.2020	991	-	991
Zahryn K Limited	815	15.06.2020	815	-	815
Retam Enterprises	757	05.05.2020	757	-	757
Benjana Investment Limited	427	22.03.2021	-	427	615
Riverville Enterprises	397	02.06.2020	397	-	397
First County Auto Garage	307	17.06.2020	307	-	307
Paper Technologies	12,900	09.10.2020	-	12,900	-
Lergend Enterprises	802	26.02.2021	-	802	-
Ramji Haribhai Devani Ltd	5,640	08.05.2020	-	5,640	18,019
Stepric	2,541	15.06.2021	-	2,541	-
Isuzu East Africa	1,972	21.01.2021	-	1,972	-
Filtronic	1,466	31.03.2021	-	1,466	-
Nys Mechanical	820	30.06.2021	-	820	-
Water Resources Management Authorit	728	18.11.2020	-	728	-
Tradecon	650	31.12.2020	-	650	-
Matrix Vision Systems Ltd	549	26.03.2021	-	549	-
Geothermal Science & Data Training	408	15.07.2020	-	408	-
Logemo Logistics Limited	405	22.03.2021	-	405	-
Labbot Limited	381	21.01.2021	-	381	-
Coral Garnet Limited	349	26.02.2021	-	349	-
County Government Of Nakuru	331	18.05.2021	-	331	-
Lavie Porte Ltd	313	19.03.2021	-	313	-

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020/21	Outstanding Balance 2019/20
	a	b	c	d=a-c	
	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'
Century Automobiles (Nairobi) Ltd	207	22.03.2021	-	207	-
Rockpita Ltd	168	24.12.2020	-	168	-
Hesworth Enterprises	158	02.03.2021	-	158	-
Opticalwave Engineering Limited	111	28.06.2021	-	111	-
Avenida Limited	109	06.04.2021	-	109	-
Jamia Food Mart Limited	8	17.06.2014	-	8	-
Sub-Total	142,998		87,375	55,320	84,755
Supply of Services					
Abdallah & Associates Dental And Implant Centre	58	30.06.2020	58	-	58
Advent Med & Dent Care Centre	2,478	01.07.2020	-	2,478	2,036
Aga Khan University Hospital	456	30.06.2020	456	-	456
Aic Kijabe Hospital	2	30.06.2020	2	-	2
Ankh Womens Clinic	167	01.07.2020	-	167	239
Avenue Healthcare	1,441	01.07.2020	-	1,441	233
Baus Optical	1,118	01.07.2020	-	1,118	762
Ben-Ammi Medical Centre	109	01.07.2020	-	109	42
Cambridge & Company Ltd	318	01.07.2020	-	318	186
Care Chemists Limited	563	01.07.2020	-	563	2,117
Catherine Wangui Muthigani	15	01.07.2020	-	15	26
Chiromo Lane Medical Centre	580	01.07.2020	-	580	862
Corner House Medical Laboratory	5	01.07.2020	-	5	7
Crater X-Ray Clinic	1	01.07.2020	-	1	1
Dr Ahmed Parkar	7	01.07.2020	-	7	21
Dr Anthony Biketi Wabule	500	01.07.2020	-	500	376
Dr C. Odula-Obonyo Medical Practice	18	01.07.2020	-	18	77
Dr E K Mutakha	755	01.07.2020	-	755	572
Dr Joseph Kariuki Mbuthia	4	01.07.2020	-	4	2
Dr Martin Oduori	1	01.07.2020	-	1	2

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	a	b	c	d=a-c	
	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'
Dr N. G. Thagana	21	01.07.2020	-	21	29
Dr Omondi Oyoo	5	01.07.2020	-	5	8
Dr Riaz M Khan	47	01.07.2020	47	-	47
Dr V. N Choksey	1	01.07.2020	-	1	1
Dr Wairimu Imalingat	65	01.07.2020	-	65	19
Dr Wanjohi Esther Njeri	57	01.07.2020	-	57	8
Dr. A.H. Mohamed - Paed Prac	22	01.07.2020	-	22	28
Dr. Amos M Otara	311	01.07.2020	-	311	383
Dr. Betty M Musau	8	30.06.2020	8	-	8
Dr. Calisto Odongo	16	01.07.2020	-	16	7
Dr. Catherine Muthoni Boit	23	01.07.2020	-	23	49
Dr. Charles Kariuki	44	01.07.2020	-	44	88
Dr. F. Mugo Ng'ang'a	260	01.07.2020	-	260	387
Dr. Fredrick Kalande	79	01.07.2020	-	79	111
Dr. H. S. Dhadialla	1,542	01.07.2020	-	1,542	908
Dr. Hosea W: Waweru	34	01.07.2020	-	34	26
Dr. Irungu Ndirangu	6	01.07.2020	-	6	31
Dr. Jane Nyikuri Wenyaa	107	01.07.2020	-	107	61
Dr. Jean Kagia	18	01.07.2020	-	18	12
Dr. John Ongech	259	01.07.2020	-	259	247
Dr. Joseph A. Alouch	21	01.07.2020	-	21	17
Dr. Joy Mpaata	128	01.07.2020	-	128	127
Dr. Julius Ogeto	53	01.07.2020	-	53	43
Dr. Lucy N. Gachare	2	01.07.2020	-	2	53
Dr. Marx M. O. Okonji	1	01.07.2020	-	1	2
Dr. Mwangi S Watene	59	01.07.2020	-	59	19
Dr. Nancy Ngugi	11	01.07.2020	-	11	8
Dr. Naomi Gachara	10	01.07.2020	-	10	12
Dr. Peter Ndaguatha	6	01.07.2020	-	6	6

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	a	b	c	d=a-c	
	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'
Dr. Prafull S. Patel	8	01.07.2020	-	8	4
Dr. Ramadhan Mawenzi	187	01.07.2020	-	187	132
Dr. Rohit Radia	14	01.07.2020	-	14	8
Dr. Samuel Okoth Owinga	9	01.07.2020	-	9	4
Dr. Susan Wanjiku Maina	87	01.07.2020	-	87	85
Dr. Tanga Audi	1	01.07.2020	-	1	2
Dr. Benedict Osore	125	01.07.2020	-	125	118
Dr. Charles Luseno	4	01.07.2020	-	4	5
Dr. Gitu Robert	17	01.07.2020	-	17	23
Dr. Lutomia Lumbasi	41	01.07.2020	-	41	60
Dr. Mong'are Onsomu	281	01.07.2020	-	281	445
Dr. Musa K. Kipingor	6	30.06.2020	6	-	6
Dr. Naresh Sarna	9	01.07.2020	-	9	24
Dr. Njuguna Gachiro	8	01.07.2020	-	8	34
Dr. Timothy Kagoda Byakika	14	01.07.2020	-	14	15
Eagle Eye Laser Centre Limited	480	01.07.2020	-	480	313
Elementaita Pharmaceuticals Ltd	959	01.07.2020	959	-	959
Evans Sunrise Medical Centre	1,430	01.07.2020	-	1,430	1,731
Garlands Medical Centre Ltd	134	01.07.2020	-	134	225
Gertrude's Children's Hospital	950	01.07.2020	-	950	1,688
Hi-Tech Opticians	263	01.07.2020	-	263	329
Hyrax Medical Centre	49	01.07.2020	-	49	102
Inkamed Pharmaceuticals Ltd	383	01.07.2020	-	383	430
Kam Pharmacy Limited	63	01.07.2020	-	63	43
Kamau & Mwendwa Medical Associates	3	01.07.2020	-	3	10
Karen Hospital	2,978	01.07.2020	-	2,978	5,295
Kenya Hospital Association	3,680	01.07.2020	-	3,680	8,792
Kenyatta National Hospital	16	01.07.2020	-	16	16
Lyntons Pharmacy	0	01.07.2020	-	0	8

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	a	b	c	d=a-c	
	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'
Malibu Pharmacy Ltd	117	01.07.2020	-	117	595
Mediheal Diagnostic & Fertility Cen Ltd	561	01.07.2020	-	561	2,074
Menelik Hospital	56	01.07.2020	-	56	30
Menengai West Youth Sacco	557	30.06.2019	557	-	557
Molars Ltd	659	01.07.2020	-	659	420
Mt. Longonot Medical Services Ltd	7	01.07.2020	-	7	21
Nairobi Dental Polyclinics Ltd	8	01.07.2020	-	8	19
Nairobi E.N.T. Clinic	34	01.07.2020	-	34	23
Nairobi Spine & Orthopaedic Centre	49	01.07.2020	-	49	34
Naivagil Pharmaceuticals Ltd	17	01.07.2020	-	17	22
Naivasha Dental Clinic	39	01.07.2020	-	39	103
Naivasha Optics	28	01.07.2020	-	28	42
Nakuru Dental Centre	40	01.07.2020	-	40	114
Nakuru North District Youth Sacco	152	30.06.2020	152	-	152
Nakuru Paediatric Clinic Limited	40	01.07.2020	-	40	386
Nakuru War Memorial Hospital	5,252	01.07.2020	-	5,252	9,062
National Nurses Association Of Kenya	40	30.06.2020	40	-	40
Ndonyo Healthcare	47	01.07.2020	-	47	96
Ngethe Florence Njeri	1	01.07.2020	-	1	4
Njoroge Ngugi Moses	13	01.07.2020	-	13	13
Omega Opticians Ltd	320	01.07.2020	-	320	98
Parklands Kidney Centre Ltd	2	01.07.2020	-	2	13
Pathcare Kenya Limited	295	01.07.2020	-	295	136
Pathologists Lancet Kenya	58	30.06.2020	58	-	58
Plaza X-Ray Services	4	01.07.2020	-	4	1
Prime Physiotherapy Services	35	01.07.2020	-	35	32
Prof. Erastus O. Amayo	1	01.07.2020	-	1	7
Prof. Josephat A. O. Mulimba	19	01.07.2020	-	19	4
Prof. Lawrence N. Gakuu	7	01.07.2020	-	7	1

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	a	b	c	d=a-c	
	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'
Prof. M. Sajabi Masinde	8	01.07.2020	8	-	8
Prof. Paul G. Kioy	4	01.07.2020	-	4	5
Prof. Elly O. Ogutu	17	01.07.2020	-	17	8
Ranalo Medical Imaging Centre	41	01.07.2020	-	41	106
Rol Medical Laboratories Ltd	31	01.07.2020	-	31	11
The Aga Khan Hospital - Kisumu	1,195	01.07.2020	-	1,195	1,713
The Aga Khan Hospital - Mombasa	287	01.07.2020	-	287	374
The Gynae-Paed Medical Centre	66	01.07.2020	-	66	81
The Mater Hospital	792	01.07.2020	-	792	331
The Nairobi South Hospital	1,150	01.07.2020	-	1,150	1,224
The Nairobi Women's Hospital	1,738	01.07.2020	-	1,738	1,307
The Nakuru E.N.T Medical Centre	83	01.07.2020	-	83	243
The Polyclinic Hospital	33	01.07.2020	-	33	26
Valley Hospital Ltd	1,078	01.07.2020	-	1,078	941
Aic Kijabi	210	01.07.2020	-	210	149
Amani Counselling Centre	79	01.07.2020	-	79	-
Crater X-Ray Clinic	1	01.07.2020	-	1	-
De Mundo	10	01.07.2020	-	10	-
Dr Ahmed Parkar	7	01.07.2020	-	7	-
Dr. Hosea W. Waweru	34	01.07.2020	-	34	-
Equitorial Medical	23	01.07.2020	-	23	-
Mt. Longonot Medical Services Ltd	304	01.07.2020	-	304	-
Greatwall Drilling Company Ltd	70,288	29.06.2012	-	70,288	20,233
Danki Ventures Limited	4,982	10.05.2021	-	4,982	-
Hatari Security Guards Ltd	46,896	31.07.2019	-	46,896	46,896
Hever Company	2,386	03.05.2021	-	2,386	-
Hotel Waterbuck Ltd	422	16.02.2021	-	422	118
Automobile Warehouse (Nku) Ltd	37	23.03.2021	-	37	14
Kenya Bureau Of Standards	282	17.05.2017	282	-	282

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	a	b	c	d=a-c	
	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'
Kenya Power & Lighting Company Ltd	3,090	30.06.2021	-	3,090	11,729
Lantech (Africa) Limited	938	30.06.2015	-	938	938
Lavington Security Limited	507	14.06.2021	-	507	-
Liquid Telecommunication Kenya	1,334	25.06.2021	-	1,334	629
Mantrac Kenya Ltd	263	30.11.2020	-	263	3,368
Merica Hotel	128	21.01.2013	-	128	128
Meteorological Department	88	30.06.2018	-	88	-
Millicent	14	31.07.2020	-	14	-
Mogere Agencies	15	25.04.2021	-	15	-
Blue Waters Restaurant	6,609	30.06.2017	6,609	-	6,609
Boiler And Steam Enterprises Limite	7,675	01.12.2019	7,675	-	7,675
Nakuru Water & Sanitation	5,440	25.06.2020	-	5,440	1,526
Novel Technologies E.A. Ltd	874	23.06.2020	-	874	740
Dimension Data Solutions Limited	259	25.05.2020	259	-	259
Repelectric Kenya Limited	3,091	19.12.2019	3,091	-	3,091
Occupational Safety And Health Fund	180	20.09.2016	-	180	180
Postal Corporation Of Kenya	143	16.06.2021	-	143	41
Protective Custody Limited	16,799	04.12.2020	-	16,799	5,672
Ps- Ministry Of Energy & Petroleum	19,483	19.11.2014	-	19,483	14,614
Technology Associates (E.A) Limited	912	06.05.2020	912	-	912
Quality Inspectors Ltd	4,825	14.11.2019	4,825	-	4,825
Kenya Forest Service	161,418	02.06.2020	-	161,418	80,433
Atlas Copco Eastern Africa Ltd	365	17.05.2021	-	365	8,223
Sabco Millers Ltd	1,109	17.05.2021	-	1,109	1,109
Smart Applications International Lt	483	02.04.2020	483	-	483
Telkom Kenya	3,290	01.04.2021	-	3,290	2,467
Top Image Cleaning Services	2,116	25.01.2021	-	2,116	4,775
Translee Kenya Ltd	20,830	03.05.2021	-	20,830	16,382
Willian Cumming	3,775	03.05.2021	-	3,775	-

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	a	b	c	d=a-c	
	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'	Ksh '000'
Institution Of Engineers Of Kenya	61	09.04.2020	61	-	61
Eim Solutions Ltd	7,563	20.06.2020	7,563	-	7,563
Ranju Limited	1,336	25.02.2021	-	1,336	501
Sub-Total	439,967		34,110	405,857	304,893
Grand Total	582,965		121,485	461,177	389,648

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ANNEX 2B - ANALYSIS OF STAFF PENDING BILLS

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance
					2020/21	2019/20
Permanent Employees - Management		Kshs'000'			Kshs'000'	Kshs'000'
John Lagat	GD-01	68	-	-	68	72
Paul Ngugi	GD-01	1	-	-	1	538
Gabriel Wetangula	GD-02	173	-	-	173	671
Martha Mburu	GD-02	79	-	-	79	147
Johnstone Maleche	GD-02	133	-	-	133	476
Reuben Ngosi	GD-02	290	-	-	290	385
Yvonne Wanambiro	GD-02	79	-	-	79	-
Grace Mwai	GD-02	170	-	-	170	81
Pamela Ouma	GD-03	52	-	-	52	273
Antony Wamalwa	GD-03	70	-	-	70	36
Joseph Kitilit	GD-03	216	-	-	216	597
Stephen Cherutich	GD-03	-	-	-	-	811
Julius Gicheche	GD-03	137	-	-	137	527
		1,467	-	-	1,467	4,616
Henry Kimani	GD-04	17	-	-	17	17
Victor Denge	GD-04	150	-	-	150	153
Charles Lichoro	GD-04	-	-	-	-	332
Sylvia Malimo	GD-04	117	-	-	117	20
Isaac Kanda	GD-04	30	-	-	30	38
Levi Wambari	GD-04	30	-	-	30	30
Milka Kairu	GD-04	141	-	-	141	-
Joseph Mberia	GD-04	508	-	-	508	317
Teresia Nguuri-Francis	GD-04	-	-	-	-	19
Thomas Miyora	GD-04	283	-	-	283	772
Kirkland Kirui	GD-04	74	-	-	74	-
Keneth Korir	GD-05	-	-	-	-	88
Edwin Odum	GD-05	-	-	-	-	258

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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	
					2020/21	2019/20
Lucy Njue	GD-05	43	-	-	43	43
Marietta Mutonga	GD-05	0	-	-	0	7
Leonard Wafula	GD-05	28	-	-	28	-
Thecla Mutia	GD-05	60	-	-	60	9
Pascal Nyambala	GD-05	221	-	-	221	278
Lawrence Murungi	GD-05	336	-	-	336	151
Wellington Kivure	GD-05	378	-	-	378	178
Abraham Khaemba	GD-05	-	-	-	-	947
Michael Sembele	GD-05	192	-	-	192	155
Nixon Kachi	GD-05	11	-	-	11	24
Daniel Kilelu	GD-05	24	-	-	24	397
Selly Koech	GD-06	75	-	-	75	31
Ezekiel Kipyego	GD-06	354	-	-	354	-
Samuel Mwangi	GD-06	-	-	-	-	18
Albert Panga	GD-06	-	-	-	-	91
Noel Kilinda	GD-06	46	-	-	46	137
Victor Nyongesa	GD-06	31	-	-	31	36
Mathew Mutua	GD-06	43	-	-	43	72
Michael Malusu	GD-06	20	-	-	20	-
Grace Mwandoghoi	GD-06	21	-	-	21	303
Richmond Baraza	GD-06	16	-	-	16	88
Arcadius Angalwa	GD-06	27	-	-	27	172
Hilary Mwawasi	GD-06	125	-	-	125	221
Raymond Mwakirani	GD-06	30	-	-	30	-
Deflorah Kangongo	GD-06	180	-	-	180	180
Jeremiah Kipngok	GD-06	-	-	-	-	84
Francis Opiyo	GD-06	-	-	-	-	249
Patrick Oyugi	GD-06	20	-	-	20	8
Michael Mungai	GD-06	506	-	-	506	408
Carolyne Ekuwom	GD-06	70	-	-	70	55

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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	
					2020/21	2019/20
Esther Njuguna	GD-06	143	-	-	143	173
Francis Wanjohi	GD-06	367	-	-	367	444
Mediatix Okindah	GD-06	-	-	-	-	93
Joel Sutter	GD-06	-	-	-	-	335
Billy Awili	GD-06	-	-	-	-	65
James Etyang	GD-06	375	-	-	375	262
Rosemary Njenga	GD-06	76	-	-	76	34
Lenny Mbaabu	GD-06	159	-	-	159	193
Geoffrey Too	GD-06	7	-	-	7	7
Diana Macodowa	GD-06	-	-	-	-	29
Lawrence Ngeno	GD-07	98	-	-	98	98
Jacinta Simiyu	GD-07	-	-	-	-	59
Michael Koech	GD-07	418	-	-	418	418
Jeremy Rono	GD-07	2	-	-	2	103
Stephen Onyango	GD-07	94	-	-	94	213
Edwin Kirarey	GD-07	-	-	-	-	103
David Nyangena	GD-07	36	-	-	36	41
Leonard Karani	GD-07	149	-	-	149	300
Chebon Chebet	GD-07	-	-	-	-	15
Noel Ndombi	GD-07	-	-	-	-	25
Geoffrey Mibei	GD-07	9	-	-	9	9
Tito Lopeyok	GD-07	78	-	-	78	27
Fred Ogada	GD-07	25	-	-	25	-
Robert Mukiri	GD-07	51	-	-	51	113
Yussuf Mohamud	GD-07	57	-	-	57	34
Jared Nyamongo	GD-07	0	-	-	0	11
Evans Bett	GD-07	72	-	-	72	81
George Mulusa	GD-07	17	-	-	17	26
Lawrence Sekento	GD-07	68	-	-	68	37
Leakey Auko	GD-07	10	-	-	10	71

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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance
					2020/21	2019/20
Zablon Mlawasi	GD-07	8	-	-	8	69
Hockly Simboyi	GD-07	31	-	-	31	65
Frashia Njoroge	GD-07	-	-	-	-	22
Fridah Kiara	GD-07	-	-	-	-	22
Phylis Cherono	GD-07	76	-	-	76	-
Emma Kashindi	GD-07	42	-	-	42	-
David Kariuki	GD-07	141	-	-	141	90
Rose Kiama	GD-07	-	-	-	-	22
Irene Cheptum	GD-07	-	-	-	-	478
John Mundui	GD-07	-	-	-	-	26
Michael Mululu	GD-07	-	-	-	-	166
Wendy Abade	GD-07	69	-	-	69	108
Benjamin Mbugua	GD-07	5	-	-	5	-
Jane Mutuku	GD-07	-	-	-	-	72
Emily Leshao	GD-07	14	-	-	14	-
Bernard Rotich	GD-07	72	-	-	72	107
Kenneth Mugaravai	GD-07	45	-	-	45	-
Evelyn Njoroge	GD-07	42	-	-	42	-
John Mwaniki	GD-07	33	-	-	33	86
Shammah Kiptanui	GD-07	313	-	-	313	60
Moses Kachumo	GD-07	336	-	-	336	113
Michael Korir	GD-07	-	-	-	-	121
Peter Mading	GD-07	40	-	-	40	10
Hellen Pembee	GD-07	101	-	-	101	-
Martin Waswa	GD-07	-	-	-	-	36
Mathew Arthur	GD-07	-	-	-	-	85
Malacky Emanikor	GD-07	222	-	-	222	74
Samson Ongwae	GD-07	325	-	-	325	-
Douglas Ayata	GD-07	-	-	-	-	44
Beatrice Kipchumba	GD-07	42	-	-	42	-

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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance
					2020/21	2019/20
Celyne Khayecha	GD-07	-	-	-	-	17
Sub-Total		8,475	-	-	8,475	11,695
Permanent Employees - Others						
Miriam Kones	GD-08	160	-	-	160	173
Evans Kimaiyo	GD-08	-	-	-	-	25
Patrick Korir	GD-08	13	-	-	13	84
Shilla Kangongo	GD-08	4	-	-	4	50
Ibrahim Walde	GD-08	30	-	-	30	46
Claryson Lokoulem	GD-08	-	-	-	-	15
John Barmao	GD-08	-	-	-	-	15
Martha Kamau	GD-08	58	-	-	58	25
Ahmed Ali	GD-08	200	-	-	200	54
Anthony Mwibanda	GD-08	175	-	-	175	274
Nelly Kibor	GD-08	13	-	-	13	-
Irene Cheruto	GD-08	51	-	-	51	-
Jared Nyagwoka	GD-08	261	-	-	261	358
Lambert Muriira	GD-08	169	-	-	169	64
James Ngatia	GD-08	94	-	-	94	45
Moses Mururuh	GD-08	241	-	-	241	47
Samuel Koech	GD-08	-	-	-	-	29
Evans Nyamweya	GD-08	30	-	-	30	26
Josephine Waweru	GD-08	8	-	-	8	8
Ricky Gai	GD-08	74	-	-	74	241
Lucy Kiplamai	GD-08	68	-	-	68	20
Doreus Wankuru	GD-08	-	-	-	-	37
Eric Mbae	GD-08	17	-	-	17	304
Dickson Godhana	GD-08	-	-	-	-	18
Isaiah Ochumah	GD-08	-	-	-	-	118
George Muriga	GD-08	-	-	-	-	24

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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance
					2020/21	2019/20
David Awori	GD-08	34	-	-	34	37
Philip Shikanga	GD-08	-	-	-	-	14
Joel Ayonga	GD-08	-	-	-	-	24
Dennis Chirchir	GD-08	-	-	-	-	82
Janet Okoth	GD-08	11	-	-	11	-
David Mutungwa	GD-08	-	-	-	-	22
Peter Kamau	GD-08	10	-	-	10	25
Daniel Loumen	GD-08	-	-	-	-	22
Beatrice Nyairo	GD-08	13	-	-	13	85
Peter Ole Kachuma	GD-08	100	-	-	100	-
Stella Barchok	GD-08	233	-	-	233	180
Patrick Gitu	GD-08	329	-	-	329	225
Linet Sunguti	GD-08	1	-	-	1	-
Samuel Oduor	GD-08	70	-	-	70	76
Edwin Kabui	GD-08	40	-	-	40	363
Martin Rotich	GD-08	-	-	-	-	21
Collins Changole	GD-08	136	-	-	136	111
Dorcas Gumbo	GD-08	88	-	-	88	54
David Kibicho	GD-08	-	-	-	-	65
Laura Chepkonga	GD-08	-	-	-	-	44
Hapanna Galgallo	GD-08	130	-	-	130	49
Enock Kosgei	GD-08	-	-	-	-	13
Kurtz Njue	GD-08	-	-	-	-	15
Michael Opiyo	GD-08	-	-	-	-	667
Elkana Kipchirchir	GD-08	-	-	-	-	72
Jean-Marie Ogeto	GD-08	-	-	-	-	121
Nancy Kirui	GD-08	-	-	-	-	93
Roy Mtunguru	GD-08	-	-	-	-	60
Patrick Ngurwe	GD-09	88	-	-	88	122
Samson Kiok	GD-09	-	-	-	-	105

**Menengai Geothermal Project
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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	
					2020/21	2019/20
Mary Karanja	GD-09	-	-	-	-	82
Hylina John	GD-09	106	-	-	106	60
Joseph Njuguna	GD-09	-	-	-	-	49
Nixon Omung'i	GD-09	-	-	-	-	25
Anthony Mutinda	GD-09	-	-	-	-	24
Yvonne Nyanjong'	GD-09	-	-	-	-	24
Susan Olochike	GD-09	-	-	-	-	23
Benard Lochara	GD-09	8	-	-	8	8
Esther Ng'ang'a	GD-09	-	-	-	-	2
Susan Nderitu	GD-09	13	-	-	13	64
Duncan Muiruri	GD-09	5	-	-	5	88
Edward Ochieng	GD-09	111	-	-	111	117
Amos Lepatei	GD-09	141	-	-	141	130
Martin Kinyanjui	GD-09	-	-	-	-	50
Elizabeth Wambunya	GD-09	92	-	-	92	126
Rose Ndubi	GD-09	-	-	-	-	69
Bernard Kosgei	GD-09	-	-	-	-	69
Cyprian Maina	GD-09	161	-	-	161	75
Steve Okeyo	GD-09	15	-	-	15	-
Richard Msenya	GD-09	7	-	-	7	157
Patrick Wandoe	GD-09	72	-	-	72	193
John Nkanata	GD-09	36	-	-	36	-
Humphrey Nyongesa	GD-09	62	-	-	62	230
Laban John	GD-09	-	-	-	-	64
Kiplagat Ronald	GD-09	-	-	-	-	130
Paul Njoroge	GD-09	-	-	-	-	88
Joseph Karanja	GD-09	-	-	-	-	126
Collins Simiyu	GD-09	-	-	-	-	43
Moses Barasa	GD-09	-	-	-	-	65
James Akali	GD-09	-	-	-	-	45

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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	
					2020/21	2019/20
Anthony Barasa	GD-09	-	-	-	-	43
Timothy Kinara	GD-09	13	-	-	13	13
Gerald Njiru	GD-09	38	-	-	38	94
Magdaline Kariuki	GD-09	52	-	-	52	16
John Kiama	GD-09	39	-	-	39	70
Timothy Kahuria	GD-09	-	-	-	-	19
Furaha Baya	GD-09	61	-	-	61	61
Fredrick Omondi	GD-09	22	-	-	22	-
Teresiah Kuria	GD-09	-	-	-	-	22
James Karori	GD-09	25	-	-	25	68
Henry Onyango	GD-09	52	-	-	52	81
Evance Arabia	GD-09	-	-	-	-	9
Stephen Mwakazi	GD-09	-	-	-	-	17
Gregory Wahome	GD-09	96	-	-	96	88
John Ndung'u	GD-09	59	-	-	59	16
John Njang'iru	GD-09	15	-	-	15	125
Albert Inoti	GD-09	-	-	-	-	15
Isaac Kabebe	GD-09	92	-	-	92	82
Enock Ngome	GD-09	35	-	-	35	11
John Petu	GD-09	28	-	-	28	-
Frankline Mulanda	GD-09	-	-	-	-	14
David Kitaika	GD-09	-	-	-	-	43
Jane Lekosek	GD-09	393	-	-	393	429
Peter Mburu	GD-09	14	-	-	14	14
Eric Wanyonyi	GD-09	-	-	-	-	3
Fredrick Ogugo	GD-09	-	-	-	-	87
Joseph Makau	GD-09	-	-	-	-	12
Felix Musyoka	GD-09	-	-	-	-	36
Peter Nyaga	GD-09	-	-	-	-	8
Kiplagat Rono	GD-09	-	-	-	-	20

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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance
					2020/21	2019/20
John Koitec	GD-09	93	-	-	93	-
Jasper Riungu	GD-09	40	-	-	40	-
Maureen Otieno	GD-09	-	-	-	-	73
Paul Kiprono	GD-09	15	-	-	15	-
Kennedy Kombo	GD-09	24	-	-	24	-
Onesmus Mwangoma	GD-09	32	-	-	32	-
Athanus Musembi	GD-09	39	-	-	39	-
Vincent Indiazzi	GD-09	-	-	-	-	7
Peter Maina	GD-09	-	-	-	-	55
Barrow Adow	GD-09	-	-	-	-	49
Patrick Kipkoech	GD-09	37	-	-	37	-
Lucy Riungu	GD-09	-	-	-	-	181
Carolyne Naserian	GD-09	197	-	-	197	-
Nicholas Kebut	GD-10	-	-	-	-	286
John Mpoke	GD-10	-	-	-	-	166
Daniel Saina	GD-10	-	-	-	-	114
Vincent Chepkwony	GD-10	-	-	-	-	64
Moses Nagut	GD-10	-	-	-	-	61
Michael Katiku	GD-10	-	-	-	-	48
Erick Elijah	GD-10	-	-	-	-	34
Nelson Langat	GD-10	-	-	-	-	31
Panitah Nafula	GD-10	-	-	-	-	26
Ali Dida	GD-10	-	-	-	-	17
Collince Ojika	GD-10	-	-	-	-	15
Jonathan Wepukhulu	GD-10	66	-	-	66	14
Elijah Ndegwa	GD-10	141	-	-	141	181
David Komen	GD-10	7	-	-	7	7
Nancy Siameto	GD-10	-	-	-	-	25
Eric Amalemba	GD-10	14	-	-	14	-
Japheth Wambua	GD-10	-	-	-	-	32

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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance
					2020/21	2019/20
Hezekiah Kamau	GD-10	-	-	-	-	57
Godfrey Okinda	GD-10	65	-	-	65	65
Martin Gacheru	GD-10	43	-	-	43	50
Mercy Waweru	GD-10	24	-	-	24	28
Peter Imbo	GD-10	-	-	-	-	27
George Okoth	GD-10	-	-	-	-	117
Martin Nyaguthii	GD-10	5	-	-	5	46
Wyclef Lemein	GD-10	-	-	-	-	29
Samuel Wambugu	GD-10	74	-	-	74	52
Kirui Kiprotich	GD-10	39	-	-	39	13
Kennedy Otieno	GD-10	-	-	-	-	34
Paul Ochieng'	GD-10	-	-	-	-	18
Liz Aduda	GD-10	-	-	-	-	56
Tobias Odoyo	GD-10	-	-	-	-	57
David Kariuki	GD-10	13	-	-	13	-
Urbanus Mbevi	GD-10	39	-	-	39	-
Mark Turibu	GD-10	-	-	-	-	14
Justus Mutiso	GD-10	18	-	-	18	-
Robert Gitonga	GD-10	39	-	-	39	-
Martin Kimani	GD-10	9	-	-	9	-
Wanyonyi Theodrick	GD-10	-	-	-	-	26
Violet Masese	GD-10	5	-	-	5	24
Paul Odera	GD-10	57	-	-	57	130
Joash Cheruiyot	GD-10	15	-	-	15	7
Alfred Otengo	GD-10	-	-	-	-	35
Josephat Mwakichuchu	GD-10	0	-	-	0	93
George Odallo	GD-10	-	-	-	-	56
Shadrack Odera	GD-10	-	-	-	-	60
Wilfred Maranga	GD-10	47	-	-	47	24
Margaret Nduati	GD-10	25	-	-	25	25

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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	
					2020/21	2019/20
Pauline Nchurie	GD-11	-	-	-	-	58
Elizabeth Emisiko	GD-11	2	-	-	2	29
Mohammed Omar	GD-11	-	-	-	-	16
Francis Ndung'u	GD-11	-	-	-	-	43
Evans Okachi	GD-11	-	-	-	-	16
Godfrey Ondego	GD-11	5	-	-	5	19
Ayub Ajwang	GD-11	-	-	-	-	16
George Ngeru	GD-11	5	-	-	5	-
Robert Manduku	GD-11	-	-	-	-	79
Hellen Njoki	GD-12	-	-	-	-	19
Lydia Owino	GD-12	-	-	-	-	14
Peter Kimani	GD-12	3	-	-	3	3
Kennedy Kipnetich	GD-12	-	-	-	-	9
Jeniffer Owa	GD-12	0	-	-	0	-
Ramadhan Lwimbu	GD-08	116	-	-	116	-
Phyllis Mathenge		96	-	-	96	-
Deborah Jepkemboi		58	-	-	58	-
Elizabeth Njuguna		43	-	-	43	-
Duncan Wachira		17	-	-	17	-
Benard Omondi		15	-	-	15	-
Annah Mutune		14	-	-	14	-
Olivia Kimathi		8	-	-	8	-
Rose Simiyu		4	-	-	4	-
Ebbysibah Amoro		0	-	-	0	-
Fuad Shariff		177	-	-	177	-
Christopher Okinda		65	-	-	65	-
Hillary Komen		51	-	-	51	-
Boaz Wekesa		49	-	-	49	-
Julias Gitangwa		40	-	-	40	-
Paul Kiprono		38	-	-	38	-

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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	
					2020/21	2019/20
Majaliwa Mwaruwa		38	-	-	38	-
David Basweti		27	-	-	27	-
Evans Gichuhi		22	-	-	22	-
Nicholas Mwangi		13	-	-	13	-
Margaret Sigilai		10	-	-	10	-
Edwin Kipteroi		9	-	-	9	-
Joseph Njogu		6	-	-	6	-
Rebecca Mathenge		0	-	-	0	-
Joseph Mwendwa		56	-	-	56	-
Daniel Muia		41	-	-	41	-
Grison Okinda		36	-	-	36	-
Rachel Mukua		30	-	-	30	-
Sylvia Matika		29	-	-	29	-
Gift Kazungu		21	-	-	21	-
Donald Musuya		21	-	-	21	-
Junias Chesergon		14	-	-	14	-
Roselyn Lihugu		13	-	-	13	-
David Githinji		11	-	-	11	-
Ibrahim Wanyama		8	-	-	8	-
Lorine Emerikwa		4	-	-	4	-
Emmah Kamau		0	-	-	0	-
Davis Kosgei		110	-	-	110	-
Sub-Total		7,362	-	-	7,362	11,559
Temporary employees						
Cornel Ofwona	GD-01	457	-	-	457	-
Judith Aremule	GD-08	435	-	-	435	-
Isaac Wainaina	GD-09	265	-	-	265	-
Calvine Longeshele	GD-08	224	-	-	224	-
Kennedy Kogo	GD-08	162	-	-	162	-
Felix Pтуру	GD-08	159	-	-	159	-

**Menengai Geothermal Project
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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance
					2020/21	2019/20
Halkano Roba	GD-08	80	-	-	80	-
Ian Githinji	GD-08	77	-	-	77	-
Joanne Wamuyu	GD-01	71	-	-	71	-
George Njeri	GD-01	66	-	-	66	-
Emmanuel Shuma	GD-09	61	-	-	61	-
Isaac Kering	GD-08	39	-	-	39	-
Maxin Liarash	GD-08	38	-	-	38	-
Pauline Nchurie	GD-11	18	-	-	18	-
Winnie Kapedo	GD-08	14	-	-	14	-
Stephen Kores	GD-10	9	-	-	9	-
Halkano Roba	GD-08	-	-	-	-	126
Josephat Momanyi	GD-08	-	-	-	-	382
Dike Arekwen	GD-08	-	-	-	-	37
Anne Sapan	GD-08	-	-	-	-	17
Judith Aremule	GD-08	-	-	-	-	125
Winnie Kapedo	GD-08	-	-	-	-	105
Hassan Intalo	GD-08	-	-	-	-	22
Felix Pturu	GD-08	-	-	-	-	66
Calvine Longeshele	GD-08	-	-	-	-	47
Kennedy Kogo	GD-08	-	-	-	-	49
Isaac Simat	GD-08	-	-	-	-	69
Geoffrey Mwenda	GD-08	-	-	-	-	98
Henry Talam	GD-08	-	-	-	-	22
Sub-Total		2,176	-	-	2,176	1,167
Others (specify)						
Sub-Total						
Grand Total		19,480	-	-	19,480	29,037

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ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

	Opening Cost	Donations in form of assets	*Purchases/ Additions in the Year	**Disposals in the Year	Transfers in/(out)	Closing Cost
	2019/20	2020/2021	2020/2021	2020/2021	2020/2021	2020/2021
	(KShs) '000'	(KShs) '000'	(KShs) '000'	(KShs) '000'	(KShs) '000'	(KShs) '000'
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)+c)-(d)+(-)d
Land	71,806	-	-	-	-	71,806
Buildings and structures	66,258	-	5,324	-	-	71,582
Construction of roads & civil works	5,040,749	-	9,921	-	-	5,050,670
Office equipment, furniture and fittings	320,484	-	4,950	-	-	325,434
Other machinery and equipment	11,032,995	-	2,989	-	-	11,035,984
Exploration and evaluation activities	48,299,215	-	292,104	-	-	48,591,319
Intangible assets	366,099	-	-	-	-	366,099
Total	65,197,606	-	315,288	-	-	65,512,894

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APPENDICES

i. Bank reconciliations

- a) Co-operative Bank of Kenya [A/c No 02150168576]
- b) Co-operative Bank of Kenya [A/c No 02120160857600]
- c) Co-operative Bank of Kenya [A/c No 22120160857600]
- d) Co-operative Bank of Kenya [A/c No 01136160857603]
- e) Co-operative Bank of Kenya [A/c No 01136160857600]

This account is shared between the projects and the recurrent expenditure for GDC.

- f) Cooperative Bank of Kenya (A/c No 01136350124400)
- g) Kenya Commercial Bank [A/c No 119615208]

*Menengai Geothermal Project
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APPENDICES (continued)

ii. Special Deposit Account reconciliation statement

MENENGA GEOTHERMAL DEVELOPMENT PROJECT		
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION		
FOR THE YEAR ENDED 30 June 2021		
Project No. 5565155000401		
NIC Bank Account No. 1111000435		
	Amount	
	USD	
1	Amount advanced by AfDB	1,500,000
	Less	
2	Total amount justified to AfDB	1,500,000
3	Outstanding Amount advanced to designated account	-
	Represented By:	
4	Ending Designated Account Balance as at 30.06.2021	5
5	Amount claimed but not credited as at 30.06.2021	-
6	Amount withdrawn and not claimed as at 30.06.2021	-
7	Service charges (if not included in 5 & 6 above)	-
	Less	
8	Interest earning (if included in Designated Account)	-
9	Total advance to designated account year ended 30.06.2021	-

