

## **MINUTES OF THE 10<sup>th</sup> AGM OF TWIN HUTS LTD HELD ON 6<sup>TH</sup> MAY 2017 AT PARKLANDS SPORTS CLUB**

### **ATTENDANCE**

1. Lawrence Mugambi Mungania – 8068 – Company Secretary
2. David M. Mngolia - 6695 - 3885
3. Peter K. Kibogo - 4554
4. George Wakaria - 10175
5. Samuel Gitau - 8541
6. Charles Mukiri Kogi - 4035
7. S. M. Githuku - 7271
8. Dr. Moses Kinuthia - 7960
9. Nehemiah Ndeta - 8817
10. Julius Kihara - 4986
11. Timothy N. Kuria - 8939
12. David M. Gaitho - 6967
13. Caroline Nkatha Ithula - 116
14. Wanjau Kahuthu - 7469
15. Edwin Otieno Joseph - 4782
16. Samuel Macharia Karima - 4662
17. Geoffrey Mbogo Chege - 6939
18. Edgar Mokua - 8243
19. Stephen C. Wanjala - 5559
20. Ken Ngunjiri - 9447
21. Joseph Wamwea - 7975
22. Wilhelm Mugho - 5262
23. Silas Wafula - 10927

### **IN ATTENDANCE**

1. Mr. Bakari Chongwa

### **APPOLOGIES**

NIL

### **MINUTES**

#### **1. Reading the Notice**

The chairman (Dr. Moses Kinuthia) welcomed those present and invited a special guest Mr. Bakari Chongwa to pray for the meeting followed by introductions of those present and on invitation the company secretary read the notice convening the meeting.

#### **2. Tabling Proxies and Noting Presence of Quorum**

The company secretary confirmed that there were 23 members present and no proxies, hence a quorum.

3. **Confirmation of the minutes of the AGM of 2016**

The Chairman read through the minutes of the 2016 AGM (attached) and invited comments.

Edwin noted that his file number is 4782. Catherine also noted her last part of name is Ithula

There being no further comments, on the proposal of Edwin Otieno and secondment of Catherine Nkatha the minutes were confirmed as a true record.

4. **Receiving of the chairman's report**

The chairman read the chairman's report (attached) and expounded on it and opened the same for discussion after the same was adopted upon the proposal by George Wakaria and secondment by John Mngolia. He highlighted the following:

(a) **Proposed solar project**

The project has already gone through the bureaucracy and requires USD 150 Million to buy the proponent out. The project has an output of 10 megawatts with a return of about 10 Million annually. THL may not easily raise the required funds. The generation date is 2018 for 20 years.

Comments:

- Julius Kihara (4986) noted that projects such as solar are not guaranteed uptakes by KPLC in the future.
- Dr. Moses Kinuthia (chairman): pointed out the proponent will be the best placed person to clarify about the project however he had indicated that viability studies had been done for continuous supply.
- Wanjau Kahuthu (7469) pointed out that there are several companies generating excess power but have found it difficult getting power purchase agreement (P.P.A.s).

(b) **Low income housing project**

Mr. George Wakaria (10175) informed the meeting that the company is planning to lease land for low income housing in order to generate routine income and development on ¼ acre would cost about 9M and generate monthly rent of Kshs. 283,375/=. Full investment return is 2 years and the project runs for 15 years. He indicated that when opportunity arises it needs be taken quickly and Kshs. 2,000 per share would raise enough money for it.

Comments

- Wanjau Kahuthu, Erastus Kibogo and others agreed that this is a worthy project.
- Lawrence Mugambi: Pointed out that the need for a project to raise income to finance an operational office independent of donated services is very critical and urgent.

(c) Strategic Plan

The chairman invited Mr. Bakari Chongwa to highlight on the new strategic plan.

Bakari Chongwa: the strategic report is:

- (i) 2017 – 2026, i.e. 10 years
- (ii) Organisation structure addressing the lethargy in THL/stunted growth.
- (iii) A 57 page document awaiting feedback and then finalisation.
- (iv) .....
- (v) .....
- (vi) .....

Comments

- Julius Kihara: hopes that the plan is not limited to property investment. Urges that there be consistency and reality e.g. expecting high quality staff when the company is starting.
- David Gaitho: the plan needs to reflect more about us that appear generic however the important thing is how to implement it from now.

5. **Financial Statements and Reports 2016**

The treasurer George Wakaria took the members through the report and highlighted that: -

- (i) Income of Kshs. 126,000/= arose from one line only: the 12 year: Kshs. 1 Million bond.
- (ii) Expenses included a staff member retained up to August 2016.
- (iii) The largest expense is in land rent and rates of Kshs. 1,103,125/= which relates to the Windsor project.
- (iv) Net loss amounted to Kshs. 2,412,437/=.

Upon the proposal and secondment by Wanjau Kahuthu and David Gaitho respectively the financial statements and reports were adopted.

The following comments/queries were made:

Query: Wanjau Kahuthu – expects that expenses like rates are apportioned.

Answer: Yes.

Query: Geoffrey Chege – wondered if the cash in bank has been put in a fixed deposit.

Answer: No because money has been in constant use.

Query: Why not buy-off the other 40% of Windsor.

Answer: the owners are not willing to sell and THL needs the cash flow.

6. **Election of directors**

The chairman reminded the meeting that there are 3 vacancies arising. The company secretary explained that firstly a returning officer would be elected. Then, candidates will be proposed and seconded. If there are more than 3 candidates, then elections would be held.

David Gaitho was unanimously elected as a returning officer.

The following were nominated as candidates: -

<b><u>Candidate</u></b>	<b><u>Proposer</u></b>	<b><u>Seconded</u></b>
1. Caroline Nkatha	Samuel Karima	Kenneth Ngunjiri
2. Timothy Kuria	Samuel Gitau	Edgar Mokua
3. Simon Githuku	Samuel Gitau	Moses Kinuthia

There being no other candidates the returning officer declared the 3 duly elected as new directors.

The Chairman (Dr. Moses Kinuthia) congratulated and invited the 3 to make comments:

Timothy Kuria (8939) – said he is a banker and will do his best to deliver.

Simon Githuku (7271) said he is a teacher/businessman and regrets that the company has stagnated compared to other companies yet we have high potential. Hopes to push the realisation of the company goals.

Caroline Nkatha (116) – an accountant but indentifies herself as a finance specialist. Expects to learn and contribute a lot.

7. **Appointment of Auditors & Remuneration**

The chairman invited comments as to any new proposals.

Julius Kihara (4986) – proposed that the existing auditor M/s Umuro Wario & Associates CPA be retained in view of current cash flow.

Samuel Karima (4662) – seconded the proposal consequently, M/s Umuro Wario & Associates CPA was declared as appointed as the company auditor for the year 2017 and the board do fix the auditors remuneration.

8. **Directors Remuneration**

Upon the proposal of Samuel Karima (4662) and secondment by Edwin Otieno (4782) it was agreed that directors remuneration be retained as 10% of profits before tax and the sitting allowance be reviewed to Kshs. 5,000/= per sitting.

9. **AOB**

The Chairman reminded the meeting that no other business has been received within the prescribed time but nonetheless allowed a few comments.

Julius Kihara – we should probably have learnt how to manage small projects first instead of aiming at large ones. Hence we should do more small ones.

- Secondly proposed that we invite other interested and resourceful persons to attend our meetings so long as they don't vote.
- Let us not be too formal/elitist and relate easily for business ideas to thrive and entertain business ideas beyond the very formal ones.

There being no other business the meeting ended at 2.10 p.m. after prayers from Simon Githuku (7271).

Signed:

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**CHAIRMAN**

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**COMPANY SECRETARY**