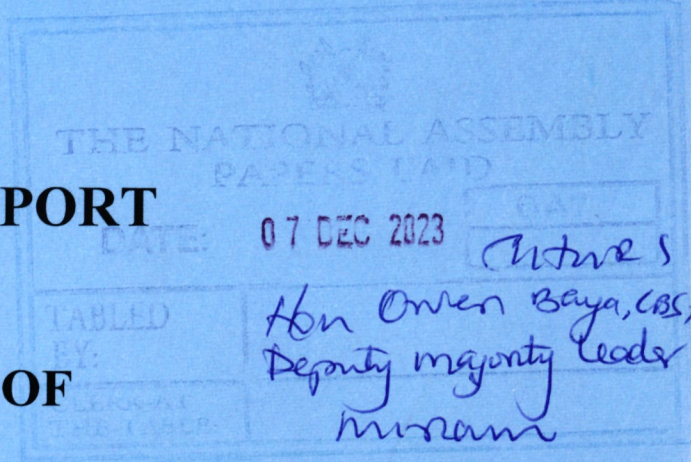
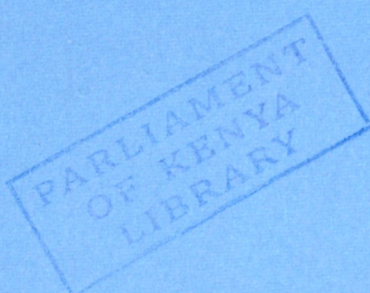


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**MENENGAI GEOTHERMAL PROJECT  
AGREEMENT NO.CKE 1038.01K**

**FOR THE YEAR ENDED  
30 JUNE, 2023**

**GEOTHERMAL DEVELOPMENT  
COMPANY LIMITED**





**MENENGAI 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**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED JUNE 30, 2023**

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

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**Menengai Geothermal Project  
Reports and Financial Statements  
For the financial year ended June 30, 2023**

**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
<b>Total</b>		<b>465</b>

**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

**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"> <li>(i) Facilitate realisation of at least 465MW from Menengai Geothermal project</li> <li>(ii) Reduce electricity tariffs due to inclusion of cheaper power mix. This will in turn spur economic growth.</li> <li>(iii) Lower the cost of electric power by providing fuel (steam to power generators).</li> <li>(iv) To promote alternative uses of geothermal energy.</li> </ul>
Achievement of strategic goals	<p>The project management aims to achieve the goals through the following means:</p> <ul style="list-style-type: none"> <li>(i) Facilitate early generation of electricity through provision of steam to Independent Power Producers (IPP's) to ensure electricity becomes available faster.</li> <li>(ii) Environmental sustainability through displacement of biomass and fossil fuel by cleaner and environmentally friendly alternatives.</li> <li>(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.</li> </ul>
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"> <li>• Geo-scientific studies.</li> <li>• Access roads and well pads.</li> <li>• Water infrastructure.</li> <li>• Drilling and testing of wells.</li> <li>• Feasibility study.</li> <li>• Construction of steam gathering system.</li> <li>• Construction of power transmission system.</li> <li>• Construction of power plants.</li> </ul>
Current situation that the project was formed to intervene	<ul style="list-style-type: none"> <li>• Undertake exploration, appraisal and production drilling to mitigate upfront risks associated with geothermal development that deters the private sector.</li> <li>• To increase the national electricity generation capacity.</li> <li>• Lower unit cost of electricity by providing steam (fuel) to power generators.</li> <li>• Attract capital for accelerated development by opening up opportunities for private sector participation.</li> </ul>
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, 2023***

**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**

<b>Names</b>	<b>Title Designation</b>	<b>Key Qualifications</b>	<b>Responsibilities</b>
Paul K. Ngugi	Managing Director & CEO	Master's in business management, Bachelor of Science in Mechanical Engineering & Diploma in Geothermal Energy Technology.	Coordination of project work to attain strategic project objectives
Eng. Martha Mburu	Project Manager	MSc. in Renewable Energy-Technology and Sustainability from University of Reading, UK, BSc Mechanical Engineering from University of Nairobi, Postgraduate Diploma in geothermal Energy Technology from Geothermal Training Institute, University of Auckland, New-Zealand and an Postgraduate Advanced Certificate in Geothermal Reservoir Engineering from the United Nations University, Geothermal training program, in Iceland	Supervision of project work

*Menengai Geothermal Project  
Reports and Financial Statements  
For the financial year ended June 30, 2023*

**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 (30.06.2023)		Undrawn balance to date	
	Donor Currency (USD) (A) '000'	Kshs (A) '000'	Donor currency (USD) (B) '000'	Kshs (B) '000'	Donor currency (USD) (A)-(B) '000'	Kshs (A)-(B) '000'
<b>(i) Grant</b>						
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	1,447,276	17,330	1,447,276	-	-
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
<b>Total</b>	<b>221,305</b>	<b>19,252,428</b>	<b>116,564</b>	<b>10,821,950</b>	<b>104,741</b>	<b>8,430,478</b>
<b>(ii) Loan</b>						
African Development Bank (AfDB)	127,500	12,871,125	120,633	10,356,630	6,867	2,514,495
<b>(iii) Borrowings</b>				3,950,392	-	-
<b>(iv) Counterpart Funds</b>						
Government of Kenya	-	92,598,000	-	41,824,186	-	27,927,274
Company Contribution	-	-	-	22,846,540	-	-
<b>Grand Total</b>	<b>348,805</b>	<b>124,721,553</b>	<b>237,198</b>	<b>89,799,699</b>	<b>111,608</b>	<b>38,872,247</b>

**Menengai Geothermal Project**  
**Reports and Financial Statements**  
**For the financial year ended June 30, 2023**

**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 2023)		Unutilised balance to date 30th June 2023	
	Donor currency (A)	Kshs (A')	Donor currency (B')	Kshs (A)-(B)	Donor currency	Kshs
<b>(i) Grant</b>						
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)	17,330	1,447,276	17,312	1,444,521	18	2,756
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	-	-
	<b>116,564</b>	<b>10,821,950</b>	<b>116,546</b>	<b>10,819,195</b>	<b>18</b>	<b>2,756</b>
<b>(ii) Loan</b>						
African Development Bank (AfDB)	120,633	10,356,630	120,633	10,356,630	-	-
<b>(iii) Counterpart funds</b>						
Government of Kenya	-	64,670,726	-	64,665,479	-	5,248
<b>(iv) Borrowings</b>						
		3,948,892		3,948,892		
<b>Total</b>		<b>89,798,199</b>	-	<b>89,790,196</b>	<b>18</b>	<b>8,003</b>

**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 2022/23	
	Target	Actual
Completion of power plant construction activities by Sosian Menengai Geothermal Power Ltd	100%	96.6%

**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.
- Power plant construction of one IPP Sosian Menengai Geothermal Power Ltd (SMGPL) is 96.6% complete
- Letter of Support negotiations ongoing for Orpower
- Quantum Power East Africa 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.

*Menengai Geothermal Project  
Reports and Financial Statements  
For the financial year ended June 30, 2023*

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**PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)**

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.

**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, 2023***

**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 2018-2023* 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:

<b>Project</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
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 2022/23, 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	Three IPPs have been engaged in Menengai 105MW project to construct three 35MW power plants 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 2022/23 Geothermal power generation was 950MW representing a 48% share in the Kenyan energy mix

### **3. ENVIRONMENTAL AND SUSTAINABILITY REPORTING**

GDC exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy. Below is a brief highlight of our activities that drive towards sustainability.

#### **Sustainability Strategy and profile**

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.

#### **Environmental performance**

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 and subsequent mitigation interventions in case the impact cannot be avoided.

#### **a) Compliance with Applicable Environmental Laws and Regulations**

GDC participated in this year's World Environment Day (WED), this year's theme was "Beat Plastic Pollution". This activity was spearheaded by NEMA, GDC played an active role in events leading to the build-up for WED and participated in a tree planting activity in Dundori forest as well as clean-up activities at Nakuru town and River Ndarugo and surrounding estates. These activities later culminated in the main WED event at Lake Nakuru National park.

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.

#### **Market place practices**

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.

**ENVIRONMENTAL AND SUSTAINABILITY REPORTING**

**Community Engagements**

**Education**

GDC is passionate about offering educational support to local communities in the project areas. During the financial year 2022/2023, the Company completed the construction of 1 classrooms at Tulwobmoi primary school in Menengai West in the Menengai project area. The project was handed over to the community on 29<sup>th</sup> September 2022 and a report submitted

Further, the Company continues to provide career guidance talks to students in secondary schools within the Menengai Geothermal project.

**Health**

In Menengai project area, the Company has provided first aid support and ambulance services to the local community in Menengai.

**Sports**

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

**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 2023. 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.

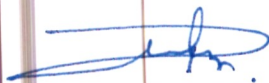
The MD & CEO and Project Manager for Menengai Geothermal project are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year ended June 30, 2021, and of the Project's financial position as at that date. The MD & 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 25/10 2023 and signed by them.



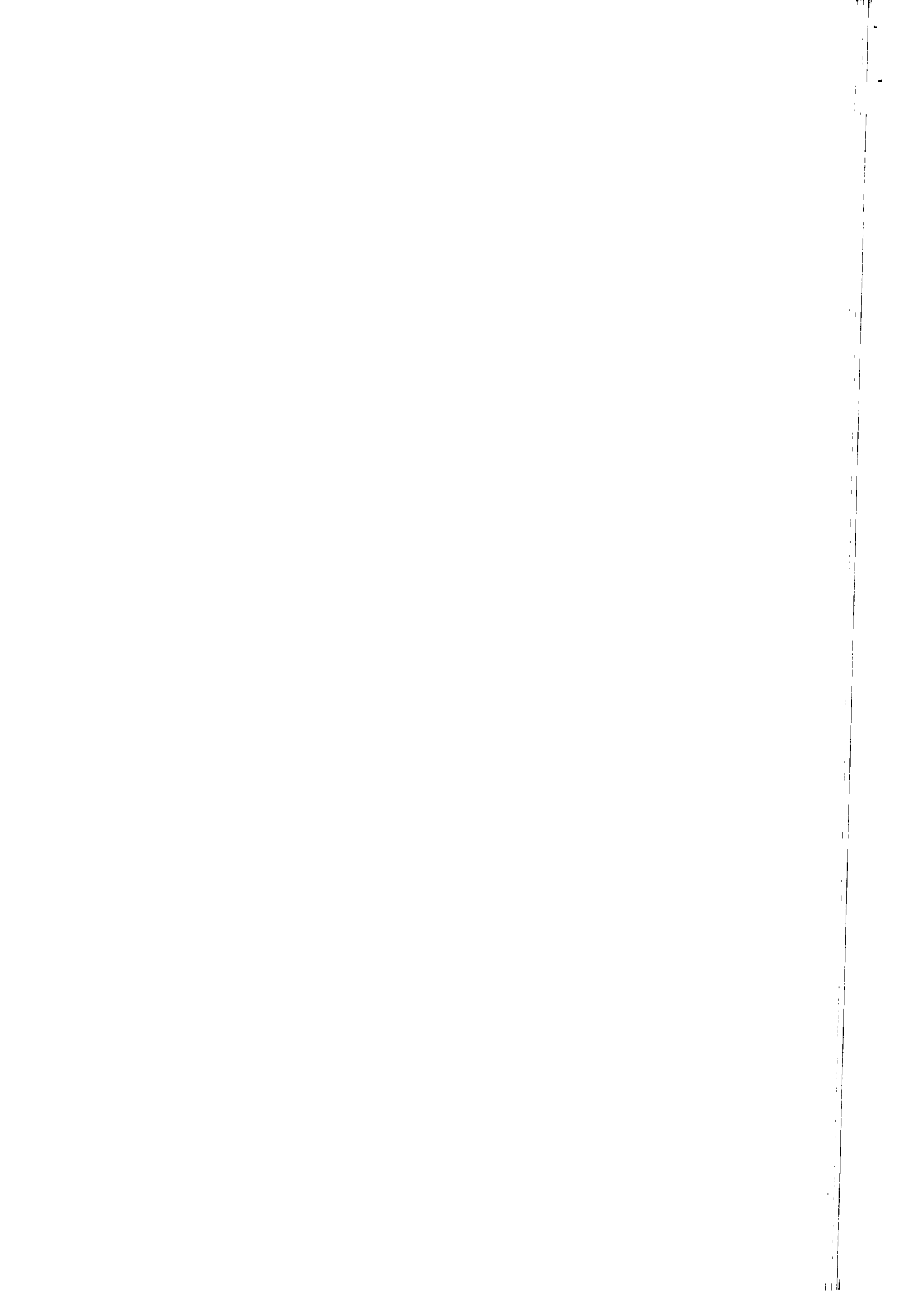
**Paul K. Ngugi  
Managing Director & CEO**



**Eng. Martha Mburu  
Project Manager**

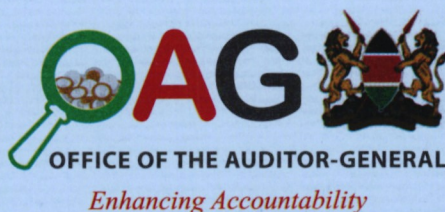


**Solomon Sankaire  
Project Accountant:  
ICPAK No.:19098**



# REPUBLIC OF KENYA

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NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON MENENGAI GEOTHERMAL PROJECT AGREEMENT NO.CKE 1038.01K FOR THE YEAR ENDED 30 JUNE, 2023 - GEOTHERMAL DEVELOPMENT COMPANY LIMITED

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### 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 the 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 controls, 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 31, which comprise of the statement of financial assets as at 30 June, 2023, 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

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*Report of the Auditor-General on Menengai Geothermal Project Agreement No. CKE 1038.01K for the year ended 30 June, 2023 - Geothermal Development Company Limited*

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 the Menengai Geothermal Project as at 30 June, 2023, 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**

#### **Unbudgeted and Undisclosed Commercial Loan Repayment**

The statement of receipts and payments and Note 10.8 to the financial statements reflects payments on purchase of goods and services totalling to Kshs.758,184,000. Included in these payments is Kshs.564,582,000 in respect of other operating expenses, out of which payments totalling to Kshs.416,492,101 was in respect of principal loan repayment. Review of records revealed that Management took a post import loan facility and overdraft of Kshs.3 billion from a local bank during the 2011/2012 financial year to facilitate procurement of drilling materials and equipment.

The overdraft was later converted to an eight (8)-year term loan with approval from the National Treasury on 24 August, 2017. However, the loan repayment was not budgeted for during the year under review. In addition, the outstanding loan was not disclosed in the Notes to the financial statements as required in the reporting guidelines and templates issued by the Public Sector Accounting Standards Board.

In the circumstances, the accuracy and regularity of expenditure amounting to Kshs.416,492,101 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 qualified opinion.

## **Emphasis of matter**

### **Undrawn Donor Funds**

Paragraph 1.7 of the project information and overall performance indicates that the Project commenced in 2012 with an initial donor funding of USD 343,589,000 equivalent to Kshs.31,518,951,000 from seven (7) financiers. All financiers signed different financing agreements with the Government of Kenya which set up the terms and conditions of drawing down the funds to the project. However, out of the seven (7) financiers, the Project Management was only able to complete drawing all the committed funds from three (3) financiers. Failure to fully draw committed funds from the remaining four (4) financiers before the lapse of the financing agreement deadline resulted to undrawn funds totalling to USD 111,608,000 equivalent to Kshs.10,944,973,000. This may have negatively impacted on achievement of the project objectives.

No explanations were provided by Management on the circumstances that led to failure to fulfil the prerequisite conditions of drawing of the funds as per the financing agreements.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

## **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 matters 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.

### **Basis for Conclusion**

#### **1. Commingling of Funds**

The statement of financial assets and Note 10.12A to the financial statements reflects a balance of Kshs.8,003,000 in respect of cash and cash equivalents. Included in this balance is Kshs.6,827,000 in respect of bank balances. Review of cashbooks and bank statements revealed that the project funds were commingled in several bank accounts maintained by the Company for all projects contrary to Regulation 76(1) of the Public Management (National Government) Regulations, 2015 which states that for the purpose of disbursement of project funds, there shall be opened and maintained a project account for every project at Central Bank of Kenya. In addition, Management. In addition, a separate cash book for the project was not maintained.

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

## 2. Irregular Inter-Project Borrowing

The statement of receipts and payments and Note 10.12C to the financial statements reflects a receipts totalling to Kshs.429,201,000 in respect of borrowings. Review of records revealed that Management utilized the funds meant for Bogoria - Silali Geothermal Project and Company operational activities. However, Management did not provide an inter-project borrowing policy to guide on the borrowing and the recovery of the borrowed funds. As at 30 June, 2023, Management had borrowed a total of Kshs.1,089,418,528 from other projects without a laid down plan on how the funds are to be refunded.

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

## 3. Delay in Project Completion

As previously reported, 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 would 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 oblige the lenders provide the required funds for the Project.

Review of the implementation status of the IPPs and GDC deliverables in September, 2023 revealed that only one power plant (Sosian Energy plant) was in operation while the other two (QPEA GT Menengai LTD and Or Power 22) were yet to start the construction of the remaining power plants. Management attributed the delay to the following reasons:

- i) Quantum Power East Africa (QPEA) was yet to obtain a partial risk guarantee from The National Treasury. A request made on 9 October, 2019 was yet to be responded to as at the time of audit in September, 2023.
- 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), was in operation.
- 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) The Company had sunk 52 wells, out of which 21 are productive after being completed, tested, and commissioned but the IPPs were yet to fulfil any of their obligations.

Failure by the parties to fulfil their contractual obligations has led to delay in the project implementation by over eight (8) years, risking the investment made by GDC of Kshs.69,055,342,000 on steam wells and associated infrastructure. Further, it is clear when the project would be completed since the effective start date was indicated to be the date the IPPs take-over the sites. In addition, the amount spent continues to attract significant interest charges with no income generation.

In the circumstances, value for money on expenditure of Kshs.69,055,342,000 incurred on development of steam wells and associated infrastructure could not be confirmed.

#### **4. Long Outstanding Pending Bills**

Annexes 2A and 2B to the financial statements reflects pending bills totalling to Kshs.509,425,000 which includes bills from suppliers of goods and services totalling to Kshs.492,997,000 and staff pending bills totalling to Kshs.16,428,000. However, review of an ageing analysis provided for audit revealed that pending bills totaling Kshs.263,783,905 had been outstanding from the financial year 2021/2022 and earlier years.

Further, review of expenditure records revealed that invoices for the year under review were paid for before settlement of the pending bills outstanding from previous years. The management did provide an explanation for failure to prioritize payment of pending bills during the year under review.

In the circumstances, Management was in breach of regulations and policy guidelines.

#### **5. Long Outstanding Imprest**

The statement of financial assets and Note 10.13A to the financial statements reflects imprest and advances balance of Kshs.1,176,000. Review of imprest and advance records revealed that the imprests amount has been outstanding for a long time out of which a balance of Kshs.469,000 has been outstanding for more than six (6) years contrary Regulation 93(5), (6) and (7) of the Public Finance Management (National Government) Regulations, 2015. Even though Management explained that some of the officers have since left the Company and legal action is being considered to recover the amounts, no evidence of the legal action was provided.

In the circumstances, recovery of the imprest and advances is doubtful and Management was in breach of the law.

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 controls 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 controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Project's ability to continue sustaining its 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 how Management for monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation

to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

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 controls in order to give an assurance on the effectiveness of internal controls, risk management and overall 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 controls would not necessarily disclose all matters in the internal controls 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 controls 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 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 controls.

- 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 controls 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**

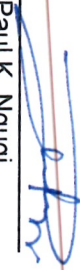
**17 November, 2023**


**Mengengai Geothermal Project**  
**Reports and Financial Statements**  
**For the financial year ended June 30, 2023**

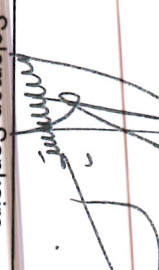
**5. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 June 2023**

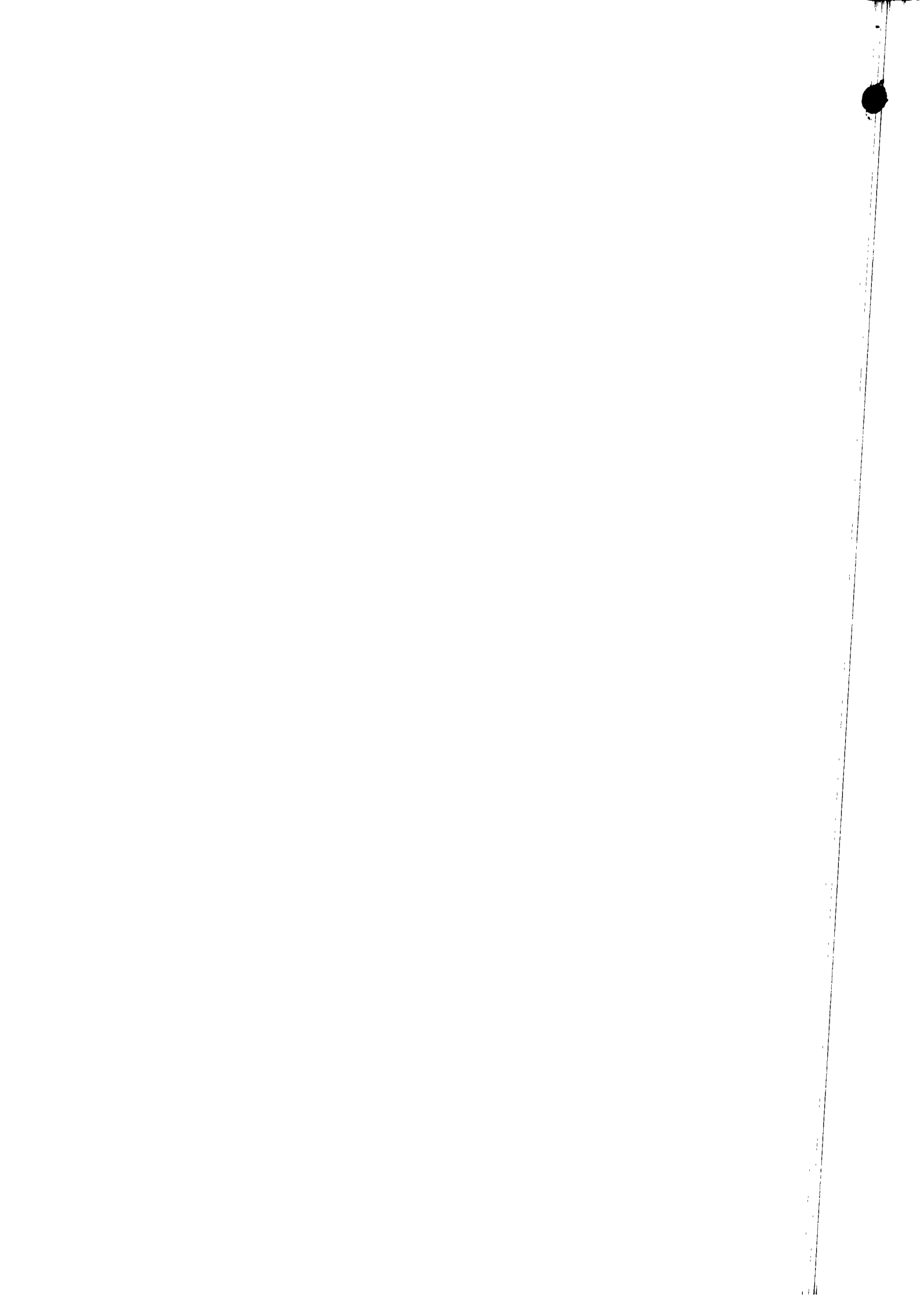
The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.

Description	FY 2022/23		FY 2021/22		Cumulative to-date
	Receipts & payments controlled by entity	Total	Receipts & payments controlled by entity	Total	
<b>Receipts</b>	<b>Kshs'000</b>	<b>Kshs'000</b>	<b>Kshs'000</b>	<b>Kshs'000</b>	<b>Kshs'000</b>
Transfer from government entities	50,000	50,000	75,000	75,000	41,824,186
Company contributions	771,490	771,490	1,660,596	1,660,596	19,960,262
Proceeds from domestic and foreign grants	-	-	137,027	137,027	10,821,950
Loan from external development partners	-	-	-	-	10,356,630
Loans	10.5A& 10.12C	429,201	429,201	142,120	3,948,892
Miscellaneous receipts	10.6	-	-	-	2,886,278
<b>Total receipts</b>	<b>1,250,691</b>	<b>1,250,691</b>	<b>2,014,743</b>	<b>2,014,743</b>	<b>89,798,199</b>
<b>Payments</b>					
Compensation of employees	10.7	593,683	593,683	824,305	13,589,467
Purchase of goods and services	10.8	758,184	758,184	657,006	16,917,528
Social security benefits	10.9	86,372	86,372	113,465	1,250,464
Acquisition of non-financial assets	10.10	142,514	142,514	450,493	56,451,357
Other grants and transfers and payments	10.11	-	-	-	1,581,381
<b>Total payments</b>	<b>1,580,752</b>	<b>1,580,752</b>	<b>2,045,268</b>	<b>2,045,268</b>	<b>89,790,196</b>
Surplus/(deficit) for the year	(330,062)	(330,062)	(30,524)	(30,524)	<b>8,003</b>

  
 Paul K. Nguigi  
 Managing Director & CEO

  
 Eng. Martha Mburu  
 Project Manager

  
 Solomon Sankaite  
 Project Accountant  
 ICPAK No.:19098



**Menengai Geothermal Project  
Reports and Financial Statements  
For the financial year ended June 30, 2023**

**6. STATEMENT OF FINANCIAL ASSETS AS AT 30 June 2023**

Description	Note	FY 2022-23	FY 2021-22
		Kshs'000	Kshs'000
<b>FINANCIAL ASSETS</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10.12.A	6,827	336,889
<b>Total cash and cash equivalents</b>		<b>6,827</b>	<b>336,889</b>
<b>Imprests &amp; Advances</b>			
	10.13A	1,176	1,176
<b>Total Financial Assets</b>		<b>8,003</b>	<b>338,065</b>
			-
<b>NET ASSETS</b>		<b>8,003</b>	<b>338,065</b>
			-
<b>REPRESENTED BY:</b>			
Fund balance B/fwd	10.14	338,065	368,589
Surplus (Deficit) for the year		(330,062)	(30,524)
<b>NET FINANCIAL POSITION</b>		<b>8,003</b>	<b>338,065</b>

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

statements. The financial statements were approved on 25/10 2023 and signed by:



Paul K. Ngugi  
Managing Director & CEO



Eng. Martha Mburu  
Project Manager




Solomon Sankaire  
Project Accountant  
ICPAK No. 19098

**Menengai Geothermal Project**  
**Reports and Financial Statements**  
**For the financial year ended June 30, 2023**

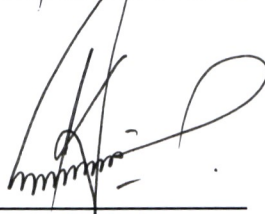
**7. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 June 2023**

Description	Note	FY 2022-23	FY 2021-22
		Ksh'000	Ksh'000
<b>Receipts for operating activities</b>			
Transfer from Government entities	10.3	821,490	1,735,596
Proceeds from domestic and foreign grants	10.4	-	137,027
<b>Total Receipts</b>		<b>821,490</b>	<b>1,872,623</b>
<b>Payments</b>			
Compensation of employees	10.7	(593,683)	(824,305)
Purchase of goods and services	10.8	(341,693)	(296,961)
Social Security benefits	10.9	(86,372)	(113,465)
<b>Total Payments</b>		<b>(1,021,747)</b>	<b>(1,234,730)</b>
<b>Net cash flow from operating activities</b>		<b>(200,257)</b>	<b>637,893</b>
<b>Cash flow from investing activities</b>			
Acquisition of non-financial assets	10.10	(142,514)	(450,493)
<b>Net cash flows from Investing activities</b>		<b>(142,514)</b>	<b>(450,493)</b>
<b>Cash flow from financing activities</b>			
Repayment of Bank Loan	10.5. A	(416,492)	(360,044)
Borrowings	10.12.C	429,201	142,120
<b>Net cash flow from financing activities</b>		<b>12,708</b>	<b>(217,924)</b>
<b>Net increase in cash and cash equivalent</b>		<b>(330,063)</b>	<b>(30,524)</b>
Cash and cash equivalent at beginning of the year	10.12	338,065	368,589
<b>Cash and cash equivalent at end of the year</b>		<b>8,003</b>	<b>338,065</b>

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 25/10 2023 and signed by:

  
 Paul K. Ngugi  
 Managing Director & CEO

  
 Eng. Martha Mburu  
 Project Manager

  
 Solomon Sankaire  
 Project Accountant  
 ICPAK No. 19098

**Menengai Geothermal Project  
Reports and Financial Statements  
For the financial year ended June 30, 2023**

**8. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 June 2023**

Receipts/Payments Item	Original Budget		Adjustments		Final Budget		Actual on Comparable Basis		Budget Utilization Difference		% of Utilization
	a	Kshs'000	b	Kshs'000	c=a+b	Kshs'000	d	Kshs'000	e=c-d	Kshs'000	
<b>Receipts</b>											
Transfer from Government entities	1,200,000		(150,000)		1,050,000		821,490		228,510		78%
Proceeds from borrowings	-		-		-		429,201		(429,201)		0%
<b>Total Receipts</b>	<b>1,200,000</b>		<b>(150,000)</b>		<b>1,050,000</b>		<b>1,250,691</b>		<b>(200,691)</b>		
<b>Payments</b>											
Compensation to employees	394,172		79,834		474,006		593,683		(119,676)		125%
Purchase of goods and services	432,119		(153,236)		278,883		758,184		(479,300)		272%
Social security benefits	91,281		(4,412)		86,869		86,372		497		99%
Acquisition of non-financial assets	282,427		(72,186)		210,241		142,514		67,727		68%
<b>Total Payments</b>	<b>1,200,000</b>		<b>(150,000)</b>		<b>1,050,000</b>		<b>1,580,752</b>		<b>(530,752)</b>		
<b>Surplus or Deficit</b>									<b>(330,062)</b>		

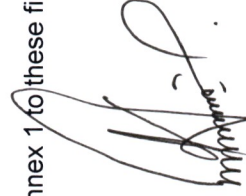
Note: The significant budget utilisation/performance differences in the last column are explained in Annex 1 to these financial statements.



**Paul K. Ngugi**  
Managing Director & CEO



**Eng. Martha Mburu**  
Project Manager



**Solomon Sankaire**  
Project Accountant  
ICPAK No. 19098

## **9. SIGNIFICANT ACCOUNTING POLICIES**

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.

**SIGNIFICANT ACCOUNTING POLICIES (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.

**SIGNIFICANT ACCOUNTING POLICIES (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.

**SIGNIFICANT ACCOUNTING POLICIES (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.

**SIGNIFICANT ACCOUNTING POLICIES (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.

**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, 2023

**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.

**r) Prior period adjustments**

Prior period adjustments relate to errors and other adjustments noted arising from previous year(s). Explanations and details of these prior period adjustments are presented in note xx of these financial statements

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**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 2022/23	FY 2021/22	Cumulative to-date
	Kshs'000	Kshs'000	Kshs'000
<b>Counterpart funding through Ministry of Energy</b>			
Counterpart funds Quarter 1	-	25,000	7,356,624
Counterpart funds Quarter 2	50,000	25,000	10,743,374
Counterpart funds Quarter 3		-	12,502,348
Counterpart funds Quarter 4		25,000	11,221,840
	<b>50,000</b>	<b>75,000</b>	<b>41,824,186</b>
Appropriations-in-Aid	771,490	1,660,596	19,960,262
	<b>771,490</b>	<b>1,660,596</b>	<b>19,960,262</b>
<b>Total</b>	<b>821,490</b>	<b>1,735,596</b>	<b>61,784,448</b>

**10.4 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS**

During the year ended 30 June 2023, grants received from donors as detailed in the table below:

Name of Donor	Date received	Amount received in donor currency	Grants received in cash	Total amount FY 2022/23	Total amount FY 2021/22
		"000"	Kshs'000	Kshs'000	Kshs'000
<b>Grants received from multilateral Donors</b>					
EIB	30.06.2022		-	-	137,027
<b>Total</b>		-	-	-	<b>137,027</b>

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**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	Amount received in donor currency	Total amount		Cumulative to date
		FY 2022/23	FY 2021/22	
	USD'000	Kshs'000	Kshs'000	Kshs'000
Loans Received from Multilateral donors	-	-	-	10,356,630
<b>Total</b>	-	-	-	<b>10,356,630</b>

**10.5A. PROCEEDS FROM LONG TERM LOAN**

Name of donor	Date received	Amount Received in Cash	Total Amount	
			FY 2022/23	FY 2021/22
		Kshs'000	Kshs'000	Kshs'000
Loan Balance as at 30.06.2022		-	1,759,258	2,119,303
Less: Repayment on Loan Principal		-	416,492	360,044
<b>Loan Balance as at 30.06.2023</b>		-	<b>1,342,766</b>	<b>1,759,258</b>

**10.6 MISCELLANEOUS RECEIPTS**

	FY 2022/23		FY 2021/22	Cumulative to date
	Receipts made by entity in cash	Total	Receipts from third parties	
	Kshs'000	Kshs'000	Kshs'000	Kshs'000
Other receipts not classified elsewhere	-	-	-	2,886,278
<b>Total</b>	-	-	-	<b>2,886,278</b>

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**10.7 COMPENSATION OF EMPLOYEES**

	FY 2022/23		FY 2021/22	Cumulative to-date
	Payments made by entity in cash	Total Payments	Total Payments	
	Kshs'000	Kshs'000	Kshs'000	Kshs'000
Basic salaries of permanent & temporary employees	320,589	320,589	446,027	6,974,261
Personal allowances paid as part of salary	273,094	273,094.02	378,278	6,615,206
<b>Total</b>	<b>593,683</b>	<b>593,683</b>	<b>824,305</b>	<b>13,589,467</b>

**10.8 PURCHASE OF GOODS AND SERVICES**

	FY 2022/23		FY 2021/22	Cumulative to-date
	Payments made by entity in cash	Total Payments	Total Payments	
	Kshs'000	Kshs'000	Kshs'000	Kshs'000
Utilities, supplies and service	127,929	127,929	87,868	2,236,414
Communication, supplies & services	2,020	2,020	5,354	136,138
Domestic travel & subsistence	42,073	42,073	30,990	2,422,352
Foreign travel and subsistence	-	-	756	80,512
Printing, advertising and information supplies & services	1,628	1,628	414	274,090
Training Expenses	1,397	1,397	2,430	979,575
Hospitality supplies and services	5,884	5,884	5,396	380,282
Insurance costs	29,888	29,888	34,123	372,305
Other operating expenses	564,582	564,582	488,106	10,030,519
Routine maintenance vehicles, transport equipment	5,132	5,132	7,866	666,625
Routine maintenance- other assets	2,079	2,079	1,434	3,513
Exchange rate losses/gains (net)	(24,429)	(24,429)	(7,732)	(664,798)
<b>Total</b>	<b>758,184</b>	<b>758,184</b>	<b>657,006</b>	<b>16,917,528</b>

\*Included in note 10.8 is the amount of Ksh 416,492 in relation to principal loan repayment

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**10.9. SOCIAL SECURITY BENEFITS**

	FY 2022/23		FY 2021/22	Cumulative to-date
	Payments made by entity in cash	Total payments	Total payments	
	Kshs'000	Kshs'000	Kshs'000	
Government pension and retirement benefits	84,355	84,355	112,002	1,224,498
Social security benefits in cash and in kind	2,018	2,018	1,463	25,966
<b>Total</b>	<b>86,372</b>	<b>86,372</b>	<b>113,465</b>	<b>1,250,464</b>

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**10.10 ACQUISITION OF NON-FINANCIAL ASSETS**

	FY 2022/23		FY 2021/22	Cumulative to-date
	Controlled by Entity	Total payments	Total payments	Kshs'000
	Kshs'000	Kshs'000	Kshs'000	Kshs'000
Construction of buildings	1,336	1,336	-	48,022
Refurbishment of buildings	144	144	95	25,134
Construction of roads & civil works	2,225	2,225	-	5,052,896
Purchase of office furniture & general equipment	2,531	2,531	1,045	329,010
Purchase of specialized plant, equipment and machinery	28,067	28,067	168,289	11,232,339
Exploration and evaluation activities	75,099	75,099	189,986	27,330,460
Acquisition of strategic stocks	33,111	33,111	91,078	11,995,591
Acquisition of land	-	-	-	71,806
Acquisition of other intangible assets	-	-	-	366,099
<b>Total</b>	<b>142,514</b>	<b>142,514</b>	<b>450,493</b>	<b>56,451,357</b>

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NOTES TO THE FINANCIAL STATEMENTS (continued)

**10.11 OTHER GRANTS AND TRANSFERS AND PAYMENTS**

	FY 2022/23			FY 2021/22	Cumulative to-date
	Payments made by entity in cash	Payments made by third parties	Total Payments	Total Payments	
	Kshs'000	Kshs'000	Kshs'000	Kshs'000	Kshs'000
Miscellaneous payments	-	-	-	-	(1,581,381)
<b>Total</b>	-	-	-	-	<b>(1,581,381)</b>

**10.12 CASH AND CASH EQUIVALENTS**

Description	FY 2022/23	FY 2021/22
	Kshs'000'	Kshs'000'
Bank accounts (Note 10.12A)	6,827	336,889
Outstanding imprests and advances (Note 10.13A)	1,176	1,176
		-
<b>Total</b>	<b>8,003</b>	<b>338,065</b>

**10.12A Bank Accounts**

**Project Bank Accounts**

Description	FY 2022/23	FY 2021/22
	Kshs'000'	Kshs'000'
<b>Foreign Currency Accounts</b>		
Co-operative Bank of Kenya [A/c No 02120160857600]	1,915	241,360
		-
<b>Total Foreign Currency Accounts</b>	<b>1,915</b>	<b>241,360</b>
		-
<b>Local Currency Accounts</b>		
Cooperative Bank of Kenya [A/c No 01136350124400]	135	183
Guarantee deposits	2,021	2,021
Cooperative Bank of Kenya [A/c No 011360857601]	2,756	93,324
Total local currency balances	<b>4,912</b>	<b>95,529</b>
		-
<b>Total bank account balances</b>	<b>6,827</b>	<b>336,889</b>

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**10.12.C Borrowings**

Description	FY 2022/23	FY 2021/22
	Kshs'000	Kshs'000
Co-operative Bank of Kenya [A/c No 01136160857600]	138,037	142,120
KfW NCBA [A/c No 4761090015]	9,098	-
Barclays Bank [A/c No. 2041818169]	282,065	-
<b>Total</b>	<b>429,201</b>	<b>142,120</b>

**10.13. A BREAKDOWN OF IMPRESTS AND ADVANCES**

Name of Officer or Institution	Amount taken	Due date of surrender	Amount surrendered	Balance FY 2022/23	Balance FY 2021/22
	Kshs'000		Kshs'000		
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
Marjetta Mutonga	354	30.09.2021	-	354	354
Thomas Miyora	353	30.09.2022	-	353	353
Milkah Wanjiru	366	30.11.2016	-	366	366
<b>Total</b>	<b>1,176</b>		<b>-</b>	<b>1,176</b>	<b>1,176</b>

**10.14 FUND BALANCE BROUGHT FORWARD**

Description	FY 2022/23	FY 2021/22
	Kshs'000	Kshs'000
Bank accounts (Note 10.12A)	6,827	336,888.93
Outstanding imprests and advances (Note 10.13A)	1,176	1,176.00
<b>Total</b>	<b>8,003</b>	<b>338,065</b>

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**11. OTHER IMPORTANT DISCLOSURES**

**11.1 PENDING ACCOUNTS PAYABLE (See Annex 2A)**

	Balance b/f FY 2021/22	Additions for the period	Paid during the year	Balance c/f FY 2022/23
	KShs'000	KShs'000	KShs'000	KShs'000
Construction of civil works	-	29,617	6,799	22,819
Supply of goods	46,529	122,743	150,079	19,193
Supply of services	426,899	707,420	683,333	450,986
<b>Total</b>	<b>473,429</b>	<b>859,780</b>	<b>840,211</b>	<b>492,998</b>

**11.2 PENDING STAFF PAYABLES (See Annex 2B)**

	Balance b/f FY 2021/22	Additions for the period	Paid during the year	Balance c/f FY 2022/23
	KShs'000	KShs'000	KShs'000	KShs'000
Senior management	963	8,654	7,743	1,874
Middle Management	7,174	16,590	15,399	8,365
Unionisable employees	8,072	15,288	18,524	4,836
Others	1,487	4,802	4,936	1,353
<b>Total</b>	<b>17,696</b>	<b>45,334</b>	<b>46,602</b>	<b>16,428</b>

**11.3 EXTERNAL ASSISTANCE**

	FY 2022/23	FY 2021/22
	KShs'000	KShs'000
External assistance received as loans and grants	-	137,027
<b>Total</b>	<b>-</b>	<b>137,027</b>

**a) External assistance relating loans and grants**

Description	FY 2022/23	FY 2021/22
	KShs'000	KShs'000
External assistance received as loans	-	-
External assistance received as grants	-	137,027
<b>Total</b>	<b>-</b>	<b>137,027</b>

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**OTHER IMPORTANT DISCLOSURES**

**b) Undrawn external assistance**

		<b>FY 2022/23</b>	<b>FY 2021/22</b>
<b>Description</b>	<b>Purpose for which the undrawn external assistance may be used</b>	<b>KShs'000</b>	<b>KShs'000</b>
Undrawn external assistance - loans	Purchase of strategic stocks, equipment and specialized drilling services	2,514,495	2,514,495
Undrawn external assistance - grants	Purchase of strategic stocks, equipment and consultancies	8,430,478	8,430,478
<b>Total</b>		<b>10,944,973</b>	<b>10,944,973</b>

**c) Classes of providers of external assistance**

<b>Description</b>	<b>FY 2022/23</b>	<b>FY 2021/22</b>
	<b>KShs'000</b>	<b>KShs'000</b>
Multilateral donors	-	137,027
<b>Total</b>	<b>-</b>	<b>137,027</b>

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

**d) Purpose and use of external assistance**

<b>Description</b>	<b>FY 2022/23</b>	<b>FY 2021/22</b>
	<b>KShs'000</b>	<b>KShs'000</b>
Use of goods and services	35,136	6,725
Acquisition of assets	55,433	246,245
<b>Total</b>	<b>90,568</b>	<b>252,969</b>

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.

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Focal Point person to resolve the issue (Name and designation)</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
	Commingling of funds	Management to effect separation of bank accounts	Stephen Busieney GM-Finance	Not resolved	30.06.2024
	Long outstanding pending bills	Payments for current year before settling pending bills	Stephen Busieney GM-Finance	Not Resolved	31.12.2023



Paul Ngugi  
Managing Director & CEO



Martha Mburu  
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 %	
	Kshs'000	Kshs'000	Kshs'000	Kshs'000	Kshs'000		
<b>Receipts</b>							
Transfer from Government entities	1,200,000	(150,000)	1,050,000	821,490	228,510	78%	Garnishee order placed on GDC accounts
Proceeds from borrowings		-		429,201	(429,201)	0%	
<b>Total Receipts</b>	<b>1,200,000</b>	<b>(150,000)</b>	<b>1,050,000</b>	<b>1,250,691</b>	<b>(200,691)</b>		
<b>Payments</b>							
Compensation to employees	394,172	79,834	474,006	593,683	(119,676)	125%	Includes payments budgeted in FY 2021/22 paid in current FY
Purchase of goods and services	432,119	(153,236)	278,883	758,184	(479,300)	272%	Includes payments budgeted in FY 2021/22 paid in current in FY and loan repayment of 416 Million budgeted under recurrent
Social security benefits	91,281	(4,412)	86,869	86,372	497	99%	N/a
Acquisition of non-financial assets	282,427	(72,186)	210,241	142,514	67,727	68%	Garnishee order placed on GDC accounts
<b>Total Payments</b>	<b>1,200,000</b>	<b>(150,000)</b>	<b>1,050,000</b>	<b>1,580,752</b>	<b>(530,752)</b>		
<b>Surplus or Deficit</b>				<b>(330,062)</b>			

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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 2022/23	Outstanding Balance 2021/22
	a	b	c	d=a-c	
	Kshs'000'		Kshs'000'	Kshs'000'	Kshs'000'
<b>Construction of civil works</b>					
H. Young & Co (Ea) Ltd	22,819	18.09.2022	-	22,819	-
<b>Sub-Total</b>	<b>22,819</b>			<b>22,819</b>	
<b>Supply of goods</b>					
Chem-Rectic Ltd	1,467	30.06.2021	-	1,467	-
Water Resources Management Authorit	720	30.06.2021	-	720	-
New Kcc Ltd	831	30.06.2021	-	831	-
Esrinnet Ventures	1,150	30.06.2021	-	1,150	-
Benjana Investment Limited	114	30.06.2021	-	114	-
Mfi Document Solutions Limited	3,052	30.06.2021	-	3,052	-
County Government Of Nakuru	93	30.06.2021	-	93	-
Belbar Limited	502	02.03.2023	-	502	-
Free Drop Limited	321	06.01.2023	-	321	-
Juniper Intakes Limited	1,450	15.05.2023	-	1,450	-
Unifast Technologies Ltd	82	19.06.2023	-	82	-
Waima General Supplies	224	09.06.2023	-	224	-
Grey Apple Limited	400	22.06.2023	-	400	-
Lergend Enterprises	907	30.06.2021	-	907	-
Babuye Investment Limited	196	06.06.2022	146	50	146
Zonge International Inc.	165	01.07.2015	-	165	165
Bawani Stores Limited	394	18.09.2021	362	32	362
Car & General (Kenya) Ltd	586	06.04.2022	580	6	580
Logisys Trading Company Limited	3,845	13.12.2022	3,841	4	3,841
Odex Chemicals Limited	12,624	31.12.2017	5,000	7,624	11,624
H. Young & Co (Ea) Ltd	29,811	18.09.2022	29,811	-	29,811
<b>Sub-Total</b>	<b>58,933</b>		<b>39,740</b>	<b>19,193</b>	<b>46,529</b>

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022/23	Outstanding Balance 2021/22
	a	b	c	d=a-c	
<b>Services</b>	<b>Kshs'000'</b>		<b>Kshs'000'</b>	<b>Kshs'000'</b>	<b>Kshs'000'</b>
Greatwall Drilling Company Ltd	64,771	29.06.2012	-	64,771	64,771
Lantech (Africa) Limited	938	30.06.2015	938	-	938
Ps- Ministry Of Energy & Petroleum	14,614	11.01.2016	750	13,864	14,614
Nakuru Water & Sanitation	4,548	14.12.2020	1,494	3,053	4,548
Sabco Millers Ltd	1,109	01.07.2015	-	1,109	1,109
Agricultural Society Of K	307	23.06.2023	-	307	-
Nuru Palace Hotel Ltd	88	16.06.2023	-	88	-
Midlands Hotel	89	16.05.2023	-	89	-
Safaricom Ltd	606	02.03.2022	157	449	157
Cleanmark Limited	4,261	30.05.2023	-	4,261	-
Hatari Security Guards Ltd	31,657	02.12.2019	31,657	-	31,657
Lavington Security Limited	740	05.09.2022	-	740	-
Protective Custody Limited	53,472	04.12.2020	22,378	31,094	22,378
Hever Company	1,190	01.07.2021	1,190	-	1,190
Geothermal Resource Group	2,843	17.02.2022	2,437	406	2,437
Liquid Telecommunication Kenya	420	01.03.2023	-	420	-
Kenya Power & Lighting Company Ltd	6,089	15.09.2022	3,264	2,825	3,264
Translee Kenya Ltd	168,311	27.04.2023	124,567	43,744	49,662
Kenya Forest Service	323,493	02.06.2021	74,285	249,207	184,651
Ranju Limited	2,004	25.04.2023	668	1,336	668
Lake Bogoria Spa Resort	2,684	20.11.2021	2,684	-	2,684
Hotel Waterbuck Ltd	688	06.03.2023	657	31	657
Rift Valley Sports Club	732	22.06.2023	408	324	408
Top Image Cleaning Services	1,049	01.07.2021	1,049	-	1,049
Ankh Womens Clinic	170	30.04.2023	94	76	94
The Polyclinic Hospital	50	30.04.2023	50	-	50
Aic Kijabe Hospital	38	30.04.2023	36	2	36

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022/23	Outstanding Balance 2021/22
	a	b	c	d=a-c	
	Kshs'000'		Kshs'000'	Kshs'000'	Kshs'000'
Naivagil Pharmaceuticals Ltd	8	30.04.2023	8	-	8
Baus Optical	1,873	30.04.2023	788	1,086	788
Care Chemists Limited	2,257	30.04.2023	1,424	833	1,424
Karen Hospital	4,702	30.04.2023	3,202	1,500	3,202
Gertrude's Children's Hospital	734	30.04.2023	672	62	672
Menelik Hospital	-	30.04.2023	-	-	-
The Nairobi Women's Hospital	6,552	30.04.2023	3,698	2,854	3,698
The Nairobi South Hospital	-	30.04.2023	-	-	-
Malibu Pharmacy Ltd	117	30.04.2023	56	61	56
Ben-Ammi Medical Centre	-	30.04.2023	-	-	-
Dr Anthony Biketi Wabule	12	30.04.2023	12	-	12
Dr C. Odula-Obonyo Medical Practice	13	30.04.2023	13	-	13
Dr E K Mutakha	2,573	30.04.2023	1,372	1,201	1,372
Dr Wanjohi Esther Njeri	-	30.04.2023	-	-	-
Dr Joseph Kariuki Mbuthia	-	30.04.2023	-	-	-
Dr Martin Oduori	-	30.04.2023	-	-	-
Dr N. G. Thagana	9	30.04.2023	6	3	6
Njoroge Ngugi Moses	13	30.04.2023	13	-	13
Dr Omondi Oyoo	-	30.04.2023	-	-	-
Kamau & Mwendwa Medical Associates	-	30.04.2023	-	-	-
Dr V. N Choksey	-	30.04.2023	-	-	-
Dr Wairimu Imalingat	-	30.04.2023	-	-	-
Dr. Betty M Musau	4	30.04.2023	4	-	4
Dr. Charles Kariuki	-	30.04.2023	-	-	-
Dr. Jean Kagia	-	30.04.2023	-	-	-
Dr. Joy Mpaata	8	30.04.2023	-	8	-
Dr. Peter Ndaguatha	-	30.04.2023	-	-	-
Equitorial Medical	-	30.04.2023	-	-	-
Garlands Medical Centre Ltd	6	30.04.2023	-	6	-

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	a	b	c	d=a-c	
	<b>Kshs'000'</b>		<b>Kshs'000'</b>	<b>Kshs'000'</b>	<b>Kshs'000'</b>
Nairobi Dental Polyclinics Ltd	-	30.04.2023	-	-	-
Nairobi E.N.T. Clinic	7	30.04.2023	4	4	4
Molars Ltd	178	30.04.2023	143	35	143
Parklands Kidney Centre Ltd	-	30.04.2023	-	-	-
Pathcare Kenya Limited	395	30.04.2023	237	158	237
Prof.Elly O. Ogutu	-	30.04.2023	-	-	-
Mt. Longonot Medical Services Ltd	-	30.04.2023	-	-	-
Ndonyo Healthcare	194	30.04.2023	135	59	135
Ngethe Florence Njeri	-	30.04.2023	-	-	-
Evans Sunrise Medical Centre	3,221	30.04.2023	2,287	934	2,287
Ranalo Medical Imaging Centre	315	30.04.2023	141	174	141
Valley Hospital Ltd	7,998	30.04.2023	3,779	4,219	3,779
Corner House Medical Laboratory	7	30.04.2023	7	-	7
Kenya Hospital Association	5,133	30.04.2023	2,345	2,788	2,345
Plaza X-Ray Services	-	30.04.2023	-	-	-
Nakuru War Memorial Hospital	11,267	30.04.2023	9,189	2,078	9,189
Inkamed Pharmaceuticals Ltd	24	30.04.2023	11	13	11
Dr.Mong'are Onsomu	637	30.04.2023	555	82	555
The Nakuru E.N.T Medical Centre	528	30.04.2023	320	208	320
Dr. Mwangi S Watene	224	30.04.2023	148	76	148
Dr. Julius Ogeto	113	30.04.2023	82	31	82
Rol Medical Laboratories Ltd	67	30.04.2023	46	22	46
Dr. Amos M Otara	509	30.04.2023	359	150	359
The Mater Hospital	243	30.04.2023	181	62	181
Dr. Susan Wanjiku Maina	-	30.04.2023	-	-	-
Dr Ahmed Parkar	-	30.04.2023	-	-	-
Dr. Ramadhan Mawenzi	466	30.04.2023	252	214	252
Dr. Lucy N. Gachare	-	30.04.2023	-	-	-
Dr. Naomi Gachara	-	30.04.2023	-	-	-

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	a	b	c	d=a-c	
	Kshs'000'		Kshs'000'	Kshs'000'	Kshs'000'
Dr. A.H. Mohamed - Paed Prac	-	30.04.2023	-	-	-
Dr. Nancy Ngugi	-	30.04.2023	-	-	-
Prof. Paul G. Kioy	16	30.04.2023	8	8	8
Prof. Erastus O. Amayo	6	30.04.2023	3	3	3
Dr. Joseph A. Alouch	-	30.04.2023	-	-	-
Dr. Hosea W. Waweru	-	30.04.2023	-	-	-
Dr. Prafull S. Patel	-	30.04.2023	-	-	-
Dr. H. S. Dhadialla	-	30.04.2023	-	-	-
Dr. Irungu Ndirangu	15	30.04.2023	9	6	9
Nairobi Maxillofacial Surgery Clini	5	30.04.2023	5	-	5
Dr. Marx M. O. Okonji	-	30.04.2023	-	-	-
De Mundo	-	30.04.2023	-	-	-
Amani Counselling Centre	98	30.04.2023	98	-	98
Prime Physiotherapy Services	9	30.04.2023	9	-	9
Cambridge & Company Ltd	74	30.04.2023	74	-	74
Dr. F. Mugo Ng'ang'a	159	30.04.2023	123	36	123
Dr. Jane Nyikuri Wenyaa	150	30.04.2023	115	35	115
Dr. Benedict Osore	446	30.04.2023	320	126	320
Dr. Charles Luseno	-	30.04.2023	-	-	-
Dr. Gitu Robert	48	30.04.2023	33	15	33
Dr. Njuguna Gachiro	33	30.04.2023	33	-	33
Dr. Lutomia Lumbasi	23	30.04.2023	23	-	23
Dr. Naresh Sarna	-	30.04.2023	-	-	-
Nakuru Dental Centre	190	30.04.2023	184	6	184
The Aga Khan Hospital - Kisumu	890	30.04.2023	643	247	643
Chiromo Lane Medical Centre	1,511	30.04.2023	1,060	452	1,060
Avenue Healthcare	4,695	30.04.2023	1,684	3,011	1,684
Eagle Eye Laser Centre Limited	70	30.04.2023	28	43	28
Mediheal Diagnostic & Fertility Cen Ltd	2,843	30.04.2023	1,177	1,665	1,177

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	a	b	c	d=a-c	
	Kshs'000'		Kshs'000'	Kshs'000'	Kshs'000'
Naivasha Optics	54	30.04.2023	54	-	54
Naivasha Dental Clinic	26	30.04.2023	26	-	26
Nairobi Spine & Orthopaedic Centre	35	30.04.2023	35	-	35
Catherine Wangui Muthigani	114	30.04.2023	95	20	95
Dr. Catherine Muthoni Boit	-	30.04.2023	-	-	-
Mogere Agencies	-	30.04.2023	-	-	-
Hyrax Medical Centre	-	30.04.2023	-	-	-
Dr. Timothy Kagoda Byakika	-	30.04.2023	-	-	-
Advent Med & Dent Care Centre	3,042	30.04.2023	1,426	1,616	1,426
Dr. Samuel Okoth Owinga	12	30.04.2023	12	-	12
Prof. Josephat A. O. Mulimba	3	30.04.2023	3	-	3
The Aga Khan Hospital - Mombasa	283	30.04.2023	19	264	19
Crater X-Ray Clinic	-	30.04.2023	-	-	-
Nakuru Paediatric Clinic Limited	420	30.04.2023	105	315	105
Prof. Lawrence N. Gakuu	3	30.04.2023	2	1	2
Kenyatta National Hospital	119	30.04.2023	119	-	119
Dr. Rohit Radia	-	30.04.2023	-	-	-
Dr. John Ongech	7	30.04.2023	7	-	7
Kam Pharmacy Limited	66	30.04.2023	43	23	43
Dr. Calisto Odongo	-	30.04.2023	-	-	-
Dr. Tanga Audi	3	30.04.2023	3	-	3
Hi-Tech Opticians	258	30.04.2023	-	258	-
Omega Opticians Ltd	262	30.04.2023	70	193	70
Millicent	-	30.04.2023	-	-	-
Dr. Fredrick Kalande	432	30.04.2023	249	183	249
Aic Kijabi	565	30.04.2023	486	79	486
The Gynae-Paed Medical Centre	11	30.04.2023	11	-	11
Aga Khan University Hospi	528	30.04.2023	-	528	-
Royal Smiles Dental Clini	68	30.04.2023	-	68	-

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	a	b	c	d=a-c	
	<b>Kshs'000'</b>		<b>Kshs'000'</b>	<b>Kshs'000'</b>	<b>Kshs'000'</b>
Transmega Kenya Limited	186	30.04.2023	-	186	-
Optimum Current Healthcare	1,076	30.04.2023	-	1,076	-
Delight Optics Limited	58	30.04.2023	-	58	-
Gtb Scanlab Nakuru Limite	693	30.04.2023	-	693	-
Mamlaka Medical Centre	30	30.04.2023	-	30	-
Joy Ellen Womens Hospital	1,134	30.04.2023	-	1,134	-
The Dentist Ltd	616	30.04.2023	-	616	-
Evergreen Dental Care Ltd	43	30.04.2023	-	43	-
Nakuru Ent And Audiology	79	30.04.2023	-	79	-
Reale Hospital	22	30.04.2023	-	22	-
Nakuru Therapy Center	139	30.04.2023	-	139	-
Megalife Optometrist Ltd	321	30.04.2023	-	321	-
Santa Clara Medical Clini	73	30.04.2023	-	73	-
Zen Pharmaceuticals	39	30.04.2023	-	39	-
Primecare Fertility Cente	78	30.04.2023	-	78	-
Ravine Glory Healthcare S	84	30.04.2023	-	84	-
<b>Sub-Total</b>	<b>759,627</b>	<b>-</b>	<b>308,642</b>	<b>450,986</b>	<b>426,899</b>
<b>Grand Total</b>	<b>841,379</b>	<b>-</b>	<b>348,382</b>	<b>492,997</b>	<b>473,429</b>

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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 2022/23	Outstanding Balance 2021/22
		Kshs'000'		Kshs'000'	Kshs'000'	Kshs'000'
<b>Permanent Employees - Management</b>						
Martha Mburu	GD-02	212	30.05.2023	26	186	26
Reuben Ngosi	GD-02	1,003	30.05.2023	254	749	254
John Lagat	GD-01	398	30.05.2023	212	186	212
Joseph Kitilit	GD-03	237	30.05.2023	42	195	42
Gabriel Wetangula	GD-02	194	30.05.2023	8	186	8
Johnstone Maleche	GD-02	106	30.05.2023	-	106	-
Antony Wamalwa	GD-03	289	30.05.2023	172	117	172
Yvonne Wanambiro	GD-02	271	30.05.2023	173	98	173
Pamela Ouma	GD-03	98	30.05.2023	47	51	47
Julius Gicheche	GD-03	30	30.05.2023	30	-	30
<b>Sub-Total</b>		<b>2,837</b>		<b>963</b>	<b>1,874</b>	<b>963</b>
Henry Kimani	GD-04	31	30.05.2023	31	-	31
Victor Denge	GD-04	377	30.05.2023	223	154	223
Sylvia Malimo	GD-04	84	30.05.2023	26	59	26
Isaac Kanda	GD-04	167	30.05.2023	73	95	73
Levi Wambari	GD-04	93	30.05.2023	38	55	38
Milka Kairu	GD-04	147	30.05.2023	101	46	101
Joseph Mberia	GD-04	780	30.05.2023	423	357	423
Thomas Miyora	GD-04	395	30.05.2023	197	197	197
Kirkland Kirui	GD-04	26	30.05.2023	22	4	22
Edwin Odum	GD-05	369	30.05.2023	82	286	82
Lucy Njue	GD-05	100	30.05.2023	43	57	43
Leonard Wafula	GD-05	580	30.05.2023	70	510	70
Pascal Nyambala	GD-05	257	30.05.2023	128	130	128
Lawrence Murungi	GD-05	197	30.05.2023	41	156	41
Michael Sembele	GD-05	89	30.05.2023	38	51	38

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Name of Staff	Job Group	Original Amount Kshs'000'	Date Payable Contracted	Amount Paid To- Date	Outstanding Balance 2022/23 Kshs'000'	Outstanding Balance 2021/22 Kshs'000'
Nixon Kachi	GD-05	116	30.05.2023	82	35	82
Daniel Kilelu	GD-05	466	30.05.2023	376	89	376
Selly Koech	GD-06	37	30.05.2023	19	19	19
Ezekiel Kipyego	GD-06	352	30.05.2023	208	144	208
Mathew Mutua	GD-06	60	30.05.2023	60	-	60
Michael Malusu	GD-06	5	30.05.2023	-	5	-
Grace Mwandoghoi	GD-06	138	30.05.2023	117	21	117
Richmond Baraza	GD-06	37	30.05.2023	11	26	11
Arcadius Angalwa	GD-06	310	30.05.2023	138	171	138
Hilary Mwawasi	GD-06	538	30.05.2023	204	334	204
Raymond Mwakirani	GD-06	119	30.05.2023	59	60	59
Deflorah Kangongo	GD-06	494	30.05.2023	222	272	222
Jeremiah Kipngok	GD-06	400	30.05.2023	87	313	87
Patrick Oyugi	GD-06	81	30.05.2023	81	-	81
Esther Njuguna	GD-06	249	30.05.2023	111	138	111
Francis Wanjohi	GD-06	176	30.05.2023	158	18	158
Mediatrrix Okindah	GD-06	493	30.05.2023	46	447	46
James Etyang	GD-06	263	30.05.2023	157	106	157
Rosemary Njenga	GD-06	138	30.05.2023	34	104	34
Lenny Mbaabu	GD-06	176	30.05.2023	-	176	-
Lawrence Ngeno	GD-07	98	30.05.2023	98	-	98
Jacinta Simiyu	GD-07	15	30.05.2023	15	-	15
Michael Koech	GD-07	836	30.05.2023	418	418	418
Stephen Onyango	GD-07	305	30.05.2023	123	182	123
Leonard Karani	GD-07	250	30.05.2023	168	82	168
Geoffrey Mibei	GD-07	74	30.05.2023	9	65	9
Tito Lopeyok	GD-07	289	30.05.2023	145	145	145
Fred Ogada	GD-07	50	30.05.2023	17	34	17
Robert Mukiri	GD-07	101	30.05.2023	51	51	51
Yussuf Mohamad	GD-07	68	30.05.2023	34	34	34

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Name of Staff	Job Group	Original Amount Kshs'000'	Date Payable Contracted	Amount Paid To- Date	Outstanding Balance 2022/23 Kshs'000'	Outstanding Balance 2021/22 Kshs'000'
Evans Bett	GD-07	149	30.05.2023	70	79	70
Lawrence Sekento	GD-07	5	30.05.2023	-	5	-
Leakey Auko	GD-07	300	30.05.2023	52	248	52
Zablon Mlawasi	GD-07	32	30.05.2023	-	32	-
Hockly Simboyi	GD-07	312	30.05.2023	205	107	205
Fridah Kiara	GD-07	286	30.05.2023	18	267	18
Phylis Cherono	GD-07	60	30.05.2023	17	43	17
David Kariuki	GD-07	151	30.05.2023	83	68	83
Rose Kiama	GD-07	74	30.05.2023	28	46	28
Wendy Abade	GD-07	281	30.05.2023	168	113	168
Benjamin Mbugua	GD-07	227	30.05.2023	227	-	227
Emily Leshao	GD-07	49	30.05.2023	47	2	47
Bernard Rotich	GD-07	308	30.05.2023	184	124	184
Kenneth Mugaravai	GD-07	19	30.05.2023	19	-	19
Evelyn Njoroge	GD-07	4	30.05.2023	-	4	-
John Mwaniki	GD-07	80	30.05.2023	80	-	80
Shammah Kiptanui	GD-07	705	30.05.2023	408	297	408
Moses Kachumo	GD-07	214	30.05.2023	92	122	92
Peter Mading	GD-07	25	30.05.2023	25	-	25
Douglas Ayata	GD-07	128	30.05.2023	32	96	32
Beatrice Kipchumba	GD-07	186	30.05.2023	186	-	186
Beatrice Mudibo	GD-06	17	30.05.2023	17	-	17
Felix Ochieng Otieno	GD-07	34	30.05.2023	34	0	34
Allan Mwangi Njoroge	GD-07	34	30.05.2023	34	-	34
Joseph Gichira	GD-07	11	30.05.2023	11	-	11
Siyad Hassan Abdi	GD-07	84	30.05.2023	84	-	84
Moses Chemeitoi	GD-07	205	30.05.2023	93	112	93
Diana Owino	GD-07	442	30.05.2023	166	277	166
Japhet Kipkorir Towett	GD-07	69	30.05.2023	13	56	13
Joseph Mutua	GD-06	509	30.05.2023	-	509	-

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Name of Staff	Job Group	Original Amount Kshs'000'	Date Payable Contracted	Amount Paid To- Date	Outstanding Balance 2022/23 Kshs'000'	Outstanding Balance 2021/22 Kshs'000'
Isaac Odeny Otieno	GD-06	3	30.05.2023	-	3	-
Keneth Kibet Korir	GD-06	18	30.05.2023	-	18	-
Noel Ndombi	GD-07	4	30.05.2023	-	4	-
Calistus Ndongoli	GD-07	6	30.05.2023	-	6	-
Frashia Wanjiku Njoroge	GD-07	28	30.05.2023	-	28	-
Edwin Kirarey	GD-07	55	30.05.2023	-	55	-
<b>Sub-Total</b>		<b>15,539</b>		<b>7,174</b>	<b>8,365</b>	<b>7,174</b>
<b>Permanent Employees - Others</b>						
Mirriam Kones	GD-08	346	30.05.2023	172	175	172
Patrick Korir	GD-08	17	30.05.2023	-	17	-
Shilla Kangongo	GD-08	13	30.05.2023	13	-	13
Ibrahim Walde	GD-08	100	30.05.2023	100	-	100
John Barmao	GD-08	22	30.05.2023	22	-	22
Ahmed Ali	GD-08	189	30.05.2023	189	-	189
Anthony Mwibanda	GD-08	79	30.05.2023	28	51	28
Nelly Kibor	GD-08	13	30.05.2023	13	-	13
Irene Cheruto	GD-08	60	30.05.2023	60	-	60
Jared Niyagwoka	GD-08	378	30.05.2023	219	158	219
Lambert Muriira	GD-08	191	30.05.2023	191	-	191
James Ngatia	GD-08	78	30.05.2023	-	78	-
Samuel Koech	GD-08	17	30.05.2023	17	-	17
Evans Nyamweya	GD-08	20	30.05.2023	20	-	20
Josephine Waweru	GD-08	47	30.05.2023	39	8	39
Eric Mbae	GD-08	90	30.05.2023	17	74	17
Isaiah Ochumah	GD-08	87	30.05.2023	48	39	48
George Muriga	GD-08	95	30.05.2023	86	8	86
David Awori	GD-08	93	30.05.2023	53	40	53
Joel Ayonga	GD-08	45	30.05.2023	45	-	45
Dennis Chirchir	GD-08	351	30.05.2023	119	232	119

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Name of Staff	Job Group	Original Amount Kshs'000'	Date Payable Contracted	Amount Paid To- Date	Outstanding Balance 2022/23 Kshs'000'	Outstanding Balance 2021/22 Kshs'000'
Peter Kamau	GD-08	20	30.05.2023	10	10	10
Beatrice Nyairo	GD-08	138	30.05.2023	18	120	18
Peter Ole Kachuma	GD-08	279	30.05.2023	210	69	210
Stella Barchok	GD-08	144	30.05.2023	74	70	74
Linet Sunguti	GD-08	20	30.05.2023	18	3	18
Samuel Oduor	GD-08	91	30.05.2023	91	-	91
Edwin Kabui	GD-08	330	30.05.2023	37	293	37
Dorcas Gumbo	GD-08	14	30.05.2023	14	-	14
Laura Chepkonga	GD-08	162	30.05.2023	83	79	83
Hapanna Galgallo	GD-08	335	30.05.2023	209	126	209
Mary Karanja	GD-09	91	30.05.2023	49	42	49
Hylene John	GD-09	386	30.05.2023	118	268	118
Anthony Mutinda	GD-09	28	30.05.2023	28	-	28
Benard Lochara	GD-09	24	30.05.2023	8	16	8
Edward Ochieng	GD-09	231	30.05.2023	111	120	111
Amos Lepatei	GD-09	71	30.05.2023	71	-	71
Elizabeth Wambunya	GD-09	255	30.05.2023	145	110	145
Rose Ndubi	GD-09	196	30.05.2023	119	77	119
Cyprian Maina	GD-09	602	30.05.2023	410	193	410
Richard Msenya	GD-09	77	30.05.2023	-	77	-
Patrick Wandoe	GD-09	147	30.05.2023	70	77	70
John Nkanata	GD-09	130	30.05.2023	36	94	36
Humphrey Nyongesa	GD-09	163	30.05.2023	80	84	80
Laban John	GD-09	8	30.05.2023	8	-	8
Paul Njoroge	GD-09	13	30.05.2023	8	5	8
Collins Simiyu	GD-09	30	30.05.2023	30	-	30
James Akali	GD-09	28	30.05.2023	28	-	28
Anthony Barasa	GD-09	99	30.05.2023	8	90	8
Gerald Njiru	GD-09	27	30.05.2023	25	2	25
Magdaline Kariuki	GD-09	73	30.05.2023	25	48	25

**Menengai Geothermal Project  
Reports and Financial Statements  
For the financial year ended June 30, 2023**

Name of Staff	Job Group	Original Amount Kshs'000'	Date Payable Contracted	Amount Paid To- Date	Outstanding Balance 2022/23 Kshs'000'	Outstanding Balance 2021/22 Kshs'000'
John Kiama	GD-09	100	30.05.2023	39	61	39
Furaha Baya	GD-09	121	30.05.2023	61	61	61
James Karori	GD-09	42	30.05.2023	-	42	-
Henry Onyango	GD-09	277	30.05.2023	252	25	252
Gregory Wahome	GD-09	150	30.05.2023	127	22	127
Albert Inoti	GD-09	105	30.05.2023	88	17	88
Isaac Kabebe	GD-09	180	30.05.2023	180	-	180
Enock Ngome	GD-09	155	30.05.2023	109	46	109
Jane Lekosek	GD-09	30	30.05.2023	23	7	23
Jonathan Wepukhulu	GD-10	33	30.05.2023	24	9	24
Elijah Ndegwa	GD-10	202	30.05.2023	111	90	111
Eric Amalemba	GD-10	21	30.05.2023	21	-	21
Japheth Wambua	GD-10	148	30.05.2023	62	85	62
Godfrey Okinda	GD-10	120	30.05.2023	65	55	65
Martin Gacheru	GD-10	62	30.05.2023	50	12	50
Mercy Waweru	GD-10	11	30.05.2023	-	11	-
Peter Imbo	GD-10	34	30.05.2023	29	5	29
Martin Nyaguthii	GD-10	128	30.05.2023	128	-	128
Violet Masese	GD-10	89	30.05.2023	89	-	89
Paul Odero	GD-10	16	30.05.2023	15	1	15
Joash Cheruiyot	GD-10	-	30.05.2023	-	-	-
Wilfred Maranga	GD-10	112	30.05.2023	47	65	47
Margaret Nduati	GD-10	68	30.05.2023	68	-	68
Peter Kimani	GD-12	3	30.05.2023	-	3	-
Jeniffer Owa	GD-12	47	30.05.2023	20	27	20
Ramadhan Lwimbu	GD-08	132	30.05.2023	44	88	44
Pauline Kinya Kiruki	GD-08	85	30.05.2023	85	-	85
Eric Ndegwa Maingi	GD-08	85	30.05.2023	85	-	85
Abdi Hassan Haji	GD-08	31	30.05.2023	31	-	31
Abel Simiyu	GD-08	49	30.05.2023	49	-	49

**Menengai Geothermal Project**  
**Reports and Financial Statements**  
**For the financial year ended June 30, 2023**

Name of Staff	Job Group	Original Amount Kshs'000'	Date Payable Contracted	Amount Paid To- Date	Outstanding Balance 2022/23 Kshs'000'	Outstanding Balance 2021/22 Kshs'000'
Janet Mosonik	GD-08	79	30.05.2023	78	1	78
Janet Waithera	GD-08	115	30.05.2023	48	67	48
Douglas Savatia	GD-08	134	30.05.2023	134	-	134
Eve Wakhungu	GD-08	13	30.05.2023	13	0	13
Kathleen Muchesia	GD-08	10	30.05.2023	10	-	10
Euticus Aziz Mola	GD-08	58	30.05.2023	58	-	58
Cidy Nabangi Waluke	GD-08	94	30.05.2023	94	-	94
Isaac Maina	GD-08	103	30.05.2023	99	4	99
Fouby Orwa Akinyi	GD-09	29	30.05.2023	29	-	29
Siele Davis Kimani	GD-09	38	30.05.2023	29	8	29
Elizabeth Njeri Ochieng	GD-09	27	30.05.2023	27	-	27
Mabel Achieng Matama	GD-09	53	30.05.2023	53	-	53
Jaacqueline Wairimu Kagur	GD-09	35	30.05.2023	35	-	35
Margaret Kungu	GD-09	8	30.05.2023	8	-	8
Emily Nderitu	GD-09	173	30.05.2023	173	-	173
Peninah Nyawira Weru	GD-09	14	30.05.2023	14	-	14
Peter Echapan Epuu	GD-09	76	30.05.2023	71	5	71
Catherine Achar	GD-09	60	30.05.2023	25	36	25
Janet Mwei	GD-09	49	30.05.2023	25	25	25
Ali Issak Abdi	GD-09	22	30.05.2023	22	-	22
Lionel Jambukila Akaranga	GD-09	34	30.05.2023	9	24	9
Peris Kwamboka Edimu	GD-09	25	30.05.2023	25	-	25
Loshe Tianta	GD-10	64	30.05.2023	64	-	64
Simon Wanyonyi Nyongesa	GD-10	14	30.05.2023	9	5	9
Noah Sipoi Maina	GD-10	8	30.05.2023	8	-	8
David Mwangi	GD-10	99	30.05.2023	99	-	99
Wilson Gitau	GD-10	117	30.05.2023	104	13	104
Raphael Kimani	GD-10	21	30.05.2023	21	-	21
Anastacia A. Onduru	GD-10	50	30.05.2023	37	13	37
Alice Wambui Kimani	GD-10	58	30.05.2023	36	21	36

**Menengai Geothermal Project  
Reports and Financial Statements  
For the financial year ended June 30, 2023**

Name of Staff	Job Group	Original Amount Kshs'000'	Date Payable Contracted	Amount Paid To- Date	Outstanding Balance 2022/23 Kshs'000'	Outstanding Balance 2021/22 Kshs'000'
Anna Macharia	GD-10	22	30.05.2023	11	11	11
Erick Maina Muchugu	GD-10	70	30.05.2023	70	-	70
Lucy Wesonga Were	GD-10	9	30.05.2023	9	-	9
Fred Mutuma	GD-10	69	30.05.2023	59	10	59
Martin Gakumo	GD-10	74	30.05.2023	43	32	43
Phyllis Mathenge	GD-08	165	30.05.2023	-	165	-
Elizabeth Njuguna	GD-08	40	30.05.2023	-	40	-
Duncan Wachira	GD-08	188	30.05.2023	188	-	188
Benard Omondi	GD-08	159	30.05.2023	139	20	139
Annah Mutune	GD-08	44	30.05.2023	35	8	35
Olivia Kimathi	GD-08	60	30.05.2023	60	-	60
Rose Simiyu	GD-08	11	30.05.2023	-	-	11
Ebbysibah Amoro	GD-08	177	30.05.2023	85	92	85
Christopher Okinda	GD-09	309	30.05.2023	179	131	179
Julias Gitangwa	GD-09	90	30.05.2023	50	40	50
David Basweti	GD-09	31	30.05.2023	-	31	-
Nicholas Mwangi	GD-09	67	30.05.2023	59	8	59
Margaret Sigilai	GD-09	120	30.05.2023	120	-	120
Rachel Mukua	GD-10	26	30.05.2023	-	26	-
Lorine Emerikwa	GD-10	4	30.05.2023	-	4	-
Henry Mutali Wamalwa	GD-08	49	30.05.2023	-	49	-
Philip Shikanga	GD-08	73	30.05.2023	-	73	-
Racheal Wambui Kariuki	GD-08	29	30.05.2023	-	29	-
Valentine Jebet Kiptui	GD-08	29	30.05.2023	-	29	-
Nancy Kirui	GD-08	22	30.05.2023	-	22	-
Ronald Morusoi	GD-09	32	30.05.2023	-	32	-
Moses Wafula Barasa	GD-09	27	30.05.2023	-	27	-
Marion Ileri	GD-10	13	30.05.2023	-	13	-
Joyce Kiiru	GD-10	11	30.05.2023	-	11	-
Hezekiah Anasi	GD-10	24	30.05.2023	-	24	-

**Menengai Geothermal Project  
Reports and Financial Statements  
For the financial year ended June 30, 2023**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2022/23	Outstanding Balance 2021/22
		Kshs'000'		Kshs'000'	Kshs'000'	Kshs'000'
<b>Sub-Total</b>		<b>12,908</b>	<b>-</b>	<b>8,072</b>	<b>4,836</b>	<b>8,072</b>
<b>Temporary Employees</b>						
Cornel Ofwona	GD-01	1,289	30.05.2023	775	515	775
Tikani Lepose	GD-10	5	30.05.2023	5	-	5
Dickson Njapit	GD-05	174	30.05.2023	157	17	157
Joshua Makau Muendo	GD-08	96	30.05.2023	96	-	96
Joseph Murikira	GD-11	6	30.05.2023	6	-	6
Isaac Kering	GD-08	63	30.05.2023	48	15	48
Halkano Roma	GD-08	55	30.05.2023	55	-	55
Pauline Nchurie	GD-11	162	30.05.2023	122	40	122
Festus Korir	GD-08	69	30.05.2023	69	-	69
Stephen Kores	GD-10	55	30.05.2023	14	41	14
Justus Wanjiku	GD-09	10	30.05.2023	10	-	10
Calvine Longeshele	GD-08	58	30.05.2023	58	-	58
Judith Nafula	GD-12	158	30.05.2023	72	86	72
Crispo Maranga Ongaki	GD-08	73	30.05.2023	-	73	-
Hassan Intalo	GD-08	25	30.05.2023	-	25	-
Paul Chebor	GD-08	17	30.05.2023	-	17	-
Mathew Malipe	GD-09	13	30.05.2023	-	13	-
Geoffrey Mwenda	GD-08	20	30.05.2023	-	20	-
Isaac Simat	GD-08	27	30.05.2023	-	27	-
Nicholas Kebut	GD-10	89	30.05.2023	-	89	-
Valentine Kiprotich	GD-10	89	30.05.2023	-	89	-
Esther Omutiti	GD-12	54	30.05.2023	-	54	-
James Kiragu	GD-11	59	30.05.2023	-	59	-
Lydia Owino	GD-12	54	30.05.2023	-	54	-
Janeth Chebeth	GD-11	59	30.05.2023	-	59	-
Ali Njirima Dida	GD-10	8	30.05.2023	-	8	-
Caren Bartuna	GD-12	54	30.05.2023	-	54	-
<b>Sub-Total</b>		<b>2,841</b>		<b>1,488</b>	<b>1,353</b>	<b>1,488</b>

***Mengai Geothermal Project  
Reports and Financial Statements  
For the financial year ended June 30, 2023***

<b>Name of Staff</b>	<b>Job Group</b>	<b>Original Amount</b>	<b>Date Payable Contracted</b>	<b>Amount Paid To-Date</b>	<b>Outstanding Balance 2022/23</b>	<b>Outstanding Balance 2021/22</b>
		Kshs'000'		Kshs'000'	Kshs'000'	Kshs'000'
<b>Grand Total</b>		<b>34,124</b>		<b>17,696</b>	<b>16,428</b>	<b>17,696</b>

*Menengai Geothermal Project  
Reports and Financial Statements  
For the financial year ended June 30, 2023*

**ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER**

	Opening Cost	*Purchases/ Additions in the Year	Closing Cost
	FY 2021/2022	FY 2022/2023	FY 2022/2023
	(a)	(c)	(e)= (a)+ (b)+c)-(d)+(-)d
Land	71,806	-	71,806
Buildings and structures	71,677	1,480	73,157
Construction of roads & civil works	5,050,670	2,225	5,052,895
Office equipment, furniture and fittings	326,479	2,531	329,011
Other machinery and equipment	11,204,273	28,067	11,232,340
Exploration and evaluation activities	48,872,383	108,210	48,980,592
Intangible assets	366,099	-	366,099
<b>Total</b>	<b>65,963,387</b>	<b>142,514</b>	<b>66,105,900</b>

**APPENDICES**

**Bank reconciliations**

- I. Co-operative Bank of Kenya [A/c No 02150168576]
- II. Co-operative Bank of Kenya [A/c No 02120160857600]
- III. Co-operative Bank of Kenya [A/c No 22120160857600]
- IV. Co-operative Bank of Kenya [A/c No 01136160857603]
- V. Co-operative Bank of Kenya [A/c No 01136160857600]

These accounts are shared between the projects and the recurrent expenditure for GDC.

- a) Cooperative Bank of Kenya (A/c No 01136350124400)
  - b) Kenya Commercial Bank [A/c No 119615208]
- VI. Inter entity transfer.

Mengwa


BANK RECONCILIATION REPORT

GEOTHERMAL DEVELOPMENT COMPANY LIMITED  
CO-OP Kusco Upper Hill Main A/C (USD)  
Bank Acc No. 02120160857600  
AS AT 30.06.2023

Account Description	Account	Balance (USD)
Main Bank A/C	140140	113,796.05
INCOMING CHEQUES	140141	0.00
OUTGOING CHEQUES	140142	0.00
CASH IN TRANSIT A/C	140143	0.00
CASH BOOK BALANCE	USD	113,796.05

Prepared By : Moses M. 08/07/23

Checked By : \_\_\_\_\_

Reviewed By : L Khaemba  10/07/2023.





BANK RECONCILIATION REPORT

GEOHERMAL DEVELOPMENT COMPANY LIMITED  
CO-OP Nakuru Branch Main A/C (KES)  
Bank Acc No. 01136350124400  
AS AT 30.06.2023

Account Description	Account	Balance (KES)
Main Bank A/C	140110	136,095.73
INCOMING CHEQUES	140111	0.00
OUTGOING CHEQUES	140112	0.00
CASH IN TRANSIT A/C	140113	0.00
CASH BOOK BALANCE	KES	136,095.73



Prepared By : NELLY KIBOR 

Checked By : 

Reviewed By : \_\_\_\_\_



BANK RECONCILIATION REPORT

GEOHERMAL DEVELOPMENT COMPANY LIMITED  
European Investment Bank Subsidy Account Kes  
Bank Acc No. 01136160857601  
AS AT 30.06.2023

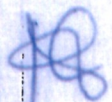
Account Description	Account	Balance (KES)
Main Bank A/C	141140	2,755,790.12
INCOMING CHEQUES	141141	0.00
OUTGOING CHEQUES	141142	0.00
CASH IN TRANSIT A/C	141143	0.00
CASH BOOK BALANCE	KES	2,755,790.12

Prepared By :

Moss M. 05/07/23

Checked By :

Reviewed By :

L Khaemba  10/07/2023

