

2017

John Willis & Associates,
Certified Public Accountants
of Kenya, P.O. BOX 3259-
00100, NAIROBI.

**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**



Kimisitu Investment
COMPANY LIMITED

'Your umbrella in fair weather'

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1. COMPANY INFORMATION

BOARD OF DIRECTORS:

Mr. Ernest Mungai Gatoru	Chairman
Mr. Stanley M. Gachui	Vice Chairman
Mr. Laban Musundi	Board Secretary
Mr. Jacob Mwisyo	Director
Ms. Lucy Wangari Mwangi	Director
Ms. Angela Nyanjong	Director
Mr. Danson Idy Pembere	Director (Served from May 2017 to date)
Mr. Michael Murichu	Director (served until April 2017)

Ms. Esther Ongera General Manager

Company Secretary: Gilbert Nyamweya Omoke

Registrar: Co-operative Bank of Kenya

Bankers: Kenya Commercial Bank Ltd.
Moi Avenue Branch
P O Box 30081-00100
Nairobi, Kenya

Co-operative Bank of Kenya
Nairobi Business Center Branch
P O Box 48231-00100
Nairobi, Kenya

Auditors: John Willis & Associates
Certified Public Accountants of Kenya
P O Box 3259-00100,
Nairobi, Kenya

Registered Office: Woodlands Court, House No.10
P O Box 37159-00200,
Woodlands Road, Kilimani
Nairobi, Kenya

2. REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of Kimisitu Investment Company Limited hereby submits their annual Report together with the Audited Financial Statements for the year ended 31 December 2017.

1. INCORPORATION

The Company (limited by shares) was incorporated under the Companies Act, Cap 486 on the 13 August 2010 and it is domiciled in Kenya.

2. PRINCIPAL OPERATING ACTIVITIES

The principal operating activities of the Company are:

- i. The Purchase and sell of Land accounted for using IFRS 5 (Non-current Assets held for Sale).
- ii. Leasing of Properties accounted for under IAS 17
- iii. Mortgaging of Properties
- iv. Any other dealing in Land, Property, and Investment activities that are within the provisions of the Company's Memorandum & Articles of Association.

3. DIVIDENDS

The Company has declared a final dividend of KShs 1.20 per share.

4. THE BOARD OF DIRECTORS

The members of the Board of Directors who were in office during the year up to and including the date of this report are as listed on page 2.

5. AUDITORS:

The Company auditors, M/s. John Willis & Associates, have expressed their willingness to continue in office, as provided for under the Companies Act, section 159(i). By Order of the Board

Chairman
Date



09-03-2018

3. STATEMENT OF RESPONSIBILITIES OF THE BOARD MEMBERS




The Company Board members are responsible for the preparation of the Financial Statements for each accounting period which gives a true and fair view of the state of affairs of the Company as at the end of the accounting period and the operating results for that period.

The Board of Directors required by law to ensure that the company maintains and operates proper accounting record that, disclose with reasonable accuracy, the financial position of the Company and are also responsible for safeguarding the Assets of the Company as their fiduciary role.

The Board members accept responsibility for financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with International Financial Reporting Standards (IFRSs). The Board members have formed the opinion that the appended Financial Statements give a true and fair view of the state of affairs of the Company as at 31 December 2017 and its operating results for the year then ended.

The Board Members accept further responsibility for the maintenance of accounting records which have been relied upon in the preparation of these Financial Statements as well as the adequacy of the Systems of internal financial controls.

No circumstances have come to the attention of the Board of Directors to suggest that the Company will not remain a going concern for at least the next twelve months from the date of this signed statement.

 _____	(Chairman)	Date <u>09-03-2018</u>
 _____	(Director)	Date <u>09/03/2018</u>
 _____	(Director)	Date <u>09-03-2018</u>

4. REPORT OF THE INDEPENDENT AUDITORS

TO THE SHAREHOLDERS OF KIMISITU INVESTMENT COMPANY LIMITED

We have performed the audit of the accompanying Financial Statements as set out on pages **7 to 21** which have been prepared based on the accounting policies and Standards as set out in NOTE 1 of these Financial Statements which comprise the following:

- i. The Statement of Comprehensive Income
- ii. The Statement of Financial Position
- iii. The Statement of Changes in Equity
- iv. A Statement of Cash flows, for the year ended 31December 2017, and a summary of significant accounting policies and other explanatory notes including Income statement components.

RESPONSIBILITIES OF THE BOARD MEMBERS ON THE FINANCIAL STATEMENTS:

The Members of the Board of Directors are responsible for the preparation, and true and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards(IFRSs) and in compliance with the requirements of the Companies Act, Cap 486. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation of true and fair presentation of the Financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

BASIS OF OUR OPINION:

Audit involves performing audit procedures, on a test basis, to obtain audit evidence supporting the amounts and disclosures in the Financial Statements. The procedures selected depended on the auditor's professional judgment, including the assessment

of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those assessments, the auditors considered the internal controls relevant to the Company's preparation, fair and true presentation of the Financial

Statements so as to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.

An audit also includes an evaluation of the appropriateness of accounting policies and the reasonableness of significant accounting estimates made by the Board in the preparation of the Financial Statements as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we obtained and the audit procedures applied were sufficient and appropriate to provide the basis for our audit opinion.

OUR OPINION:

In our opinion, proper books of account have been kept and the Financial Statements, which are agreement therewith, present a true and fair view of the Company's state of financial affairs as at 31 December 2017, and the Operating Results and Cash flows for the year then ended and comply with the requirements of the Companies Act, Cap 486, of the Laws of Kenya and in accordance with the applicable International Financial Reporting Standards(IFRSs) and other regulatory requirements.

As per the provisions of the Kenya Companies Act, we accordingly report as follows, based on our audit:

- i. We obtained information and explanation which we considered necessary for the purpose of our audit.
- ii. In our opinion, proper books of account have been kept by the company as far as possible as confirmed by our examination of the Company books.

The Engagement Partner responsible for this audit which resulted in the independent auditor's opinion is CPA Willis W.J.N. Nyandieka, Practising Certificate No.P.1388.



John Willis & Associates,
Certified Public Accountants of Kenya,
Nairobi, Kenya.

Date 23.03.2018

5. STATEMENT OF COMPREHENSIVE INCOME

INCOME	NOTE	2017 KShs.	2016 KShs.
Net Income from Operations	9.2	43,768,998	31,435,246
Other Income		2,177,291	5,227,168
Total income		45,946,289	36,662,414
 EXPENDITURE			
Administration & operational expenses	9.3	8,844,645	7,853,555
Staff costs	9.4	16,184,975	12,533,021
Governance costs	9.5	4,991,778	4,666,166
Total Expenditure		30,021,398	25,052,742
 Profit before taxation		15,924,891	11,609,672
Taxation		(4,936,126)	(3,667,471)
Profit after taxation		10,988,765	7,942,201

6. STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	NOTE	2017 Kshs	2016 Kshs
ASSETS			
Non-current assets	9.7	8,643,122	2,562,678
Investment property	9.7	2,421,945	2,421,945
Non-current assets held for sale	9.8	105,023,209	82,156,687
Intangible asset-operating software	9.9	764,703	1,529,406
Total non-current assets		116,852,979	88,670,716
CURRENT ASSETS			
Trade & other account receivables	9.10	41,934,704	31,439,909
Prepayments	9.11	2,514,262	1,894,690
Cash & cash equivalents	9.12	31,544,193	36,746,311
Total current assets		75,993,159	70,080,910
TOTAL ASSETS		192,846,138	158,751,626
EQUITY AND LIABILITIES			
Share capital	9.14	79,943,180	79,733,180
Share premium	9.14	19,591,251	19,501,790
Retained earnings		9,270,595	8,296,430
Total equity		108,805,026	107,531,400
CURRENT LIABILITIES			
Trade & other account payables	9.11	83,400,853	49,031,492
Dividend payable	9.15	-	-
Tax liability	9.6.1	640,259	2,188,734
Total current liabilities		84,041,112	51,220,226
TOTAL EQUITY & LIABILITIES		192,846,138	158,751,626

The Financial Statements on pages 7 to 21 were approved for issue by the Board of Directors and authorized and signed on their behalf by:

Chairman.....

Date.....

09 - 03 - 2018

Director.....

Date.....

09/03/2018

7. STATEMENT OF CHANGES IN EQUITY

	NOTE	Share Capital KShs.	Share Premium KShs.	Retained Earnings KShs.	Total KShs.
As at 01.01.2017		79,733,180	19,501,791	8,296,430	107,531,401
Issued during the year		210,000	89,460	-	299,460
Prior year adjustments	9.16	-	-	(2,023,481)	(2,023,481)
Profit for the year after taxation		-	-	10,988,764	10,988,764
2016 dividends paid in 2017				(7,991,118)	(7,991,118)
As at 31.12.2017		79,943,180	19,591,251	9,270,595	108,805,026
As at 01.01.2016					
Issued during the year		66,447,350	13,553,753	6,993,304	86,994,407
		13,285,830	5,948,038	-	19,233,868
Profit for the year after taxation		-	-	7,942,201	7,942,201
2015 dividends paid in 2016				(6,639,075)	(6,639,075)
As at 31.12.2016		79,733,180	19,501,791	8,296,430	107,531,401

8. STATEMENT OF CASHFLOWS

	2017 KShs	2016 KShs
Cash flows from operations		
Profit before taxation for the period	15,924,891	11,609,672
Adjust for		
Depreciation	601,676	656,087
Amortization	764,703	764,703
Prior period adjustment	(2,023,481)	-
2016 final tax paid in 2017	(2,188,734)	-
Cash flow from operations before working capital changes	13,079,055	13,030,462
Decrease in account receivables	(11,114,367)	(15,144,071)
Increase in trade and other payables	34,369,361	21,515,466
Decrease in non-current assets held for sale	(22,866,521)	(28,318,487)
Corporation tax paid during the year	(4,295,867)	(959,450)
Net cash flow from operations	9,171,661	(9,876,080)
Cash flow from investing activities		
Purchase of non-current assets during the period	(6,682,120)	-
Net cash flow from investing activities	(6,682,120)	-
Cash flow from financing activities		
Issue of share capital during the period	299,460	19,233,868
Dividends paid	(7,991,118)	(6,639,075)
Net cash flow from financing activities	(7,691,658)	12,594,793
Net increase/(decrease) in cash flows	(5,202,117)	2,718,713
Cash & cash equivalents at the start of year	36,746,310	34,027,597
Cash & cash equivalents at the end of the period	31,544,193	36,746,310

9. NOTES TO THE FINANCIAL STATEMENTS

9.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES APPLIED:

The main accounting policies used in the preparation of these Financial Statements are as detailed below: -

a) BASIS OF PREPARATION

- i. The Financial Statements have been prepared on a historical Cost basis, except where it is otherwise stated and comply with International Financial Reporting Standards presented in the functional currency, Kenya Shillings.
- ii. The Financial Statements which have been prepared in conformity with International Financial Reporting Standards (IFRSs) require the use of the Company Management judgments, estimates and assumptions that impact on the application of accounting policies and the reported amounts and the disclosure of contingent assets and liabilities as at the date of Financial Statements and the reported amounts of Comprehensive income during the Board of Directors use of prudent judgments in the application of those policies in the period under review

b) INCOME RECOGNITION

The company income is recognized when received and any outstanding bonafide amounts are accounted for as Trade Account Receivables.

c) CASH AND CASH EQUIVALENTS

Cash and Cash equivalents are represented by Cash at Bank, (which may be in the form of Fixed Deposits and bank balances) and Cash in Hand.

d) EMPLOYEE BENEFITS

i. RETIREMENT BENEFITS

Currently, both the employer (the Company) and the employee contribute equal amounts to the National Social Security Fund (NSSF), a National Retirement Benefits Scheme, governed by the NSSF Act. A change in legislation which was made and took take effect from January 2015 requires the Employer to deduct 6 % of the basic salary of an employee and the employer to contribute the same amount.

ii. PROVIDENT FUND

The Company contributes to a Staff Provident Fund held by Britam at the rate of 12.5% of the employee's pensionable pay while the employees contribute 5 % of their individual pensionable pay.

iii. STAFF ACCIDENT AND MEDICAL INSURANCE COVER

The Company operates a group personal accident Cover and a group life assurance cover for their staff, and a medical insurance cover for the employees and their immediate families.

e) PROPERTY, PLANT AND EQUIPMENT

The Depreciation Policy used is the application of a Reducing Balance method at the following annualized rates that will write- off the cost of the asset over their expected useful life.

Particular	Rate
Computers& Accessories	30%
Office Equipment	12.50%
Furniture & Fittings	12.50%
Amortization of Software	20%

9.2 NET INCOME FROM SALE PROPERTY

	2017 KShs	2016 KShs
SALES		
Joska 1	560,000	-
Joska 2	2,100,000	1,680,000
Joska 3	-	280,000
Joska 4	300,000	11,080,000
Lukenya Maanzoni	-	3,190,000
Lukenya Silver Oak Gardens	4,005,000	24,255,000
Ngelani	4,200,000	16,850,000
Kiserian Phase 1	750,000	29,298,546
Kiserian Phase2	9,625,000	17,340,000
Kona Baridi	7,825,000	-
Kitengela Milimani 2	54,344,000	-
Kiserian Phase 3	11,685,000	-
Kitengela Milimani 3	31,807,227	-
Kitengela Milimani 4	16,230,000	-
Total sales	143,431,227	103,973,546
COST OF SALES		
Opening stock	82,156,686	53,838,200
Purchases		
Kitengela 2,3,4	}	}
Kiserian 3		
Kona Baridi		
Prior period adjustments	811,171	1,193,546
Available for sale	204,685,428	154,694,986
Closing stock (Note 9.8)	(105,023,199)	(82,156,686)
Total cost of sales	99,662,229	72,538,300
Gross profit from property sales	43,768,998	31,435,246

9.3 ADMINISTRATIVE & OPERATING EXPENSES

	2017	2016
	KShs	KShs
Share registry services fees	550,600	552,280
Telephone/business mobile & postage	377,258	413,211
Travelling expenses	229,162	276,368
General office insurance	65,124	94,325
Company secretarial services	50,940	208,200
Marketing & public relations	1,408,794	1,544,946
Office expenses	530,647	515,782
Printing & stationery	586,309	527,839
Travelling & property search expenses	123,677	169,101
Kitengela Milimani plot expenses	30,440	-
Website development and hosting	173,536	53,000
Rent expenses	1,340,000	1,200,000
Support & maintenance-equipment	157,892	202,701
Depreciation	603,772	656,087
Operating system-amortization	764,700	764,703
Bank charges	150,731	114,133
Software licenses	167,520	92,418
Business license	73,700	69,080
Email, internet & intranet	351,780	190,533
Water & electricity	173,657	144,598
Office building maintenance	7,900	34,250
Bad debts w/o	-	30,000
ERP support fees	48,500	-
Borehole expense	135,572	-
Joska 1 plot expenses	25,820	-
Legal expenses	11,600	-
Land related expense	705,014	-
Total administrative & operating expenses	8,844,645	7,853,555

9.4 STAFF COSTS

	2017	2016
	KShs	KShs
Salaries & Wages	9,217,727	7,839,371
Staff Medical Insurance	1,817,564	2,136,726
Staff Welfare and Benefits	325,812	103,423
Staff Bonus	683,854	-
Staff Pension	942,843	707,723
NSSF Contribution	28,400	23,600
Staff Life Assurance	99,634	87,643
Staff Training & Development	486,100	3,600
Staff Recruitment	7,483	332,957
Professional Subscription	51,400	44,000
Personal Accident Cover	60,343	55,348
Special Events-Team	230,146	-
Sales Commissions	2,233,669	1,198,630
	16,184,975	12,533,021

9.5 GOVERNANCE COSTS

	2017	2016
	KShs	KShs
AGM expenses	784,437	1,114,953
Shareholders Expenses	7,500	115,080
Hospitality	154,633	258,400
Board allowances & Travelling Expenses	1,332,075	1,831,775
Directors Fees	1,016,482	741,043
Directors Indemnity insurance	175,791	161,176
Audit fees	312,620	284,200
Board Training & Development	743,840	159,540
Strategic Review Expenses	464,400	-
	4,991,778	4,666,167

9.6 TAXATION

9.6.1 TAX LIABILITY

	2017	2016
	KShs	KShs.
Tax adjusted Income	16,453,754	12,224,904
Tax thereon@30%	4,936,126	3,667,471
Total tax liability	4,936,126	3,667,471
Deduct		
Tax balance in 2016 b/f	2,188,733	(519,288)
Final tax for 2016 paid in 2017	(2,188,733)	-
Installment tax paid during the year	(4,034,220)	(510,415)
Withholding tax on Interest Income	(261,647)	(449,035)
Tax Payable as at 31.12.2017	640,259	2,188,733

9.6.2 TAX CONTINGENT LIABILITY

The Company has held discussions with KRA on a mistake made of failing to attach tax computations in 2012 when filing the tax return which led to KRA concluding that there was a tax balance payable when actually there was none. Consequently, proceeded to accumulate tax penalties and interest on the purported outstanding balance which stood at KShs. 3,697,523 as at 31.07.2017.

Following the discussions with KRA, they gave a condition that the Company has to pay the principal tax before any waiver of penalties and interest can be considered, which condition the Company met in July 2017 by paying KShs 1,284,204 thus leaving a balance of KShs 2,413,319 as a contingent liability.

CAPITAL ALLOWANCES COMPUTATION

WEAR & TEAR ALLOWANCE

	Class II 30% KShs	Class IV 12.50% KShs	TOTAL KShs
WDV as at 01.01.2017	1,041,864	1,305,560	2,347,424
Additions	131,168	1,268,017	1,399,185
	1,173,032	2,573,577	3,746,609
Wear & tear allowance	351,910	321,697	673,607
WDV as at 31.12.2017	821,122	2,251,880	3,073,002
WDV as at 01.01.2016	1,488,378	1,492,068	2,980,446
Wear & tear allowance	446,513	186,509	633,022
WDV as at 31.12.2016	1,041,864	1,305,560	2,347,424

COMPUTER SOFTWARE ALLOWANCE

	2017 KShs
WDV as at 01.01.2017	3,278,186
Wear & Tear allowance@ 5%	163,909
WDV as at 31.12.2017	3,114,277

9.7 NON-CURRENT ASSETS MOVEMENT SCHEDULE

	Computers & accessories KShs	Office &other equipment KShs	Furniture, fittings & equipment KShs	Borehole building KShs	Land KShs	Total KShs
Cost as at 01.01.2017	2,671,385	654,058	1,653,990	-	2,421,945	7,401,377
Additions	131,168	1,110,874	157,143	5,282,935	-	6,682,120
Disposals	-	-	-	-	-	-
Total cost as at 31.12.2017	2,802,553	1,764,932	1,811,133	5,282,935	2,421,945	14,083,497
Acc.dep.as at 01.01.17	1,656,419	275,066	485,270	-	-	2,416,755
Charge for the year	341,745	67,517	165,733	26,681	-	601,676
Total depr. as at 31.12.2017	1,998,164	342,583	651,003	26,681	-	3,018,431
NBV as at 31.12.2017	804,389	1,422,349	1,160,130	5,256,254	2,421,945	11,065,066
NBV as at 31.12.2016	1,014,966	378,992	1,168,720	-	2,421,945	4,984,622

9.8 NON-CURRENT ASSETS HELD FOR SALE

ASSET DESCRIPTION	No. of Plots	2017 KShs	2016 KShs
Katani	1	492,477	492,477
Kitengela 1	1	301,717	603,435
Kitengela 2	8	2,497,319	2,497,319
Kitengela Milimani	7	5,651,204	5,651,204
Joska 1	1	212,957	638,871
Joska2	1	214,794	1,073,972
Joska 3	3	684,973	684,973
Joska 4	1	207,036	414,072
Lukenya Maanzoni	4	2,360,445	2,360,445
Lukenya Silver Oak Garden	23	7,013,298	10,062,558
Ngelani	109	48,304,334	51,406,447
Kiserian Phase 2	2	447,922	6,270,914
Kona Baridi	47	12,413,856	-
Kitengela Milimani 2	2	932,403	-
Kiserian Phase 3	89	17,958,910	-
Kitengela Milimani 4	13	5,329,554	-
Total		105,023,199	82,156,687

9.9 INTANGIBLE ASSETS-OPERATING SYSTEM

	2017 KShs	2016 KShs
Cost as at 01.01.2017/01.01.2016	3,823,515	3,823,515
Additions	-	-
Total cost as at 31.12.2017/31.12.2016	3,823,515	3,823,515
Accumulated Amortization as at 01.01.2017/01.01.2016	2,294,109	1,529,406
Amortization charge for the year	764,703	764,703
Total Amortization charge for the year	3,058,812	2,294,109
NBV AS AT 31.12.2017/31.12.2016	764,703	1,529,406

9.10 TRADE & OTHER RECEIVABLES

	2017	2016
	KShs	KShs
Kitengela 2	-	800
Joska 1	-	118,950
Joska 2- 4	366,650	1,702,181
Lukenya Silver Oak	662,210	2,392,762
Red Pine Ngelani	1,907,000	4,508,000
Kiserian Phase 1	3,414,392	13,139,487
Kiserian Phase 2	3,014,206	9,099,000
Kona Baridi	2,671,500	-
Kitengela Milimani 2	9,855,200	-
Kiserian Phase 3	3,287,002	-
Kitengela Milimani 3	8,537,341	-
Kitengela Milimani 4	5,618,565	-
Refundable Deposits	496,435	406,435
Receivable from Dividend cheques	-	72,295
Kitengela-Milimani Project Contributions (Other Receivable)	2,104,203	-
	<u>41,934,704</u>	<u>31,439,910</u>

9.11 PREPAYMENTS

	2017
	KShs
CIC Insurance	33,151
Heartbit Solutions	2,664
Fredrick Mulwa Mutiso	380,000
Sanlam General Insurance	1,855,947
Surestep Solutions Ltd	242,500
	<u>2,514,262</u>

9.12 CASH AND CASH EQUIVALENTS

	2017	2016
	KShs	KShs
Co-operative Bank (Current Account)	1,213,047	7,811,191
KCB (Current Account)	8,229,407	15,932,661
Fixed Deposit	21,755,430	12,957,889
M-Pesa Float	296,300	-
Cash in Hand	50,009	44,570
	<u>31,544,193</u>	<u>36,746,311</u>

Out of the total of **KShs 31,544,193** representing Cash and cash equivalents as at 31.12.2017 the following amounts are held for the Business Partners as tabulated below, leaving **KShs 25,154,006** as belonging to the Company

Business Partners

	2017
	KShs
Race Course Gardens	2,342,315
Ideal Apartments	1,590,600
Sunset Boulevard	2,457,872
	<u>6,390,787</u>

9.13 TRADE AND OTHER PAYABLES

	2017	2016
	KShs	KShs
Trade Payables	44,487,000	19,507,205
Plot Booking Deposits	2,622,769	369,708
Accrued Expenses		
Kitengela Milimani	381,266	411,266
Lukenya	525,119	694,452
Joska 2	60,719	158,219
Joska 3	240,324	1,270,957
Joska 4	256,559	562,392
Katani	130,000	130,000
Lukenya Silver Oak	985,414	985,414
Ngelani	3,835,810	3,835,810
Kiserian Phase 1	295,346	2,077,346
Kiserian Phase 2	1,494,861	2,145,114
Kona Baridi	3,733,065	-
Kitengela Milimani 2	3,701,616	-
Kiserian Phase 3	5,668,700	-
Kitengela Milimani 3	5,068,280	-
Director's Remuneration/fees	1,016,482	741,040
Audit fees Staff	312,620	284,200
Staff Bonus	683,854	495,000
Other Payables	487,907	15,000
Secretarial services	-	215,960
Payroll Control Account-	91,181	96,196
P.A.Y.E	249,998	124,210
NHIF	18,050	11,150
NSSF	5,600	3,600
Undetermined deposits	291,554	210,654
Share Application Collection	62,115	219,675
Kitengela Milimani Contribution a/c	-	5,612,554
Race Course Gardens, apartment payments	1,891,644	7,473,681
Race-course Gardens-Unutilized Marketing Funds	450,671	450,671
Ideal Apartments-Apartment payments	1,590,000	900,000
Sunset Boulevard-Marketing Funds	2,457,872	-
Lawyers' fees	-	2,000
Sales Commission payable	-	28,018
Dividend payable	304,457	-
	83,400,853	49,031,492

9.14 SHARE CAPITAL

2017
KShs

Authorized Share Capital

10,000,000 Ordinary Shares of Kshs.10 each

100,000,000

Issued and fully paid up Share Capital

79,943,180

Share Premium

19,591,251

As at 31.12.2017

99,534,431

9.15 PROPOSED DIVIDENDS

At the start

-

Proposed for the year 2016

7,991,118

Paid during the year

(7,991,118)

-

9.16 PRIOR YEAR ADJUSTMENTS

This figure of KShs. 2,023,481 included under the Statement of Changes in Equity relates to sales reversals for the periods up to 2016 recognized in those periods, disputed tax for 2012, past dividends paid and Shares adjustments as tabulated below:

SUMMARY

KShs

Previous years' Sales reversals in 2017

583,826

Disputed tax for 2012 paid

1,284,204

Past dividend paid

5,700

Shares Adjustment

37,000

Tax Penalties &Interest

112,751

Total

2,023,481

TAX COMPUTATION - 2017

Note

PIN NO. P051339151H

		KShs	KShs
Profit before tax			15,924,891
Add back Non-deductibles			
Depreciation		601,676	
Amortization		764,703	
			<u>1,366,379</u>
			17,291,270
Less Deductibles			
Wear & Tear	6.9.2	673,607	
Computer Software Allowance		163,909	
			<u>(837,516)</u>
Adjusted taxable profit			16,453,754
Tax thereon @30%			4,936,126
Total tax liability			4,936,126