

# **MINUTES OF THE 7<sup>th</sup> AGM OF TWIN HUTS LTD HELD ON 26<sup>TH</sup> APRIL 2014 AT PARKLANDS SPORTS CLUB**

## **ATTENDANCE**

1. Lawrence Mugambi Mungania - 8068
2. Martin Nyanjom - 4883
3. Imtiaz Khan - 6710
4. Ken Ngunjiri - 9447
5. Wanjau Kahuthu - 7469
6. Nehemiah A. Ndeta - 8817
7. Charles Kogi - 4035
8. Paul Ojil - 7100
9. Somane Ismail – 6979
10. Evance L. Mundia - 6446
11. Joe Kamau as proxy for Julius Kihara - 4986
12. Samuel Gitau Mwangi - 8541
13. Samuel Macharia Karima - 4662
14. Charles Kwoba Maloba - 7500
15. Josphat Kariuki - 7976
16. Robert Njoro - 8827
17. Isaac Njoro Thendiu – 5628
18. Samuel Gitau Mwangi as proxy for Peter Mbau Mungai – 8779
19. Samuel Gitau Mwangi as proxy for Duncan Goga - 6981

## **IN ATTENDANCE**

NIL

## **APPOLOGIES**

1. Noah Meely - 5510
2. Jackson Ole Sempele – 4354
3. Amos Omore – 5048
4. Edwin Otieno Joseph - 4782

## **MINUTES**

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

- (a) The Chairman welcomed those present and requested the company secretary to read the notice of the meeting.
- (b) The company secretary read the notice conveying the meeting and the same was adopted unanimously

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

The Company secretary confirmed that there were 19 shareholders present and proxies and the chairman declared the meeting was properly convened. The company secretary indicated that a few apologies had been received by email.

### **3. Confirmation of the minutes of the AGM of 2013**

The chairman read through the minutes (attached) of the AGM 2013 and invited comments, and there being none, upon proposal by Martin Nyanjom and secondment by Wilson Irungu for confirmation and the same was unanimously so confirmed as true record.

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

The Chairman read his report (attached) and expound on the same assisted by various heads of sub-committees and opened the report for discussions after the same was adopted upon the proposal and secondment by Evance Mundia and Josphat Kariuki respectively.

**Comments and queries**

Query: James Kamau (9109) – inquired whether the company has a dividend policy.

Response: Wilson Irungu (Treasurer) – he indicated that there is none so far but the company in paying dividends of 5.7M, we will have cash available of Kshs. 18M in the least.

Query: David Mngolia (6695): Requested that the communication be fine tuned.

Response: May: it was suggested that besides other efforts, a web portal be improved so that members can propose changes to their addresses.

Query: Wanjau Kahuthu (7469): suggested that the AGM registration do include changes of addresses.

Query: Evance Mundia (6446): Commented the board for good and unselfish opportunities and urged members to be supportive of projects proposed.

Query: Charles Kogi (4035): wanted more details of the new projects.

Response: Several members of the Board: the company will soon be unveiling new projects/products and may invite members to a business meeting soon.

5. **Financial Reports 2013**

The Chairman invited the Treasurer Wilson Irungu to table the financial reports 2013 and he highlighted that:

- Income had risen from Kshs. 1,887,299/= to Kshs. 11,117,092/=.
- Administration expenses rose from Kshs. 323,837/= to Kshs. 1,294,602/= and the significant figure is the new directors remuneration of Kshs. ....
- And after tax charge of Kshs. Kshs. 2,946,747/= the net profit is Kshs. 6,875,745/=.

- Revaluation of the Windsor property was done after it was remained at book value for long. It was re-valued at Kshs. 70M and attracts a deferred tax of Kshs. 17,580,752/=.

- Assets: explained that the major reduction is on sale of the Lavington property

Query: James Kamau (9109) – asked about the other income of Kshs. 12,000/=.

Response: Wilson Irungu (Treasurer) – explained that it is registration fees on sale of shares to members.

Query: Ken Ngunjiri (9447) – inquired as to what the directors remuneration is based on.

Response: Wilson Irungu (treasurer) – clarified that the directors remuneration is 10% of the net profit as previously resolved by AGM.

Query: Wanjau Kahuthu (7469): asked whether Njiri's shares are still available.

Response: Wilson, Gitau and Ian: clarified that a notice will be sent out for a maximum of 3 shares for a period of one month and then its opened up and are x-dividend (xd).

Query: James Kamau (1109): inquired as to whether loans will be given to members as in the case of Njiiri.

Response: Karima Macharia: indicated that loans are not a policy of the company generally.

Query: Josphat Kariuki (7946): Requested that the investment policy be communicated to shareholders.

Query: James Kamau (9109): Requested that the auditor be available at all AGM.

Paul Ojil (7100) and Semane Ismail proposed and seconded (respectively) that the financial reports for the year 2014 be adopted and the same were adopted unanimously.

## 6. **Dividends**

Upon the proposal and secondment by David Mngolia (6695) and Josphat Kariuki respectively it was resolved that a dividend of Kshs. 20,000/=for every one issued ordinary share in the register of shareholders as at the 31<sup>st</sup> December 2013.

## 7. **Increase of share capital & split of shares**

Upon the proposal and secondment by Oduor M'Koniare (6338) and Wanjau Kahuthu it was unanimously resolved that pursuant to Articles 56 and 60(b) of the Articles of Association to:

- (a) Increase the nominal capital

- (b) Sub-divide the shares.

8. **Election of Directors**

The chairman indicated that pursuant to Article 113 of the company's Articles of Association, 3 directors were retiring by rotation of which all were seeking re-election. He also added that different specialisation would be useful if captured in the directors elected.

- Mr. Wanjau Kahuthu was unanimously elected as a retiring officer and the following were proposed and seconded as follows:

<b><u>Candidate</u></b>	<b><u>proposer</u></b>	<b><u>seconder</u></b>
1. Wilson Irungu	Oduor M'Koniare	Paul Ojil
2. Samuel Gitau	Evance Mundia	Simon Githuku
3. Martin Nyanjom	David Mngolia	Somane Ismail

And there being no other person nominated, the returning officer declared Wilson Irungu, Samuel Gitau and Martin as duly new elected directors of the company.

9. **Auditors Appointment & Remuneration**

James Kamau (9109) suggested that a policy be in place on appointment of directors and Wilsong Irungu agreed that as the company business activity increases the same will be done.

Upon the proposal by Imtiaz Khan (6710) and secondment by Josphat Kariuki (7946) M/s Umoro Wario & Associates CPA were re-appointed as auditors and directors, authorised to fix their remuneration.

10. **Directors Remuneration**

Several comments were received as follows:

James Kamau – That director's remuneration be pegged on a threshold.

Somane Ismael – suggested that a strategic plan be adopted.

Oduor M'Koniare – suggested that a director who fails to be active be removed even mid stream.

Imtiaz Khan – suggested that for this year the remuneration be retained as before and next year directors do take comments made into consideration and come up with a proposed policy.

Upon secondment of Imtiaz Khan's proposal by Somane Ismail, the said proposal was unanimously accepted; that is that directors' remuneration be retained at 10% of the net profit until the next AGM.

11. **AOB**

The company secretary reported that he had not received a notice of any other business at least 14 days prior to the meeting.

The chairman however invited members present to make any other comments they wished to.

Wilson Irungu – Invited shareholders present to inform directors of suitable investment proposals.

Isaac Njoro – suggested that we enter into developments and that could raise good monies from members.

M’Koniare – Suggested that shareholders be involved in the strategic plan review for useful input.

Samuel Gitau – noted that though there was a strategic plan, monies were initially withheld in shares and similar investments from which we could not wriggle out to other investments easily. But now with the money available we can now be proactive, involve members widely and have a vibrant company.

Njane Mugambi – commented that even though circumstances have changed there was nothing wrong with those strategic plans they only need review.

Somane Ismail – said that volunteer directors need to be supplemented by competent employees and an office and that way we can rise to even a capital of say Kenya Shillings One Billion.

Wanjau Kahuthu – suggested that we hire employees carefully to avoid exhausting capital.

Mugambi Mungania – explained that we have had employees being old boys and nonetheless we were not successful in migrating operational affairs effectively.

There being no other business, the meeting ended at 13.15pm

Signed:

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**CHAIRMAN**

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**COMPANY SECRETARY**