

***MAISHA BORA VENTURES LIMITED***

***ANNUAL REPORT AND FINANCIAL STATEMENTS***

***AS AT 31ST DECEMBER 2020***

**Maisha Bora Ventures Limited**  
**Financial Statements**  
**As at 31st December 2020**

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**CONTENTS**

	<b>PAGE</b>
Company Information	<b>1</b>
Board of Directors' Report	<b>2</b>
Statement of Directors' Responsibilities	<b>3</b>
Report of the Independent Auditors	<b>4 - 5</b>
Statement of Comprehensive Income	<b>6</b>
Statement of Financial Position	<b>7</b>
Statement of Changes in Equity	<b>8</b>
Statement of Cash Flows	<b>9</b>
Notes to the Financial Statements	<b>10 - 17</b>

**Maisha Bora Ventures Limited**

**Financial Statements**

**As at 31st December 2020**

---

**Company information**

**BOARD OF DIRECTORS**

George Wafula	-	Chairman
Joseph Kiando	-	Vice Chairman
Japheth Magomere		
Agnes Chepkurui		
Vitalis Oduor		
Peter Ogola		
Joseph Were		
Peter Korir		
George Karanja		

**AUDITORS**

D.K Wambua and Associates  
Danny's Court, 1st Flr, Suite A3.  
Mombasa Rd, Adjacent to Security Group Africa (SGA)  
Opp, NextGen Mall/Eka Hotel.  
P.O Box 5957 - 00100  
Nairobi, Kenya  
Telephone; +254 20 2514799  
Cellphone; +254 722 771411, 736 801644  
Email; [info@dkwambua.co.ke](mailto:info@dkwambua.co.ke)

**COMPANY SECRETARY**

Dorion Associates LLP  
Thompson Estate Gate 7, House 2,  
Off Ole Odume Road, Diani Close  
P.o Box 29737-00202  
Nairobi Kenya.  
Tel.No: +254-202353383/+254-722-616-119  
e-mail:[info@dorion.co.ke](mailto:info@dorion.co.ke)

**REGISTERED OFFICE**

Maisha Bora Ventures Ltd  
Commercial street  
P.O Box 72713-00200  
Nairobi

**BANKERS**

Co-operative Bank of Kenya  
Enterprise Road Branch  
P.O. Box 17928-00500  
Nairobi

**Maisha Bora Ventures Limited**  
**Financial Statements**  
**As at 31st December 2020**

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**Board of directors' report**

The Board of Directors submit their report and the audited Financial Statements as at 31st December 2020 which disclose the state of affairs of the Company.

**Principal activity**

The principal activity of the Company is that of investment in Real Estate.

**Results for the year**

The results for the year ended 31 December 2020 are set out on page 6 and the appropriations there from in the Statement of Changes in Equity on page 8.

**Dividend**

The Board of Directors do recommend the declaration of a dividend for the year at Kshs 200 per share.

**Directorate**

The Board of Directors who held office at the date of this report are shown on page 1.

**Auditors**

The Company's auditors, DK Wambua & Associates were in office during the year and have expressed their willingness to continue in office in accordance with section 721(2) of the Companies Act 2015.



**DIRECTOR**



**DIRECTOR**

**Maisha Bora Ventures Limited**

**Financial Statements**

**As at 31st December 2020**

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**Statement of directors' responsibility**

The Kenyan Companies Act, 2015 requires the directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the company maintains proper accounting records that are sufficient to show and explain the transactions of the company and disclose, with reasonable accuracy, the financial position of the company. The directors are also responsible for safeguarding the assets of the company, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Kenyan Companies Act, 2015. They also accept responsibility for:

- i) Designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error
- ii) Selecting suitable accounting policies and applying them consistently
- iii) Making accounting estimates and judgements that are reasonable in the circumstances.

Having made an assessment of the company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the company's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors on ..... 2021 and signed on its behalf by:



.....

Director



.....

Director

**Maisha Bora Ventures Limited**

**Financial Statements**

**As at 31st December 2020**

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**Opinion**

We have audited the accompanying financial statements of Maisha Bora Ventures Limited, which comprise the balance sheet as at 31st December 2020, the profit and loss account and statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, including a summary of significant accounting policies.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the company as at 31st December 2020 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the Kenyan Companies Act, 2015.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other information**

The directors are responsible for the other information. Other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Directors' responsibility for the financial statements**

The directors are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Kenyan Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**Maisha Bora Ventures Limited**  
**Financial Statements**  
**As at 31st December 2020**

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As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

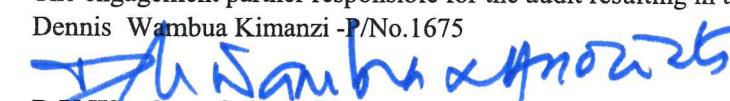
Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on other legal requirements**

As required by the Kenyan Companies Act, 2015 we report to you, based on our audit, that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii) the company's balance sheet and profit and loss account are in agreement with the books of account.

The engagement partner responsible for the audit resulting in this independent auditor's report is ,  
Dennis Wambua Kimanzi -P/No.1675

  
**D.K.Wambua & Associates**  
Certified Public Accountants  
P.O BOX 5957-00100  
Nairobi-Kenya

.....2021

**D. K. WAMBUA & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS  
P.O. Box 5957 - 00100  
NAIROBI

**Maisha Bora Ventures Limited**  
**Financial Statements**  
**As at 31st December 2020**

**STATEMENT OF COMPREHENSIVE INCOME AS AT 31ST DECEMBER 2020**

	Notes	2020 Shs	2019 Shs
Operating income	4(a)	54,608,885	49,163,578
Other Incomes	4(b)	29,101,402	10,233,134
<b>Total Incomes</b>		<b>83,710,287</b>	<b>59,396,712</b>
Administrative expense	5	(21,754,751)	(20,511,254)
<b>Net Profit before tax</b>		<b>61,955,536</b>	<b>38,885,458</b>
Tax for the year	6	(12,014,059)	(13,959,384)
<b>Net profit After Tax</b>		<b>49,941,477</b>	<b>24,926,074</b>
Other comprehensive income			
Gains on property and equipment revaluation (Loss) on revaluation on investments		- (2,047,305)	638,982 -
<b>Total comprehensive income</b>		<b>47,894,173</b>	<b>25,565,056</b>

The notes on pages 10 to 17 form an integral part of these financial statements.

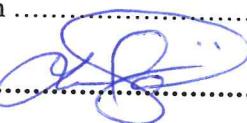
Report of the auditors-page 4 and 5.

**Maisha Bora Ventures Limited**  
**Financial Statements**  
**As at 31st December 2020**

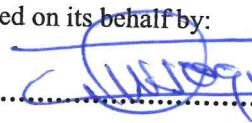
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020**

	Notes	2020 Shs	2019 Shs
<b>Assets</b>			
Property and equipment's	7	3,011,532	441,791
Stock of land	8	2,177,450	69,675,870
Investment property land	9	28,510,687	18,879,459
Intangible asset	10	764,727	955,909
Trade receivables & prepayments	11	7,545,755	2,029,223
Investments	12	6,837,292	8,884,597
Cash and cash equivalents	13	185,507,458	125,060,358
<b>Total assets</b>		<b>234,354,901</b>	<b>225,927,207</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Trade & other payables	14	61,014,846	45,523,810
Tax payable	6	5,299,181	5,650,142
		<b>66,314,028</b>	<b>51,173,952</b>
<b>Equity</b>			
Share capital	15	1,496,070	1,496,070
Share premium	16	148,110,930	148,110,930
Retained earnings		15,706,323	20,371,401
Revaluation reserve	17	2,727,552	4,774,857
		<b>168,040,876</b>	<b>174,753,258</b>
<b>Total liabilities and equity</b>		<b>234,354,901</b>	<b>225,927,207</b>

The financial statements on pages 6 to 17 were approved by the board of directors  
on ..... and were signed on its behalf by:



..... DIRECTOR



..... DIRECTOR

The notes on pages 10 to 17 form an integral part of these Financial Statements

Report of the auditors- page 4 and 5.

**Maisha Bora Ventures Limited**

**Financial Statements**

**As at 31st December 2020**

**STATEMENT OF CHANGES IN EQUITY AS AT 31ST DECEMBER 2020**

		Share capital	Share premium	Revaluation reserve	Retained earnings (loss)	Total
	Notes	Shs	Shs	Shs	Shs	Shs
At 1st January 2020		1,496,070	148,110,930	4,774,857	20,371,401	174,753,258
Issued in period		-	-	-	-	-
Net profit		-	-	-	49,941,477	49,941,477
Revaluation of investments				(2,047,305)		(2,047,305)
Revaluation of property				-	-	-
Dividends paid				(24,685,155)	(24,685,155)	
Proposed Dividend for year 2020				(29,921,400)		
<b>At 31st December 2020</b>		<b>1,496,070</b>	<b>148,110,930</b>	<b>2,727,552</b>	<b>15,706,323</b>	<b>197,962,276</b>
At 1st January 2019		1,496,070	148,110,930	4,135,875	17,883,977	171,626,852
Issued in period		-	-	-	-	-
Net profit		-	-	-	24,926,074	24,926,074
Revaluation of investments				638,982		638,982
Revaluation of property				-	-	-
Interim Dividends paid				(22,438,650)	(22,438,650)	
<b>At 31st December 2019</b>		<b>1,496,070</b>	<b>148,110,930</b>	<b>4,774,857</b>	<b>20,371,401</b>	<b>174,753,258</b>

**Maisha Bora Ventures Limited**  
**Financial Statements**  
**As at 31st December 2020**

**STATEMENT OF CASH FLOWS AS AT 31ST DECEMBER 2020**

	Notes	2020 Shs	2019 Shs
<b>Cash flow from operating activities</b>			
Cash generated from/(used in) operations	19	100,191,800	23,975,294
Tax paid	6	(12,365,020)	(9,978,241)
Net cash generated from operating activities		87,826,781	13,997,053
<b>Cash flow from investing activities</b>			
Investments	11	-	(3,000,000)
Property and equipment	7	(2,694,526)	(135,940)
Intangible assets	10	-	-
Net cash flow generated from investing activities		(2,694,526)	(3,135,940)
<b>Cash flow from financing activities</b>			
Share capital contributions	15	-	-
Share premium	16	-	-
Dividend paid		(24,685,155)	(22,438,650)
Proposed Dividend for year 2020		-	-
Net cash (outflow)/inflow from financing activities		(24,685,155)	(22,438,650)
Net cash flow for the year		60,447,100	(11,577,537)
<b>Changes in cash and cash equivalents</b>			
At the beginning of the year		125,060,358	136,637,895
Net cash flows for the year		60,447,100	(11,577,537)
Cash and cash equivalents at the end of the year	13	185,507,458	125,060,358