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*The Hon. Minister for Energy and Regional Development,
P.O. Box 30582,
Nairobi.*

30th September, 1986

DEAR SIR,

THE KENYA POWER AND LIGHTING COMPANY LIMITED

As auditors appointed under the provisions of the Electric Power Act, we have examined and audited the accounts of the above Company for the year ended 30th June, 1986.

In terms of section 47 of the Electric Power Act there is no liability for 1986.

In our opinion the accounts are drawn up to give the necessary information required by the Electric Power Act.

The accounts will be forwarded directly by the Secretary of The Kenya Power and Lighting Company Limited.

Yours faithfully,

GILL AND JOHNSON,
Certified Public Accountants
(Kenya).

No. I—CENTRAL OFFICE

DISTRIBUTING LICENCES Nos. 2, 4, 8, 9, 12, 13, 14, 16, 17, 18, 19, 22, 23, 25, 26, AND 27

THE KENYA POWER AND LIGHTING COMPANY LIMITED

18 MONTHS ENDED 30TH JUNE, 1986

STATEMENT OF STOCK CAPITAL APPROPRIATED FOR THE PURPOSES OF THE UNDERTAKING
AUTHORIZED BY THE ABOVE-MENTIONED LICENCES ON THE 30TH JUNE, 1986

Description of capital	Authorized by	Number of stock units issued	Nominal amount of stock unit	Called up per stock unit	Total paid up	Issued not paid up	Remaining unissued	Total amount authorized
			K£	K£	K£	K£	K£	K£
Ordinary ..	Memorandum and Articles of Assoc.	—	—	—	—	—	—	350,000
Undenominated	Memorandum and Articles of Assoc. amended by General Meeting, 29-12-33	—	—	—	—	—	—	300,000
Undenominated	Ditto, 10-6-37	—	—	—	—	—	—	250,000
Ordinary ..	Ditto, 26-1-22	70,000	1	1	70,000	—	—	—
Ordinary ..	Directors' Meeting, 8-5-23	200,000	1	1	200,000	—	—	—
Ordinary ..	Ditto, 18-10-28	30,000	1	1	30,000	—	—	—
Ordinary ..	Ditto, 8-12-32	50,000	1	1	50,000	—	—	—
Ordinary ..	Ditto, 25-1-34	195,000	1	1	195,000	—	—	—
Ordinary ..	Ditto, 13-6-39	211,250	1	1	211,250	—	—	—
Cumulative Preference 7%	Memorandum and Articles of Assoc. amended by General Meeting, 15-6-27	—	—	—	—	—	—	350,000
Cumulative Preference 7%	Directors' Meeting, 30-11-27	270,000	1	1	270,000	—	—	—
Cumulative Preference 7%	Ditto, 8-12-32	30,000	1	1	30,000	—	—	—
Undenominated	Memorandum and Articles of Assoc. amended by General Meeting, 29-9-44	—	—	—	—	—	—	250,000
Ordinary ..	Directors' Meeting 30-6-45	357,083	1	1	357,083	—	—	—
Undenominated	Memorandum and Articles of Assoc. amended by General Meeting, 28-8-46	—	—	—	—	—	—	1,000,000
Cumulative Preference 4%	Directors' Meeting, 7-4-48	800,000	1	1	800,000	—	—	—
Undenominated	Memorandum and Articles of Assoc. amended by General Meeting, 14-10-48	—	—	—	—	—	—	2,000,000
Cumulative Preference 4%	Directors' Meeting, 4-10-49	1,000,000	1	1	1,000,000	—	—	—
Ordinary ..	Ditto, 4-10-49	1,000,000	1	1	1,000,000	—	—	—
Undenominated	Memorandum and Articles of Assoc. amended by General Meeting, 21-11-50	—	—	—	—	—	—	2,000,000
Ordinary ..	Directors' Meeting, 19-10-51	1,000,000	1	1	1,000,000	—	—	—
Ordinary ..	Ditto, 12-6-52	1,737,777	1	1	1,737,777	—	—	—
Undenominated	Memorandum and Articles of Assoc. amended by General Meeting, 18-6-52	—	—	—	—	—	—	1,000,000

Description of capital	Authorized by	Number of stock units issued	Nominal amount of stock unit	Called up per stock unit	Total paid up	Issued not paid up	Remaining unissued	Total amount authorized
			K£	K£	K£	K£	K£	K£
All Issued Shares converted to the same class of Stock Units of the same nominal value	Memorandum and Articles of Assoc. amended by General Meeting, 8-12-52	—	—	—	—	—	—	—
Undenominated	Memorandum and Articles of Assoc. amended by General Meeting, 9-7-54	—	—	—	—	—	—	2,500,000
Ordinary (Converted from Debenture Stock) (1960/69)	Memorandum and Articles of Assoc. amended by Directors' Meeting, 18-1-56	—	—	—	—	—	—	—
		70,125	1	1	70,125	—	—	—
	Ditto, 16-1-57	8,466	1	1	8,466	—	—	—
	Ditto, 30-1-58	173,016	1	1	173,016	—	—	—
	Ditto, 21-1-59	692,909	1	1	692,909	—	—	—
	Ditto, 19-1-60	129,129	1	1	129,129	—	—	—
	Ditto, 20-4-60	150,000	1	1	150,000	—	—	—
Ordinary Cumulative Preference 7%	Ditto, 20-4-60	50,000	1	1	50,000	—	—	—
Ordinary (Scrip Issue from Capital Reserves)	Extraordinary General Meeting, 12-6-64	1,516,749	1	1	1,516,749	—	—	—
Ordinary (Bonus Issue from Capital Reserves)	Extraordinary General Meeting, 27-5-77	258,496	1	1	258,496	—	—	—
Ordinary ..	Memorandum and Articles of Assoc. Extraordinary General Meeting, 29-5-81	—	—	—	—	—	—	2,500,000
Ordinary (Bonus Issue from Capital Reserves)	Extraordinary General Meeting, 29-5-81	392,500	1	1	392,500	—	—	—
Ordinary (Bonus Issue from Capital and General Reserve)	Extraordinary General Meeting, 27-5-83	549,500	1	1	549,500	—	1,558,000	—
		10,942,000	—	—	10,942,000	—	1,558,000	12,500,000

No. II—CENTRAL OFFICE

STATEMENT OF LOAN CAPITAL APPROPRIATED FOR THE PURPOSES OF THE UNDERTAKING
AUTHORIZED BY THE ABOVE-MENTIONED LICENCES ON 30TH JUNE, 1986

Description of Loans .. Stg. £2,600,000 'A' Debenture Stock 1975/91 (for Commonwealth Development Corporation).
—Secured
Stg. £350,000 8½% Debenture Stock 1971/85 (for Commonwealth Development Corporation).
—Secured
Stg. £1,500,000 7½% 'E' Debenture Stock 1979/88 (for Commonwealth Development Corporation).
—Secured
K£ 1,000,000 8% Kenya Government/Finnish Loan 1982/96
K£ 43,805,500 10% Kenya Government/Canadian Loan 1988/2000.
K£ 2,218,000 10% Kenya Government/Canadian Line of Credit 1988/2000.
Swiss Francs 1,450,000 Swiss Mixed Credit Loan 1984/1989.
Swiss Francs 3,000,000 Swiss Mixed Credit Loan 1987/1993.

	Principal including capitalized interest	Awaiting issue	Total
	K£	K£	K£
Amount borrowed: (less redeemed)			
9½% 'A' Debenture Stock 1975/91	291,507	—	291,507
9% 'A' Debenture Stock 1975/91	1,333,766	—	1,333,766
8½% 'A' Debenture Stock 1975/91	290,809	—	290,809
7½% 'E' Debenture Stock 1979/88	563,479	—	563,479
8% Kenya Government/Finnish Loan 1982/96	805,768	—	805,768
10% Kenya Government/Finish Loan 1988/2002	1,543,571	—	1,543,571
10% Kenya Government/Canadian Loan Credit 1988/2000	46,461,512	—	46,461,512
10% Kenya Government/Canadian Line of Credit 1988/2000	2,264,621	—	2,264,621
7.75% Best and Crompton Deferred Supply/ Services Credit 1984/1990	1,249,353	—	1,249,353
Swiss Mixed Credit Loan 1984/1989	427,986	—	427,986
Swiss Mixed Credit Loan 1987/1993	875,384	484,683	1,360,567
	56,108,256	484,683	56,592,939

Remaining borrowing powers K£ 18,758,284

Total Amount of borrowing powers As authorized by the Company's Memorandum and Articles of Association
is K£ 75,000,000.

K£

Total Share Capital paid up, (See No. 1) 10,942,000

Total Debentures and Loan Capital (See No. 11) 56,108,256

TOTAL CAPITAL RECEIVED... .. K£ 67,050,256

	Balance of expenditure at 31-12-84	Additions during Period	Deductions during Period	Balance of expenditure at 30-6-86		Receipts to 31-12-84	Received during Period	Total receipts to 30-6-86
	K£	K£	K£	K£		K£	K£	K£
A. GENERATION								
(i) Land, including law charges incidental to acquisition	Nil	Nil	Nil	Nil	Ordinary Stock Units of Sh. 20 each	8,792,000	—	8,792,000
(ii) Buildings and other permanent works ..	Nil	Nil	Nil	Nil	Preference Stock Units of Sh. 20 each	2,150,000	Nil	2,150,000
(iii) Hydraulic works	Nil	Nil	Nil	Nil	Debenture stock	2,167,320	312,241	2,479,561
(iv) Plant, machinery and machine foundations	Nil	Nil	Nil	Nil	Loan Capital	54,074,396	(445,701)	3,628,69
(v) Switchgear, cabling and miscellaneous items	Nil	Nil	Nil	Nil				
(vi) Other items	Nil	Nil	Nil	Nil				
B. MAIN TRANSMISSION SYSTEM					Mortgages and bonds ..	Nil	Nil	Nil
(i) Land, including law charges incidental to acquisition	Nil	Nil	Nil	Nil	Amount received in anticipation of calls	Nil	Nil	Nil
(ii) Buildings and other permanent works ..	Nil	Nil	Nil	Nil	Sales of patents or patent rights, etc.	Nil	Nil	Nil
(iii) Main transmission lines	Nil	Nil	Nil	Nil	Other receipts	Nil	Nil	Nil
(iv) Transforming apparatus	Nil	Nil	Nil	Nil				
(v) Switchgear, cabling and miscellaneous items	Nil	Nil	Nil	Nil				
(vi) Other items	Nil	Nil	Nil	Nil				
C. DISTRIBUTION SYSTEM								
(i) Land, including law charges incidental to acquisition	Nil	Nil	Nil	Nil				
(ii) Buildings and other permanent works ..	Nil	Nil	Nil	Nil				
(iii) Distributing mains	Nil	Nil	Nil	Nil				
(iv) Transforming apparatus	Nil	Nil	Nil	Nil				
(v) Switchgear, cabling and miscellaneous items	Nil	Nil	Nil	Nil				
(vi) Service lines	Nil	Nil	Nil	Nil				
(vii) Meters and accessories and fees for certifying under the Act and cut-outs	Nil	Nil	Nil	Nil				
(viii) Other items	Nil	Nil	Nil	Nil				
Carried forward .. K£	Nil	Nil	Nil	Nil	Carried forward .. K£	67,183,716	(133,460)	67,050,256

No. III—CENTRAL OFFICE

Dr. CAPITAL ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd.)

Cr.

	Balance of expenditure at 31-12-84	Additions during Period	Deductions during Period	Balance of expenditure at 30-6-86		Total receipts to 31-12-84	Received during Period	Total receipts to 30-6-86
	K£	K£	K£	K£		K£	K£	K£
<i>Brought forward</i> ..	Nil	Nil	Nil	Nil	<i>Brought forward</i>	67,183,716	(133,460)	67,050,256
D. MISCELLANEOUS								
(i) Preliminary and development expenditure ..	Nil	Nil	Nil	Nil				
(ii) Land, including law charges incidental to acquisition	38,097	Nil	Nil	38,097				
(iii) Buildings and other permanent works ..	1,056,456	Nil	Nil	1,056,456				
(iv) Tools, implements and testing apparatus ..	83,491	10,533	Nil	94,024				
(v) Furniture and fittings	122,152	24,557	Nil	146,709				
(vi) Motor vehicles	Nil	Nil	Nil	Nil				
(vii) Apparatus on hire	Nil	Nil	Nil	Nil				
(viii) Cost of licences	Nil	Nil	Nil	Nil				
(ix) Purchase of patents or patent rights ..	Nil	Nil	Nil	Nil				
(x) General stores	Nil	Nil	Nil	Nil				
(xi) Works under construction (unallocated) ..	3,615,183	Nil	2,046,329	1,568,854				
(xii) Other items:								
(a) Demonstration mobile kitchen	5,453	Nil	Nil	5,453				
(b) Training mains	Nil	Nil	Nil	Nil				
(c) Fencing and security lighting	Nil	Nil	Nil	Nil				
(d) Office machines	95,425	50,894	196	146,123				
(e) Aeroplane	324,245	Nil	Nil	324,245				
(f) Radio communication sets	19,750	Nil	Nil	19,750				
	5,360,252	85,984	2,046,525	3,399,711				
E. BRANCHES								
CAPITAL INVESTMENT IN BRANCHES ..	111,192,810	7,109,985	Nil	118,302,795				
TOTAL EXPENDITURE	<u>116,553,062</u>	<u>7,195,969</u>	<u>2,046,525</u>	<u>121,702,506</u>	TOTAL CAPITAL.. K£	<u>67,183,716</u>	<u>(133,460)</u>	<u>67,050,256</u>
BALANCE			DEBIT K£	<u>54,652,250</u>				

1. Provision for depreciation of works is made by a debit of K£ 216,778 to the Central Office Revenue Account, transferred to Central Office Depreciation Reserve Account (No. VII).

No. V—CENTRAL OFFICE

DR.

NET REVENUE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986

Cr.

	K£	K£		K£	K£
1. Interest paid and accrued to date:			1. Balance from last account	12,252,018	
(a) Mortgages and bonds	113,133		Less:		
(b) Debenture stock	345,841		(a) Dividends paid—final dividend ordinary stock	Nil	
(c) Temporary loans	Nil		(b) Other items	Nil	12,252,018
(d) Long-term loans	619,460	1,078,434			
2. Interim dividends paid:			2. Balance brought from Nairobi, Mount Kenya, Coast, Rift and West Kenya Revenue Account (No. IV) ..		20,952,649
(a) Preference stock	144,750				
(b) Ordinary stock	Nil				
	144,750		3. Interest on investments, deposits, etc.:		
(c) Less interest paid out of capital	Nil	144,750	(a) Interest on short-term loans	779,641	
3. Carried to General Reserve Account (No. VI) ..	Nil		(b) Interest on industrial investments (quoted) ..	Nil	
4. Preliminary and development expenses written-off ..	Nil		(c) Interest on Tax Reserve Certificates	55,000	
5. Taxation:			(d) Staff loans and sundries	22,238	
(a) Kenya	8,590,397		(e) Interest on loans to subsidiary and associated companies	Nil	
Less: overprovided in previous years	Nil		(f) Interest on maturing on bills receivable	196,197	1,053,076
	8,590,397				
(b) United Kingdom	Nil	8,590,397	4. Other items:		
6. Loss on Exchange Rate fluctuations		366,711	(a) Transfer fees	Nil	
7. Other items:			(b) U.K. income tax paying agents commission ..	Nil	
(a) Unallocated expenditure on Revenue Account ..		Nil	(c) Depreciation recouped:		
(b) Reserve for ordinary stock final dividend ..		1,142,960	(i) Charged against transport (all areas) ..	Nil	
(c) Development Reserve Account		Nil	(ii) Sundries	Nil	
(d) Geothermal Steam Exploration Reserve		Nil	(iii) Depreciation reserve	216,778	
(e) Depreciation Reserve		216,778	(d) Electricity House rents receivable less expenses ..	407,842	
(f) Preliminary Development written-off		Nil	(e) Gain on exchange rate fluctuations	Nil	624,620
(g) Debenture Stock Redeemed		Nil			
(h) Depreciation Reserve awaiting allocation ..		Nil			
(i) Reserve for future taxation		2,500,000			
(j) Loss on exchange rate fluctuations		Nil			
(k) Exchange Equalization Reserve		Nil			
(l) Provision for tax on Geothermal Project disposal ..		Nil			
(m) General Reserves					
Balance appropriated as under:					
Carried to General Balance Sheet (No. VIII)		20,842,333			
	K£	34,882,363		K£	34,882,363

No. VI—CENTRAL OFFICE

DR.

GENERAL RESERVE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986

CR.

	K£		K£
1. Amount applied as under: Bonus Issue	—	1. Balance from last account	7,373,964
2. Balance as per General Balance Sheet (No. VIII)	7,373,964	2. Amount transferred from Net Revenue Account (No. V)	—
		3. Interest on amount invested	—
		4. Amount transferred from Development and Exchange Equalization Reserve	—
	K£ 7,373,964		K£ 7,373,964

No. VII—CENTRAL OFFICE

DR.

DEPRECIATION RESERVE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986

CR.

	K£		K£
1. Amount applied as under:		1. Balance from last account	560,828
(a) Written off capital expenditure	Nil	2. Amount transferred from Net Revenue Account (No. V)	216,778
(b) Expended on renewals not including betterment	Nil	3. Interest on amount invested	—
2. Depreciation applicable to transfer of assets from Central Office	195		
3. Balance as per General Balance Sheet (No. VIII)	777,411		
	K£ 777,606		K£ 777,606

TOTAL PROVISION MADE FOR DEPRECIATION	Total to 31-12-84	Added during Period	Deducted during Period	Total to 30-6-86
	K£	K£	K£	K£
1. Amount written off as per Net Revenue Account (No. V):				
(a) Deducted from capital expenditure	Nil	Nil	Nil	Nil
(b) Net residual value on fixed asset disposals	Nil	Nil	Nil	Nil
2. Amount applied from Depreciation Reserve Account (No. VII):				
(a) Written-off capital expenditure	59,882	Nil	Nil	59,882
(b) Expended on renewals but not including betterment	Nil	Nil	Nil	Nil
3. Balance of Depreciation Reserve Account (No. VII)	560,828	216,778	195	777,411
	K£ 620,710	216,778	195	837,293

GENERAL BALANCE SHEET AS AT 30TH JUNE, 1986

CAPITAL AND LIABILITIES		PROPERTY AND ASSETS	
1. Amount received as per Capital Account (No. III)	K£ 67,050,256	1. Expenditure as per Capital Account (No. III)	K£ 121,702,506
2. Sundry creditors, taxation and long-term liabilities:		2. Investments:	K£
(a) Sundry tradesmen and others due on construction of plant and machinery, fuel, stores, etc., to 30th June, 1986	Nil	(a) Associated companies at Directors valuation (cost)	
(b) Sundry creditors on open accounts	12,246,955	Tana River Development Company Limited—debentures	Nil
(c) Taxation	3,646,434	(b) The Kenya Power Company Limited—loan	Nil
(d) Bank Overdraft	3,312,284	(c) Short-term deposits	4,501,199
		(d) Tax reserve certificates	1,000,000
3. Balance at credit of:		(e) The Government of the United Republic of Tanzania bills receivable	Nil
(a) Net Revenue Account (No. V)	20,842,333	(f) Treasury bills—Central Bank of Kenya	1,500,000
(b) General Reserve Account (No. VI)	7,373,964	3. Stores:	
(c) Depreciation Reserve Account (No. VII)	777,411	General (in transit)	3,464,088
4. Other items:		4. Preliminary and development expenses	Nil
(a) Development Reserve Account	Nil	5. Sundry debtors:	
(b) Geothermal Steam Exploration Reserve Account	Nil	(a) For amounts paid on account of contracts in course of completion	Nil
(c) Capital Reserve Account	615,210	(b) For electrical energy supplied to 30th June, 1984	Nil
(d) Reserve for leave pay and passages	130,820	(c) Other debtors:	
(e) Reserve for final dividend on ordinary stock 1986	Nil	(i) Sundries	1,976,443
(f) Reserve for stores revaluation	590,101		
(g) Reserve for future taxation	12,350,000	6. Other items	Nil
(h) Reserve for bad and doubtful debts	256,464	7. Cash at bank and in hand	353,723
(i) Reserve for deferred interest	Nil		
(j) Reserve for depreciation awaiting allocation	Nil		
(k) Exchange Equalization Reserve	Nil		
(l) TRDC Foreign Loan Currency Realignment	5,305,725		
	K£ 134,497,957		K£ 134,497,959

As Auditors appointed under the provision of the Electric Power Act, we certify that all our requirements have been complied with and that we have examined and audited the accounts of the Company for the 18 months period ended 30th June, 1986 as set out above and on the accompanying Schedule Nos. I, II, III, V, VI and VII for Central Office and on Schedule Nos. III, IV, VII and VIII for the Nairobi, Mount Kenya, Coast, Rift and West Kenya areas.

In our opinion the accounts are in accordance with the books of the Company and are properly drawn up to give the necessary information required by the Electric Power Act.

NAIROBI

GILL & JOHNSON,
Certified Public Accountants (Kenya).

S. K. GICHURU,
Director of Company.

J. N. KIMANI,
Secretary.

No. III—NAIROBI, MOUNT KENYA, COAST, RIFT AND WEST KENYA

DR.

CAPITAL ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986

CR.

	Balance of expenditure at 31-12-84	Additions during Period	Deductions during Period	Balance of expenditure at 30-6-86		Receipts to 31-12-84	Received during Period	Total receipts to 30-6-86
	K£	K£	K£	K£		K£	K£	K£
A. GENERATION								
(i) Land, including law charges incidental to acquisition	233,292	—	Nil	233,292	Ordinary Stock Units of Sh. 20 each	Nil	Nil	Nil
(ii) Buildings and other permanent works	1,781,508	Nil	Nil	1,781,508				
(iii) Hydraulic works	88,163	Nil	Nil	88,163	Preference Stock Units ..	Nil	Nil	Nil
(iv) Plant, machinery and machine foundations	10,882,402	267,646	606,038	10,544,010				
(v) Switchgear, cabling and miscellaneous items	1,379,393	Nil	Nil	1,379,393				
(vi) Other items:					Debenture Stock	Nil	Nil	Nil
(a) Fencing and security lighting	7,650	Nil	Nil	7,650	Mortgages and Bonds ..	Nil	Nil	Nil
(b) Boreholes	1,016	Nil	Nil	1,016				
(c) Workshop plant	5,169	Nil	Nil	5,169	Amounts received in anticipation of calls	Nil	Nil	Nil
B. MAIN TRANSMISSION SYSTEM								
(i) Land, including law charges incidental to acquisition	Nil	Nil	Nil	Nil	Sales of patents or patent rights, etc.	Nil	Nil	Nil
(ii) Buildings and other permanent works	Nil	Nil	Nil	Nil	Other receipts	Nil	Nil	Nil
(iii) Main transmission lines	54,451,915	3,246,098	—	57,698,013	Capital appropriated to the Nairobi, Mount Kenya, Coast, Rift and West Kenya Undertaking	111,192,810	7,109,985	118,302,795
(iv) Transforming apparatus	282,319	Nil	Nil	282,319				
(v) Switchgear, cabling and miscellaneous items	458,499	Nil	Nil	458,499				
(vi) Other items:								
(a) Fencing and security lighting	Nil	Nil	Nil	Nil				
(b) Control equipment	Nil	Nil	Nil	Nil				
C. DISTRIBUTION SYSTEM								
(i) Land, including law charges incidental to acquisition	114,496	17,483	Nil	131,979				
(ii) Buildings and other permanent works	660,277	1,321,155	Nil	1,981,432				
(iii) Distributing mains								
(iv) Transforming apparatus	20,061,228	3,189,715	58,683	23,192,260				
(v) Switchgear, cabling and miscellaneous items								
(vi) Service lines	1,911,837	(55,817)	Nil	1,856,020				
(vii) Meters and accessories and fees for certifying under the Act and cut-outs	4,663,562	1,969,128	—	6,632,690				
(viii) Other items:								
(a) Workshop plant and machinery	49,016	Nil	Nil	49,016				
(b) Fencing and security lighting	118,650	69,127	Nil	187,777				
(c) Control equipment	24,480	Nil	Nil	24,480				
<i>Carried forward</i> ..	K£ 97,174,872	10,024,535	664,721	106,534,686	<i>Carried forward</i> K£	111,192,810	7,109,985	118,302,795

No. III—NAIROBI, MOUNT KENYA, COAST, RIFT AND WEST KENYA

DR. CAPITAL ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd).

CR.

	Balance of expenditure at 30-12-84	Additions during Period	Deductions during Period	Balance of expenditure at 30-6-86		Receipts to 31-12-84	Received during Period	Total receipts to 30-6-86
<i>Brought forward</i> .. K£	K£ 97,174,872	K£ 10,024,535	K£ 664,721	K£ 106,534,686	<i>Brought forward</i> K£	K£ 111,192,810	K£ 7,109,985	K£ 118,302,795
D. MISCELLANEOUS								
(i) Preliminary and development expenditure ..	Nil	Nil	Nil	Nil				
(ii) Land including law charges incidental to acquisition	188,318	1,917	Nil	190,235				
(iii) Buildings and other permanent works ..	6,098,996	187,761	Nil	6,286,757				
(iv) Tools and implements and testing apparatus	1,517,371	319,515	Nil	1,836,886				
(v) Furniture and fittings	402,361	49,873	Nil	452,234				
(vi) Motor vehicles	5,735,787	2,990,749	165,246	8,561,290				
(vii) Apparatus on hire	55,176	Nil	Nil	55,176				
(viii) Cost of licences	8,213	Nil	Nil	8,213				
(ix) Purchase of patents or patent rights ..	Nil	Nil	Nil	Nil				
(x) General stores	14,371,907	1,289,245	Nil	15,661,152				
(xi) Works under construction (unallocated) ..	7,244,636	1,077,779	Nil	8,322,415				
(xii) Training School:								
(a) Land, including law charges incidental to acquisition	527	Nil	Nil	527				
(b) Buildings and other permanent works	611,638	Nil	Nil	611,638				
(c) Lines—HT and LT	776	Nil	Nil	776				
(d) Transforming apparatus	202	Nil	Nil	202				
(e) Switchgear, cabling and miscellaneous items	95	Nil	Nil	95				
(f) Fencing and security lighting	510	Nil	Nil	510				
(g) Furniture and fittings	15,560	16,301	Nil	31,861				
(h) Office machines	4,740	755	Nil	5,495				
(i) Tools and implements	80,293	61,307	Nil	141,600				
(xiii) Other items:								
(a) Radio communication equipment ..	162,772	Nil	Nil	162,772				
(b) Jamhuri Park Showstand and Emergency Depot	13,912	Nil	Nil	13,912				
(c) Office machines	384,062	58,761	Nil	442,823				
(d) Computer installation	62,429	Nil	Nil	62,429				
(e) Time switches and rhythmic controls	317,903	Nil	Nil	317,903				
(f) Sundry unallocated expenditure ..	2,907	Nil	Nil	2,907				
(g) Juja-Kindaruma carrier link	101,427	Nil	Nil	101,427				
(h) Telephone equipment	30,291	Nil	Nil	30,291				
(i) Nyali showground stand	3,986	Nil	Nil	3,986				
(j) Air conditioners	57,122	3,750	Nil	60,872				
(k) Temporary buildings	4,222	Nil	Nil	4,222				
(l) Fencing and security lighting	5,014	Nil	Nil	5,014				
TOTAL EXPENDITURE .. K£	K£ 134,658,025	16,082,248	829,967	149,910,306	TOTAL CAPITAL K£	K£ 111,192,810	7,109,985	118,302,795
				DEBIT .. K£				
				31,607,511				

(1.) Provision for depreciation of works is made by a debit of K£7,691,170 to Nairobi, Mount Kenya, Coast, Rift and West Kenya Revenue Account transferred to Nairobi, Mount Kenya, Coast, Rift and West Kenya Depreciation Reserve Account (No. VII).

No. IV—NAIROBI, MOUNT KENYA, COAST, RIFT AND WEST KENYA

DR.

REVENUE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986

CR.

	K£	K£		K£	K£
A. GENERATION					
1. Water, coal and other fuel including dues, carriage, unloading, storing and all expenses of placing the same on the works, and disposal of waste products ..	6,156,813		1. Sale of electricity energy:		
2. Oil, waste, water and engine room stores ..	1,363,775		(a) By meter at 77.98 cents per Kelvin (average)	115,652,272	
3. Proportion of salaries, wages and gratuities as certified by the General Manager, Chairman or Engineer ..	2,323,316		(b) By public lighting at 88.63 cents per Kelvin (average)	577,241	
4. Repairs, maintenance and renewals: K£			(c) By other sales	Nil	
(a) Land	Nil		2. Rental of meters and accessories		116,229,513
(b) Buildings and other permanent works	67,083		3. Hire of apparatus on consumers' premises, less expenses		10,397
(c) Hydraulic works	119,193		4. Sale of apparatus, less expenses		Nil
(d) Plant, machinery and machine foundation	74,603		5. Installation and repair work, less expenses		7,174
(e) Switchgear, cabling and miscellaneous items	169,052		6. Maintenance of public lamps		28,868
(f) Steam plant	1,046,789		7. Royalties, licences, etc.		98,814
			8. Rents receivable		Nil
5. Other items:			9. Other items:		80,691
(a) Sundry expenses	148,270		(a) Miscellaneous revenue		88,787
(b) Transport	204,651		(b) Recoupment of depreciation		1,291,189
			(c) Insurance claim received		Nil
6. Energy purchased in bulk:					
(a) From Bulk Supply licensees	51,129,148				
(b) From local generation licensees	Nil				
		62,802,693			
B. MAIN TRANSMISSION SYSTEM					
1. Proportion of salaries, wages and gratuities as certified by the General Manager, Chairman or Engineer ..	11,480				
2. Repairs, maintenance and renewals: K£					
(a) Land	Nil				
(b) Buildings and other permanent works	3,244				
(c) Main transmission lines	209,606				
(d) Transforming apparatus	Nil				
(e) Switchgear, cabling and miscellaneous items	5,717				
3. Other items:					
(a) Substation operating costs	Nil				
(b) Transport	4,667				
(c) Sundry expenses	16,232				
		250,946			
C. DISTRIBUTION SYSTEM					
1. Proportion of salaries, wages and gratuities as certified by the General Manager, Chairman or Engineer ..	5,447,716				
Carried forward K£	5,447,716	63,053,639	Carried forward K£		117,821,085

		K£	K£			K£
<i>Brought forward ..</i>		K£		<i>Brought forward ..</i>		K£
C. DISTRIBUTION SYSTEM—(Contd.)						
2	Repairs, maintenance and renewals:	K£				
	(a) Land	Nil				
	(b) Buildings and other permanent works	70,058				
	(c) Distribution mains	Nil				
	(d) Transforming apparatus	Nil				
	(e) Switchgear, cabling and miscellaneous items	2,250,682				
	(f) Service lines	Nil				
	(g) Meters, accessories and cut-outs	773,842				
	(h) Fees for re-certifying meters and accessories under the Act	Nil				
	(i) Other items:					
	(a) Workshop plant and machinery	Nil				
	(b) Tools and implements	129,511				
	(c) Furniture and fittings	11,105				
	(d) Radio communication equipment	Nil				
		3,235,198				
3.	Other items:					
	(a) Emergency service costs	985,682				
	(b) Sundry expenses	1,043,434				
	(c) Transport charges	1,610,199				
		3,639,315				
			12,322,229			
D. PUBLIC LAMPS						
1.	Proportion of salaries, wages and gratuities as certified by the General Manager, Chairman or Engineer	18,442				
2.	Renewal of lamps, etc.	56,559				
			75,001			
E. GENERAL AND MANAGEMENT EXPENSES						
1.	Royalties, etc. payable for use of patents or patent processes	Nil				
2.	Rents payable:	K£				
	(a) Office	167,003				
	(b) Land office	40,215				
	(c) Central office rents	214,892				
		422,110				
3.	Rates and taxes:					
	(a) Municipal rates	142,384				
	(b) Business licence	Nil				
	(c) Radio telecommunication licence	Nil				
		142,384				
4.	Directors' remuneration	20,100				
	<i>Carried forward ..</i>	K£		<i>Carried forward ..</i>		K£
		584,594	75,450,869			117,821,085

No. IV—NAIROBI, MOUNT KENYA, COAST, RIFT AND WEST KENYA

DR.

REVENUE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd.)

CR.

	K£	K£		K£
<i>Brought forward ..</i> K£	584,594	75,450,869	<i>Brought forward ..</i> K£	117,821,085
E. GENERAL AND MANAGEMENT EXPENSES—(Contd.)				
5. Proportion of salaries, wages and gratuities as certified by the General Manager, Chairman or Engineer	2,886,623			
6. Stationery, printing and advertising	599,554			
7. General establishment charges	405,172			
8. Auditors of the Company	129,433			
9. Auditors appointed under provisions of licence ..	—			
10. Law expenses	114,623			
11. Insurances	1,044,985			
12. Upkeep of motor vehicles, transport, etc. ..	766,515			
13. Medical expenses	684,578			
14. Postages and telegrams	302,117			
15. Bad debts written-off	2,248,337			
16. Interest on consumers' deposits	266,646			
17. Other items: K£				
(a) Bank charges	320,348			
(b) Repairs and maintenance:				
Land	Nil			
Buildings	132,832			
Furniture and fittings	31,829			
Tools and Equipment	5,111			
Accounting and office machines	70,491			
(c) Telephones	392,287			
(d) Trustees fees	779			
(e) Training	1,987,113			
(f) Welfare	1,031,489			
(g) Development expenses	—			
(h) Computer rental	266,686			
	4,198,965	14,232,142		
F. DEPRECIATION				
1. Depreciation written-off:				
(a) Tools and implements and testing apparatus (including drilling apparatus)	Nil			
(b) Other items	Nil			
	Nil			
<i>Carried forward ..</i> K£	Nil	89,683,011	<i>Carried forward ..</i> K£	117,821,085

No. IV—NAIROBI, MOUNT KENYA, COAST, RIFT AND WEST KENYA

DR.

REVENUE ACCOUNT FOR THE 18 MONTHS ENDED 18TH JUNE, 1986—(Contd.)

CR.

		K£	K£		K£
	<i>Brought forward ..</i>	K£	89,683,011	<i>Brought forward ..</i>	K£ 117,821,085
F—DEPRECIATION—(Contd.)					
2. Surplus on disposals of fixed assets		(505,745)			
3. Transfer to Depreciation Reserve	K£				
Account (No. VII):					
Land and buildings	631,603				
Transmission lines	3,943,991				
Plant and machinery	675,218				
Furniture and equipments	1,149,169				
Motor vehicles	1,291,189	7,691,170	7,185,425		
TOTAL EXPENDITURE			96,868,436		
Balance carried to Net Revenue			20,952,649		
Account (No. V)			117,821,085		
				K£	117,821,085

No. VII—NAIROBI, MOUNT KENYA, COAST, RIFT AND WEST KENYA

DR. DEPRECIATION RESERVE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd.)

CR*

	K£		K£
1. Amount applied as under:		1. Balance from last account	27,437,803
(a) Written-off capital expenditure	734,331	2. Amount transferred from Revenue Account (No. IV)	7,691,170
(b) Expended on renewals but not including betterment	Nil	3. Interest on amount invested	Nil
2. Depreciation applicable to transfer of assets to stores	Nil	4. Depreciation applicable to transfer of assets from central Office and stores	Nil
3. Balance as per General Balance Sheet (No. VIII)	34,394,642		
	K£ 35,128,973		K£ 35,128,973

TOTAL PROVISION MADE FOR DEPRECIATION	Total to 31-12-84	Added during the Period	Deducted during the Period	Total 30-6-86
	K£	K£	K£	K£
1. Amount written off as per Revenue Account (No. IV):				
(a) Deducted from capital expenditure	356,937	Nil	Nil	356,937
(b) Net residual value on fixed asset disposals	(490,781)	Nil	Nil	(490,781)
2. Amount applied from Depreciation Reserve Account (No. VII):				
(a) Written-off capital expenditure	3,900,292	374,331	Nil	4,634,623
(b) Expended on renewals, but not including betterment	1,283	Nil	Nil	1,283
3. Balance of Depreciation Reserve Account (No. VII)	27,437,803	7,691,170	734,331	34,394,642
	K£ 31,205,534	8,425,501	734,331	38,896,704

No. VIII—NAIROBI, MOUNT KENYA, COAST, RIFT AND WEST KENYA

GENERAL BALANCE SHEET AS AT 30TH JUNE, 1986

CAPITAL AND LIABILITIES			PROPERTY AND ASSETS		
		K£		K£	K£
1. Amount received as per Capital Account (No. III)	.. ..	118,302,795	1. Expenditure as per Capital Account (No. III)	.. ..	149,910,366
2. Sundry creditors:	K£		2. Investments	.. ..	1,408,333
(a) Sundry tradesmen and others due on construction of plant and machinery, fuel, stores, etc., to 30th June, 1986	.. ..	8,068,046	3. Stores:		
(b) Sundry creditors on open accounts	.. ..	695,217	(a) Coal or other fuel	.. ..	1,766,282
		8,763,263	(b) General	.. ..	Nil
			(c) Consumer's installation and repair stores	.. ..	Nil
			(d) On consignment	.. ..	Nil
			(e) In transit	.. ..	Nil
3. Balance at credit of:					3,174,615
(a) Revenue Account (No. IV) balance at 30th June, 1986 at credit thereof (working profit for the period of 18 months of K£20,952,649) carried to Company's Net Revenue Account (No. V, Item 2)	.. ..	Nil	4. Preliminary and development expenses	.. ..	Nil
(b) General Reserve Account (No. VI)	.. ..	Nil	5. Sundry debtors:		
(c) Depreciation Reserve Account (No. VII)	.. ..	34,394,642	(a) For amount paid on account of contracts in course of completion	.. ..	15,049
4. Other items:			(b) For electrical energy supplied to 30th June, 1986	.. ..	15,602,116
(a) Consumers' deposits	.. ..	3,876,295	(c) Other debtors	.. ..	294,613
(b) Reserve for deposit interest	.. ..	807,570			15,911,778
(c) Reserve for bad and doubtful debts	.. ..	3,677,008	6. Other items	.. ..	Nil
			7. Cash at bank and in hand	.. ..	824,874
	K£	169,821,573		K£	169,821,573

No. IX—NAIROBI, MOUNT KENYA, COAST, RIFT AND WEST KENYA

STATEMENT OF ELECTRICAL ENERGY GENERATED, PURCHASED, SOLD, ETC.

Quantity purchased (in Kelvins)	.. ..	3,312,822,396
Quantity generated (in Kelvins)	.. ..	177,107,312
Total of quantities purchased and generated (in Kelvins)	.. ..	3,489,929,708
QUANTITY SOLD:		
By meter	.. ..	2,966,339,254
Public lamps	.. ..	13,026,501
By other sales	.. ..	Nil
Total sold	.. ..	2,979,365,755
Quantity used on works	.. ..	42,916,706
Total quantity accounted for	.. ..	3,022,282,461
Quantity not accounted for	.. ..	467,647,247
Number of public lamps	.. ..	Not Ascertainable
Total maximum supply demand (in Kilowatts)	.. ..	349
Total connected load (in Kilowatts)	.. ..	Not Ascertainable

30th September, 1986

*The Hon. Minister for Energy and Regional Development,
P.O. Box 30582,
Nairobi.*

DEAR SIR,

TANA RIVER DEVELOPMENT COMPANY LIMITED

As auditors appointed under the provisions of the Electric Power Act, we have examined and audited the accounts of the above Company for the year ended 30th June, 1986.

In terms of section 47 of the Electric Power Act there is no liability for 1986.

In our opinion the accounts are drawn up to give the necessary information required by the Electric Power Act.

The accounts will be forwarded directly by the Secretary of Tana River Development Company Limited.

Yours faithfully,

GILL AND JOHNSON,
Certified Public Accountants
(Kenya).

THE ELECTRIC POWER ACT
BULK SUPPLY LICENCE No. 3
TANA RIVER DEVELOPMENT COMPANY LIMITED

No. I

18 MONTHS ENDED 30TH JUNE, 1986

STATEMENT OF SHARE CAPITAL APPROPRIATED FOR THE PURPOSES OF THE UNDERTAKING
AUTHORIZED BY THE ABOVE-MENTIONED LICENCE ON 30TH JUNE, 1986

Description of Capital	Authorized by	No. of shares issued	Nominal amount of shares	Called up per share	Total paid up	Issued not paid up	Remaining unissued	Total amount authorized
Ordinary Shares	Memorandum and Articles of Association ..	6,000,100	K£ 1	K£ 1	K£ 6,000,100	—	—	K£ 6,000,100
		6,000,100	—	—	6,000,100	—	—	6,000,100

No. II

STATEMENT OF LOAN CAPITAL APPROPRIATED FOR THE PURPOSES OF THE UNDERTAKING
AUTHORIZED BY THE ABOVE-MENTIONED LICENCE ON 30TH JUNE, 1986

Description of Loans £3,742,911 (Sterling) 'A' Debenture Stock 1971/87 (for Commonwealth Development Corporation)—Secured.
S. Kr. 31,500,000 7½ per cent Kingdom of Sweden Loan 1975/96.
US \$23,000,000 7½ per cent International Bank for Reconstruction and Development Loan 1975/96.
Sh. 17,800,000 7½ per cent Government of Kenya Loan 1975/96.
Sh. 37,800,000 8½ per cent Government of Kenya Loan 1979/2000.
US\$57,614,000 8½ per cent International Bank for Reconstruction and Development Loan 1979/2000.
Stg. £2,000,000 'F' Debenture Stock 1980/91 (for Commonwealth Development Corporation)—Secured.
US \$4,339,660 7 per cent Export Suppliers Credit, 1978/87.
DM 23,428,112 7½ per cent Kreditanstalt Fur Wiederaufbau Loan 1979/88.

	Principal Including Capitalized Interest	Awaiting Issue	Total
	K£	K£	K£
Amount borrowed: (Less Redeemed)—			
7½–9½% 'A' Debenture stock 1971/87	931,883	—	931,883
7½% Kingdom of Sweden Loan 1975/96	1,557,500	—	1,557,500
7½% I.B.R.D. Loan 1975/96	17,047,099	—	17,047,099
7½% Government of Kenya Loan 1975/96	634,735	—	634,735
8½% Government of Kenya Loan 1979/2000	1,937,833	—	1,937,833
8½% I.B.R.D. Loan 1979/2000	43,485,230	—	43,485,230
8½% 'F' Debenture Stock 1980/91	1,574,626	—	1,574,626
7% Export Suppliers Credit 1978/87	531,705	—	531,705
7½% Kreditanstalt Fur Wiederaufbau Loan 1979/88	2,174,597	—	2,174,597
	69,875,208	—	69,875,208

Remaining borrowing powers Authorized by the Company's Memorandum and Articles of Association.
Total amount of borrowing powers As authorized by the Company's Memorandum and Articles of Association.

K£
Total Share Capital paid up (see No. I) 6,000,100
Total Debentures and Loan Capital (see No. II) 69,875,208
TOTAL CAPITAL RECEIVED 75,875,308

No. III—TANA RIVER DEVELOPMENT COMPANY LIMITED

DR.

CAPITAL ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986

CR.

	Balance of expenditure at 31-12-84	Additions during Period	Deductions during Period	Balance of expenditure at 30-6-86		Receipts to 31-12-84	Repaid during Period	Total receipts to 30-6-86
	K£	K£	K£	K£		K£	K£	K£
A. GENERATION								
(i) Land, including law charges incidental to acquisition	91,170	—	—	91,170				
(ii) Buildings and other permanent works	30,303,603	237,755	—	30,541,358	Ordinary Shares of Sh. 20 each ..	6,000,100	Nil	6,000,100
(iii) Hydraulic works	9,475,912	—	—	9,475,912	Preference Shares ..	Nil	Nil	Nil
(iv) Plant, machinery and machine foundations	11,301,174	—	—	11,301,174	Debenture Stock	2,337,983	168,526	2,506,509
(v) Switchgear, cabling and miscellaneous items	54,208	—	—	54,208	Loan Capital	52,067,057	15,301,642	67,368,699
(vi) Transformers & Substation equipment	—	—	—	—				
(vii) Other items:								
(a) Fencing and Security lighting	1,877	—	—	1,877				
(b) Access roads	17,001,355	—	—	17,001,355				
(c) Work in progress	226,828	701,274	—	928,102				
(d) Crane	—	—	—	—				
(e) Fire fighting equipment	—	—	—	—				
B. MAIN TRANSMISSION SYSTEM								
(i) Land, including law charges incidental to acquisition	—	—	—	—				
(ii) Buildings and other permanent works	319,493	—	—	319,493				
(iii) Main transmission lines	3,250,779	—	—	3,250,779				
(iv) Transforming apparatus	2,548,863	—	—	2,548,863				
(v) Switchgear, cabling and miscellaneous items	—	—	—	—				
(vi) Other items:	—	—	—	—				
C. DISTRIBUTION SYSTEM								
(i) Land, including law charges incidental to acquisition	Nil	Nil	Nil	Nil				
(ii) Buildings and other permanent works	Nil	—	Nil	—				
(iii) Distributing mains	Nil	Nil	Nil	Nil				
(iv) Transforming apparatus	Nil	Nil	Nil	Nil				
(v) Switchgear, cabling and miscellaneous items	Nil	Nil	Nil	Nil				
(vi) Service lines	Nil	Nil	Nil	Nil				
(vii) Meters, accessories and fees for certifying under the act and cut-outs	—	—	—	—				
(viii) Other Items	—	—	—	—				
Carried forward .. K£	74,575,262	939,029	—	75,514,291	Carried forward K£	60,405,140	15,470,168	75,875,308

* The increase in the Loan Capital and Debenture Stock is due to increases in Revaluations of Foreign Loans.

No. III—TANA RIVER DEVELOPMENT COMPANY LIMITED

DR. CAPITAL ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd.)

CR

	Balance of expenditure at 31-12-84	Additions during Period	Deductions during Period	Balance of expenditure at 30-6-86		Receipts to 31-12-84	Received during Period	Total receipts to 30-6-86
<i>Brought Forward</i>	K£ 74,575,262	K£ 939,029	K£ —	K£ 75,514,291	<i>Brought Forward</i> ..	K£ 60,405,140	K£ 15,470,168	K£ 75,875,308
D. MISCELLANEOUS								
(i) Preliminary and development expenditure acquisition of water rights, and cost of preliminary investigation	—	—	—	—				
(ii) Land, including law charges incidental to acquisition	—	—	—	—				
(iii) Buildings and other permanent works	58,766	—	—	58,766				
(iv) Tools, implements and loose plant	28,425	86,011	—	114,436				
(v) Furniture and fittings	14,968	1,307	—	16,275				
(vi) Motor vehicles	—	—	—	—				
(vii) Apparatus on hire	—	—	—	—				
(viii) Cost of licences	—	—	—	—				
(ix) Purchase of patents or patent rights	—	—	—	—				
(x) General stores	331,296	255,489	—	586,785				
(xi) Works under construction (unallocated)	—	—	—	—				
(xii) Other items	—	—	—	—				
Work boat	—	—	—	—				
Others	332,457	—	—	332,457				
TOTAL EXPENDITURE K£	75,341,174	1,281,836	—	76,623,010	TOTAL CAPITAL K£	60,405,140	15,470,168	75,875,308
			DEBIT	747,702				

(1) Provision for depreciation of works is made by a debit of K£2,791,084 to Revenue Account transferred to Depreciation Reserve Account (No. VII).

No. IV—TANA RIVER DEVELOPMENT COMPANY LIMITED

DR.

REVENUE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986

CR.

	K£	K£		K£	K£
A. GENERATION					
1. Water, coal or other fuel including dues, carriage, unloading, storing and all expenses of placing the same on the works, and disposal of waste products ..	—		1. Sale of electrical energy:		
2. Oil, waste, and engine room stores	35,845		(a) By meter at 19.52 cents per Kelvin (average)	22,486,105	
3. Proportion of salaries, wages and gratuities as certified by the Chairman	719,495		(b) By public lighting	—	
4. Repairs, maintenance and renewals: K£			(c) By other sales	—	
(a) Land	8,663		2. Rental of meters and accessories		22,486,105
(b) Buildings and other permanent works	34,484		3. Hire of apparatus on consumers' premises, less expenses ..		—
(c) Hydraulic works	1,512,508		4. Sale of apparatus, less expenses		—
(d) Plant, machinery and machine foundations	376,638		5. Installation and repair work, less expenses		—
(e) Switchgear, cabling and miscellaneous items	7,569	1,939,862	6. Maintenance of public lamps		—
5. Other Expenses e.g. tools, transport, communication, etc.	442,884		7. Royalties, licences, etc.		—
6. Energy purchased in bulk:			8. Rents receivable		—
(a) From Bulk Supply licensee	—		9. Other items		—
(b) From Local Generating licensee	—				
(c) From Tana River Development Authority	7,686,819	10,824,905			
B. MAIN TRANSMISSION SYSTEM					
1. Proportion of salaries, wages and gratuities as certified by the Chairman	15,941				
2. Repairs, maintenance and renewals: K£					
(a) Land	—				
(b) Buildings and other permanent works	—				
(c) Main transmission lines	—				
(d) Transforming apparatus	—				
(e) Switchgear, cabling and miscellaneous items	—				
3. Other Items	40,697	56,638			
C. DISTRIBUTION SYSTEM					
1. Proportion of salaries, wages and gratuities as certified by the Chairman	—				
Carried forward K£	—	10,881,543	Carried forward K£		22,486,105

No. IV—TANA RIVER DEVELOPMENT COMPANY LIMITED

DR. REVENUE ACCOUNT FOR THE ENDED 18 MONTHS 30TH JUNE, 1986—(Contd.) CR.

	K£	K£		K£
<i>Brought forward ..</i>	—	10,881,543	<i>Brought forward ..</i>	22,486,105
C. DISTRIBUTION SYSTEM—(Contd.)				
2. Repairs, maintenance and renewals:	K£			
(a) Land	—			
(b) Buildings and other permanent works	—			
(c) Distributing mains	—			
(d) Transforming apparatus	—			
(e) Switchgear, cabling and miscellaneous items	—			
(f) Service lines	—			
(g) Meters, accessories and cut-outs	—			
(h) Fees for re-certifying meters and accessories under the Act	—			
(i) Other items	—			
3. Other items	Nil			
	Nil	Nil		
D. PUBLIC LAMPS				
1. Proportion of salaries, wages and gratuities as certified by the Chairman	—			
2. Renewal of lamps, etc.	—	Nil		
E. GENERAL AND MANAGEMENT EXPENSES				
1. Royalties, etc., payable for use of patents or patent processes	—			
2. Rents payable	—			
3. Rates and Taxes	Nil			
4. Directors' remuneration	9,333			
<i>Carried forward ..</i>	K£ 9,333	10,881,543	<i>Carried forward ..</i>	K£ 22,486,105

No. IV— TANA RIVER DEVELOPMENT COMPANY LIMITED

DR.

REVENUE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd.)

CR

		K£	K£		K£
	<i>Brought forward</i>	9,333	10,881,543	<i>Brought forward</i>	22,486,105
E. GENERAL AND MANAGEMENT EXPENSES—(Contd.)					
5. Proportion of salaries, wages and gratuities as certified by the Chairman		Nil			
6. Stationery, printing and advertising		Nil			
7. General establishment charges		Nil			
8. Auditors of Company		8,714			
9. Auditors appointed under provisions of licence		Nil			
10. Law expenses		Nil			
11. Insurances Superannuation, etc.		318,874			
12. Upkeep of motor vehicles, transport, etc.		Nil			
13. Medical expenses		39,638			
14. Postages and telegrams		Nil			
15. Bad debts written off		Nil			
16. Interest on consumers' deposits		Nil			
	K£				
17. Other items: Exchange (gain)/loss	(15,039)				
(a) Bank charges	994				
(b) Trustees fees	15,139				
(c) K.P & L. management fees	150,000				
(d) Rent for lease of Kamburu camp	—	151,094	527,653		
18. Other expenses	—		(52,836)		
F. DEPRECIATION					
1. Depreciation written-off:	K£				
(a) Meters and cut-outs	Nil				
(b) Apparatus on hire	Nil				
(c) Tools, implements and testing apparatus	Nil				
(d) Furniture and fittings	Nil				
(e) Motor vehicles	Nil				
(f) Other items	Nil				
2. Transfer to Depreciation Reserve Account (No. VII) ..		Nil			
		2,791,084	2,791,084		
TOTAL EXPENDITURE			14,147,444		
BALANCE CARRIED TO NET REVENUE ACCOUNT (No. V) ..			8,338,661		
			22,486,105		
				22,486,105	

No. V—TANA RIVER DEVELOPMENT COMPANY LIMITED

DR.

NET REVENUE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986

CR.

	K£		K£
1. Interest paid and accrued due to date:		1. Balance from last account	Nil
(a) Debenture Stock	348,810	Less:	
(b) Loan Capital	7,056,599	Dividend Paid	Nil
2. Interim dividends paid	Nil	2. Balance brought from Revenue Account (No. IV)	8,338,661
3. Carried to General Reserve Account (No. VI)	Nil	3. Interest on investments, deposits, etc.	
4. Preliminary and development expenses written off	Nil	interest on short-term loans and deposits	884,142
5. Income tax paid	Nil	4. Other items:	
(a) Kenya	Nil	Gain on currency realignment	1,768,575
(b) United Kingdom	Nil		
6. Other items:			
(a) Loan Capital Redemption Fund	3,297,433		
(b) Reserve and Equalization Fund	288,536		
(c) Development Surcharge Transferred to Capital Reserve	Nil		
(d) Loss on Currency Realignment	Nil		
(e) Extra Ordinary Item	Nil		
K£	10,991,378	K£	10,991,378

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No. VI—TANA RIVER DEVELOPMENT COMPANY LIMITED

DR.

GENERAL RESERVE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986

CR

	K£		K£
1. Amount applied as under	Nil	1. Balance from last account	Nil
2. Balance as per General Balance Sheet (No. VIII)	Nil	2. Amount transferred from Net Revenue Account (No. V)	Nil
		3. Interest on amount invested	Nil
K£	Nil	K£	Nil

No. VII—TANA RIVER DEVELOPMENT COMPANY LIMITED

DR. DEPRECIATION RESERVE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986 CR.

	K£		K£
1. Amount applied as under:		1. Balance from last account	14,562,587
(a) Written-off capital expenditure	Nil	2. Amount transferred from Revenue Account (No. IV)	2,791,084
(b) Expended on renewals, but not including Betterment	Nil	3. Interest on amount invested	Nil
2. Balance as per General Balance Sheet (No. VIII)	17,353,671	4. Amount transferred from Loan capital Redemption fund	Nil
		Adjustment of prior year	Nil
	K£ 17,353,671		K£ 17,353,671

TOTAL PROVISION MADE FOR DEPRECIATION	Total to 31-12-84	Added during Period	Deducted during Period	Total to 30-6-86
1. Amount written-off as per Revenue Account (No. IV) and deducted from capital expenditure	K£ Nil	K£ Nil	K£ Nil	K£ Nil
2. Amount applied from Depreciation Reserve Account (No. VII):				
(a) Written-off capital expenditure	Nil	Nil	Nil	Nil
(b) Expended on renewals, but not including betterment	Nil	Nil	Nil	Nil
3. Balance of Depreciation Reserve Account (No. VII)	14,562,587	2,791,084	Nil	17,353,671
	14,562,587	2,791,084	Nil	17,353,671

No. VIII—TANA RIVER DEVELOPMENT COMPANY LIMITED

GENERAL BALANCE SHEET AS AT 30TH JUNE, 1986

CAPITAL AND LIABILITIES				PROPERTY AND ASSETS			
1. Amount received as per Capital Account (No. III)	..	..	..	1. Expenditure as per Capital Account (No. III)	..	..	..
			K£	2. Investment—Treasury Bills	..	..	..
			75,875,308				K£
2. Sundry creditors:							76,623,010
(a) Sundry tradesmen and others due on construction of plant and machinery, fuel, stores, etc. to 30th June, 1986	..	..	K£				Nil
(b) Sundry Creditors on open accounts	..	..	1,688,402				
(c) Bank Overdraft	..	..	12,831				
			1,701,233				
3. Balances at credit of:				3. Stores:			
(a) Net Revenue Account (No. V)	..	..	Nil	(a) Coal or other fuel	..	..	25,423
(b) General Reserve Account (No. VI)	..	..	Nil	(b) General	..	..	Nil
(c) Depreciation Reserve Account (No. VII)	..	..	17,353,671	(c) Consumers' installation and repair stores	..	..	Nil
				(d) On consignment	..	..	Nil
Other Items				(e) In transit	..	..	Nil
(a) Loan capital Redemption fund	..	..	(16,237,690)				25,423
(b) Reserve and Equalization fund	..	..	4,610,508	4. Preliminary and development expenses	..	..
(c) Capital Reserve Account	..	..	7,602,023	5. Sundry debtors:			
(d) Exchange Equalization Reserve	..	..	Nil	(a) For amounts paid on account of contracts in course of completion	..	..	Nil
				(b) For electrical energy supplied to 30th June, 1986	..	..	7,190,027
				(c) Loan to the Kenya Power Company Limited	..	..	Nil
				(d) Other	..	..	7,066,493
							14,256,520
				6. Other items: Interest accrued on short-term deposits	..	..	Nil
				7. Cash at bank and in hand	..	..	100
			K£				K£
			90,905,053				90,905,053

As auditors appointed under the provisions of the Electric Power Act, we certify that all our requirements have been complied with and that we have examined and audited the accounts of the Company for the 18 months ended 30th June, 1986 as set out above and the accompanying Schedules I, II, III, IV, V, VI, and VII.

In our opinion the accounts are in accordance with the books of the Company and are properly drawn up to give the necessary information required by the Electric Power Act.

S. K. GICHURU,
Director of Company.

J. N. KIMANI,
Secretary.

NAIROBI

GILL & JOHNSON,
Certified Public Accountants,
(Kenya).

No. IX—TANA RIVER DEVELOPMENT COMPANY LIMITED

STATEMENT OF ELECTRICAL ENERGY GENERATED, PURCHASED, SOLD, ETC.

Quantity purchased (in Kelvins)	247,063,128
Quantity generated (in Kelvins)	2,061,763,082
Total of quantities purchased and generated (in Kelvins)	2,308,826,210
QUANTITY SOLD:	
By meter	2,303,359,132
Public lamps	Nil
By other sales	Nil
Total sold	2,303,359,132
Quantity used on works	5,467,078
Total quantity accounted for	2,303,359,132
Quantity not accounted for	Nil
Number of public lamps	N/A
Total maximum supply demanded (in Kilowatts)	Not ascertainable
Total connected load (in Kilowatts)	Not ascertainable

*The Hon. Minister for Energy and Regional Development,
P.O. Box 30582,
Nairobi.*

30th September, 1986

DEAR SIR,

THE KENYA POWER COMPANY LIMITED

As auditors appointed under the provisions of the Electric Power Act, we have examined and audited the accounts of the above Company for the year ended 30th June, 1986.

In terms of section 47 of the Electric Power Act there is no liability for 1986.

In our opinion the accounts are drawn up to give the necessary information required by the Electric Power Act.

The accounts will be forwarded direct by the Secretary of The Kenya Power Company Limited.

Yours faithfully,

GILL AND JOHNSON,
Certified Public Accountants
(Kenya).

THE ELECTRIC POWER ACT

BULK SUPPLY LICENCE No. 2

THE KENYA POWER COMPANY LIMITED

18 MONTHS ENDED 30TH JUNE, 1986

No. I

STATEMENT OF SHARE CAPITAL APPROPRIATED FOR THE PURPOSES OF THE UNDERTAKING
AUTHORIZED BY THE ABOVE MENTIONED LICENCE ON 30TH JUNE, 1986

Description of Capital	Authorized by	No. of shares issued	Nominal amount of share	Called up per share	Total paid up	Issued not paid up	Remaining unissued	Total amount authorized
Ordinary Shares	Memorandum and Articles of Association		K£	K£	K£	K£	K£	K£
		7,633,100	1	1	7,633,100	—	—	7,633,100
		7,633,100	—	—	7,633,100	—	—	7,633,100

No. II

STATEMENT OF LOAN CAPITAL APPROPRIATED FOR THE PURPOSES OF THE UNDERTAKING
AUTHORIZED BY THE ABOVE MENTIONED LICENCE ON 30TH JUNE, 1986

Description of Loans US \$40,000,000—7.95% International Bank for Reconstruction and Development 1985/99.
 Stg £9,250,000—8.5% Commonwealth Development Corporation 1983/94
 US \$9,000,000—8% Europe Investment Bank 1987/1997.
 US \$12,000,000—10.93% International Bank for Reconstruction and Development 1987/1999.
 Stg £5,900,000—10.5% Commonwealth Development Corporation 1987/1996.
 US \$ 11,000,000—(1-10)% International Development Association 1994/2004.

	Principal Including Capitalized Interest	Awaiting Issue	Total
	K£	K£	K£
Amount borrowed (Less Redeemed)			
7.95% I.B.R.D. Loan 1985/99	28,624,819	1,841,558	30,466,377
8.5% C.D.C. Loan 1983/94	8,686,964	—	8,686,964
8.0% E.I.B. Loan 1987/1997	6,005,665	1,178,540	7,184,205
10.93% I.B.R.D. 1987/1999	5,565,407	4,236,373	9,801,780
10.50% C.D.C. 1987/1996	4,759,517	2,628,316	7,387,833
(1-10)% I.D.A. 1994/2004	426,710	8,558,255	8,984,965
K£	54,069,082	18,443,042	72,512,124

Remaining borrowing power Authorized by the Company's Memorandum and Articles of Association.
 Total amount of borrowing powers As authorized by the Company's Memorandum and Articles of Association.

K£

Total Share Capital paid up (see No. I) 7,633,100
 Total Debentures and Loan Capital (See No. II) 54,069,082
TOTAL CAPITAL RECEIVED.. K£ 61,702,182

No. III—THE KENYA POWER COMPANY LIMITED

Dr. CAPITAL ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd.)

Cr.

	Balance of expenditure at 31-12-84	Additions during Period	Deductions during Period	Balance of expenditure at 30-6-86		Receipts to 31-12-84	Received during Period	Total receipts to 30-6-86
	K£	K£	K£	K£		K£	K£	K£
A. GENERATION								
(i) Land, including law charges incidental to acquisition	169,247	27,670	Nil	196,917	Ordinary Shares of Sh. 20 each ..	3,000,100	4,633,000	7,633,100
(ii) Buildings and other Permanent Works	4,801,989	2,354,350	Nil	7,156,339				
(iii) Hydraulic Works	1,456,384	Nil	Nil	1,456,384				
(iv) Plant, Machinery and Machine Foundations	18,170,777	14,433,304	Nil	32,604,081				
(v) Switchgear, Cabling and Miscellaneous Items	2,817,058	Nil	Nil	2,817,058				
(vi) Other Items:					Preference Shares ..	Nil	Nil	Nil
(a) Fencing and Trolley Lines ..	175,997	Nil	Nil	175,997	Debenture Stock ..	Nil	Nil	Nil
(b) Access Roads	669,970	Nil	Nil	669,970				
(c) Haulage Track	3,646	Nil	Nil	3,646				
(d) Works in Progress	28,788,128	Nil	9,799,805	18,988,323	Loan Capital ..	Nil	Nil	Nil
(e) Air Conditioners	Nil	Nil	Nil	Nil	Mortgages and Bonds	36,334,950	17,734,132	54,069,082
(vii) Geothermal Wells	7,780,446	6,451,610	Nil	41,232,056				
B. MAIN TRANSMISSION SYSTEM								
(i) Land, including law charges incidental to acquisition	1,378	Nil	Nil	1,378	Amounts received in anticipation of calls Sales of patents or patent rights etc. ..	Nil	Nil	Nil
(ii) Buildings and other Permanent Works	41,152	Nil	Nil	41,152				
(iii) Main Transmission Lines	3,579,442	5,205,152	Nil	8,785,597				
(iv) Transforming Apparatus	859,114	Nil	Nil	859,114				
(v) Switchgear, Cabling and Miscellaneous Items	1,143,732	Nil	Nil	1,143,723				
(vi) Other Items	Nil	Nil	Nil	Nil	Other receipts ..	Nil	Nil	Nil
C. DISTRIBUTION SYSTEM								
(i) Land, including law charges incidental to acquisition	Nil	Nil	Nil	Nil				
(ii) Buildings and other Permanent Works	9,000	Nil	Nil	9,000				
Carried forward .. K£	70,467,463	28,473,086	9,799,805	89,140,744	Carried forward K£	39,335,050	22,367,132	61,702,182

No. III—THE KENYA POWER COMPANY LIMITED

Dr. CAPITAL ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd.)

Cr.

	Balance of expenditure at 31-12-84	Additions - during Period	Deductions during Period	Balance of expenditure at 30-6-86		Receipts to 31-12-84	Received during Period	Total receipts to 30-6-86
	K£	K£	K£	K£		K£	K£	K£
<i>Brought forward</i> ..	70,467,463	28,473,086	9,799,805	89,140,744	<i>Brought forward</i>	39,335,050	22,367,132	61,702,182
C. DISTRIBUTION SYSTEM—(Contd.)								
(iii) Distributing Mains	Nil	Nil	Nil	Nil				
(iv) Transforming Apparatus	Nil	Nil	Nil	Nil				
(v) Switchgear, Cabling and Miscellaneous Items	Nil	Nil	Nil	Nil				
(vi) Service Lines	Nil	Nil	Nil	Nil				
(vii) Meters and accessories and fees for certifying under the Act and cut-outs	Nil	Nil	Nil	Nil				
(viii) Other items	Nil	Nil	Nil	Nil				
D. MISCELLANEOUS								
(i) Preliminary and development expenditure	Nil	Nil	Nil	Nil				
(ii) Land, including law charges incidental to acquisition	Nil	Nil	Nil	Nil				
(iii) Buildings and other permanent works	41,247	Nil	Nil	41,247				
(iv) Tools, implements and testing apparatus	Nil	16,502	Nil	16,502				
(v) Furniture and fittings	25,725	171,955	Nil	197,680				
(vi) Motor vehicles	Nil	Nil	Nil	Nil				
(vii) Apparatus on hire	Nil	Nil	Nil	Nil				
(viii) Cost of licences	Nil	Nil	Nil	Nil				
(ix) Purchase of patents or patent rights	Nil	Nil	Nil	Nil				
(x) General stores	556,159	425,015	Nil	981,174				
(xi) Works under construction (unallocated)	Nil	Nil	Nil	Nil				
(xii) Other items:	335,461	Nil	Nil	335,461				
TOTAL EXPENDITURE K£	71,426,055	29,086,558	9,799,805	90,712,808	TOTAL CAPITAL K£	39,335,050	22,367,132	61,702,182
BALANCE .. .. .	.. .. .	.. .. .	DEBIT ..	29,010,626				

(1) Provision for depreciation of works is made by a debit of K£3,333,630 to Revenue Account transferred to Depreciation Reserve Account (No. VII)

No. IV—THE KENYA POWER COMPANY LIMITED

DR. REVENUE ACCOUNT FOR THE 18 MONTHS ENDED 18TH JUNE, 1986—(Contd.)

CR.

	K£	K£		K£	K£
A. GENERATION					
1. Water, coal or other fuel including dues, carriage, unloading, storing and all expenses of placing the same on the works and disposal of waste products	Nil		1. Sale of electrical energy:	18,721,459	
2. Oil, waste, water and engine room stores	4,375		(a) By meter at 25·86 cents per Kelvin (average)	Nil	
3. Proportion of salaries, wages and gratuities as certified by the Chairman	443,199		(b) By public lighting	Nil	
4. Repairs, maintenance and renewals: K£			(c) By other sales	Nil	18,721,459
(a) Land	58,584		2. Rental of meters and accessories		Nil
(b) Buildings and other permanent works	110,726		3. Hire of apparatus on consumers' premises, less expenses		Nil
(c) Hydraulic works	346,940		4. Sale of apparatus, less expenses		Nil
(d) Plant, machinery and machine foundations	39,596		5. Installation and repair work, less expenses		Nil
(e) Switchgear, cabling and miscellaneous items	Nil		6. Maintenance of public lamps		Nil
(f) Geothermal Works	268,145	823,991	7. Royalties, licences, etc.		Nil
5. Other items:			8. Rents receivable		Nil
(a) Telephones	20,820		9. Other items		Nil
(b) Transport	73,057				
(c) General Expenses	384,186	478,063			
6. Energy purchased in bulk:					
(a) From Bulk Supply licensee	1,116,759				
(b) From Local Generating licensee	Nil	2,876,387			
	—				
B. MAIN TRANSMISSION SYSTEM					
1. Proportion of salaries, wages and gratuities as certified by the Chairman		16,845			
2. Repairs, maintenance and renewals: K£					
(a) Land	5,615				
(b) Buildings and other permanent works	4,464				
(c) Main transmission lines	189,959				
(d) Transforming apparatus	—				
(e) Switchgear, cabling and miscellaneous items	Nil	200,038			
3. Other items:					
(a) Telephone Charges	5,473				
(b) Rent of Uganda Section of Line	5,288				
(c) Transport	21,675				
(d) General Expenses	19,900	269,219			
C. DISTRIBUTION SYSTEM					
1. Proportion of salaries, wages and gratuities as certified by the Chairman	Nil				
<i>Carried forward</i>	Nil	3,145,606	<i>Carried forward</i>		18,721,459

No. IV—THE KENYA POWER COMPANY LIMITED

DR. REVENUE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd.)

CR.

	K£	K£		K£
<i>Brought forward</i> K£	Nil	3,145,606	<i>Brought forward</i> K£	18,721,459
C. DISTRIBUTION SYSTEM—(Contd.)				
2. Repairs, maintenance and renewals:	K£			
(a) Land	Nil			
(b) Buildings and other permanent works	Nil			
(c) Distributing mains	Nil			
(d) Transforming apparatus	Nil			
(e) Switchgear, cabling and miscellaneous items	Nil			
(f) Service lines	Nil			
(g) Meters, accessories and cut-outs ..	Nil			
(h) Fees for re-certifying meters and accessories under the Act ..	Nil			
(i) Other items	Nil			
3. Other items	Nil			
	Nil			
	Nil			
D. PUBLIC LAMPS				
1. Proportion of salaries, wages and gratuities as certified by the Chairman				
2. Renewal of lamps, etc.				
E. GENERAL AND MANAGEMENT EXPENSES				
1. Royalties, etc., payable for use of patents or patent processes				
2. Rents payable				
3. Rates and taxes:				
4. Directors' remuneration				
5. Proportion of Salaries, Wages and Gratuities as Certified by the Chairman				
6. Stationery, Printing and advertising				
7. General Establishment charges				
	9,347			
	Nil			
	9,861			
		19,208		
<i>Carried forward</i> K£		3,164,814	<i>Carried forward</i> K£	18,721,459

No. IV—THE KENYA POWER COMPANY LIMITED

DR.

REVENUE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd.)

CR.

		K£	K£		K£
	<i>Brought forward ..</i>	K£	—	3,164,814	<i>Brought forward ..</i> K£ 18,721,459
E. GENERAL AND MANAGEMENT EXPENSES—(Contd.)					
8. Auditors of Company		10,301			
9. Auditors appointed under provisions of licence ..		—			
10. Law expenses		—			
11. Insurances		243,388			
12. Upkeep of motor vehicles, transport, etc. ..		—			
13. Medical expenses		35,341			
14. Postages and telegrams		—			
15. Bad debts written off		—			
16. Interest on consumers' deposits		—			
17. Other items:	K£				
(a) Bank charges	2,237				
(b) Trustees' fees	—				
(c) Accounting Machine Rental	—				
(d) K.P. & L. management fees	90,000				
(e) General Expenses	1'500	93,737	382,767		
F. DEPRECIATION					
1. Depreciation written off:	K£				
(a) Meters and cut-outs	—				
(b) Apparatus on hire	—				
(c) Tools, implements and testing apparatus	—				
(d) Furniture and fittings	—				
(e) Motor vehicles	—				
(f) Other items	—				
2. Transfer to Depreciation Reserve Account No. VII ..		—	3,333,629		
Total Expenditure		K£	6,881,210		
Balance Carried to Net Revenue Account (No. V)		K£	11,840,249		
		K£	18,721,459		
				K£	18,721,459

No. V—THE KENYA POWER COMPANY LIMITED

DR. NET REVENUE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd.) CR.

	K£		K£
1. Interest paid and accrued to date:		1. Balance from last account:	Nil
Debenture stock	4,074,836	2. Balance brought from Revenue Account (No. IV)	11,840,249
2. Interim dividends paid	Nil	3. Interest on investments, deposits, etc.:	98,340
3. Carried to General Reserve Account (No. VI)	Nil	4. Other items:	
4. Preliminary and development expenses written off	Nil	Gain on realignment of currency	36,558
5. Income tax paid	Nil		
6. Other items:			
(a) Loan Capital Redemption Fund	377,059		
(b) Reserve and Equalization Fund	1,153,855		
(c) Capital Reserve	6,369,397		
K£	11,975,147	K£	11,975,147

No. VI—THE KENYA POWER COMPANY LIMITED

DR. GENERAL RESERVE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd.) CR.

	K£		K£
1. Amount applied as under	Nil	1. Balance from last account	Nil
2. Balance as per General Balance Sheet (No. VIII)	Nil	2. Amount transferred from Net Revenue Account (No. V)	Nil
		3. Interest on amount invested	Nil
	Nil		Nil

No. VII—THE KENYA POWER COMPANY LIMITED

DR. DEPRECIATION RESERVE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986 CR.

	K£		K£
1. Amount applied as under:		1. Balance from last account	8,815,944
Written off capital expenditure	Nil	2. Amount transferred from Revenue Account (No. IV)	3,333,630
2. Balance as per General Balance Sheet (No. VIII)	12,149,574	3. Interest on amount invested	Nil
		4. Amount transferred from Debenture Stock Sinking Fund	Nil
	12,149,574		12,149,574

NO. VII—THE KENYA POWER COMPANY LIMITED

DEPRECIATION RESERVE ACCOUNT FOR THE 18 MONTHS ENDED 30TH JUNE, 1986—(Contd.)

TOTAL PROVISION MADE FOR DEPRECIATION	Total to 31-12-84	Added during Period	Deducted during Period	Total to 30-6-86
1. Amount written off as per Revenue Account (No. IV) and deducted from Capital Expenditure	K£ Nil	K£ Nil	K£ Nil	K£ Nil
2. Amount applied from Depreciation Reserve Account (No. VII):				
(a) Written off capital expenditure	Nil	Nil	Nil	Nil
(b) Expended on renewals, but not including betterment	Nil	Nil	Nil	Nil
3. Balance of Depreciation Reserve Account (No. VII)	8,815,944	3,333,630	Nil	12,149,574
	8,815,944	3,333,630	Nil	12,149,574

No. VIII—THE KENYA POWER COMPANY LIMITED

GENERAL BALANCE SHEET AS AT 30TH JUNE, 1986—(Contd.)

CAPITAL AND LIABILITIES			PROPERTY AND ASSETS		
		K£			K£
1. Amount received as per Capital Account (No. III)	.. .. .	61,702,182	1. Expenditure as per Capital Account (No. III)	.. .. .	90,712,805
2. Sundry creditors:	K£		2. Investments: Bank deposits	.. .. .	Nil
(a) Sundry tradesmen and others due on construction of plant and machinery, fuel, stores, etc., to 30th June, 1986	3,965,542	3,965,542	3. Stores:		
(b) Corporation tax	Nil		(a) Coal or other fuel	K£	
3. Balances at credit of:			(b) General	Nil	
(a) Net Revenue Account (No. V)	.. .. .	Nil	(c) Consumers' installation and repair stores	Nil	
(b) General Reserve Account (No. VI)	.. .. .	Nil	(d) On consignment	Nil	
(c) Depreciation Reserve Account (No. VII)	12,149,574	12,149,574	(e) In transit	Nil	
4. Other items:			4. Preliminary and development expenses	.. .. .	Nil
(a) Loan Capital Redemption Fund	.. .. .	1,903,932	5. Sundry debtors:	K£	
(b) Reserve and Equalization Fund	.. .. .	1,955,284	(a) For amounts paid on account of contracts in course of completion	170,541	
(c) Capital Reserve	.. .. .	12,697,173	(b) For electrical energy supplied to 30th June, 1986	1,821,256	
(d) Exchange Equalization Reserve	.. .. .	Nil	(c) Other Kenya Power and Lighting Co. Ltd.	Nil	
(e) Reserve for Interest on Debenture Stock 1975/1985 (Gross)	.. .. .	Nil	6. Other items: Loan to Tana River Development Co. Ltd.	.. .. .	1,991,797
(f) Amount owed to Tana River Development Company Limited	.. .. .	Nil	7. Cash at bank and in hand	.. .. .	1,669,085
(g) Amount owed to Kenya Power & Lighting Co. Ltd.	.. .. .			
(h) Bank overdraft	.. .. .			
		94,373,687			94,373,687

As auditors appointed under the provisions of the Electric Power Act, we certify that all our requirements have been complied with and that we have examined and audited the accounts of the Company for the 18 months ended 30th June, 1986 as set out above and on the accompanying Schedules I, II, III, IV, V, VI, and VII.

In our opinion the accounts are in accordance with the books of the Company and are properly drawn up to give the necessary information required by the Electric Power Act.

NAIROBI

GILL & JOHNSON,
Certified Public Accountants (Kenya).

S. K. GICHURU
Director of Company.

J. N. KIMANI,
Secretary.

No. IX—THE KENYA POWER COMPANY LIMITED

STATEMENT OF ELECTRICAL ENERGY GENERATED, PURCHASED, SOLD, ETC.

Quantity purchased (in Kelvins)	311,923,357
Quantity generated (in Kelvins)	674,053,700
Total of quantities purchased and generated (in Kelvins)	985,977,057
QUANTITY SOLD	
By meter	964,109,002
Public lamps	Nil
By other sales	Nil
Total sold	964,109,002
Quantity used on works	21,868,055
Total quantity accounted for	985,977,057
Quantity not accounted for	Nil
Number of public lamps	N/A
Total maximum supply demanded (in Kilowatts)	Not ascertainable
Total connected load (in Kilowatts)	Not ascertainable