

MAISHA BORA VENTURES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

Maisha Bora Ventures Limited
Financial Statements
For the Year Ended 31st December 2021

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Maisha Bora Ventures Limited
Financial Statements
For the Year Ended 31st December 2021

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

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

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
For the Year Ended 31st December 2021

Board of directors' report

The Board of Directors submit their Interim report and the audited Financial Statements as at 31st December 2021 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 31st December 2021 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 180 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 Certified Public Accountants were appointed during the year and expressed their willingness to continue in office in accordance with section 721(2) of the Companies Act 2015.

Maisha Bora Ventures Limited

Financial Statements

As at 31st December 2021

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
- 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

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

Approved by the board of directors on 20/01/2022 2022 and signed on its behalf by:

.....
Director

.....
Director

Maisha Bora Ventures Limited
Report of the Independent Auditor
For the year ended 31st December 2021

Opinion

We have audited the accompanying financial statements of Maisha Bora Ventures Limited, which comprise the balance sheet as at 31st December 2021, 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 2021 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 2021

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 effectiveness of the company's internal control.

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.

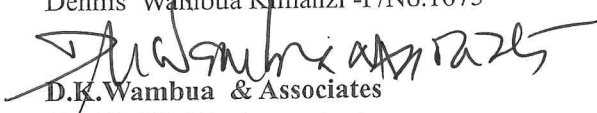
Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, 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

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

22/12/2021.....2022

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

Maisha Bora Ventures Limited
Statement of Comprehensive Income
For the Year Ended 31st December 2021

	Notes	2021 Shs	2020 Shs
Operating income	4(a)	44,140,833	54,608,885
Other Incomes	4(b)	21,936,622	29,101,402
Total Incomes		<u>66,077,455</u>	<u>83,710,287</u>
Administrative expense	5	(20,431,641)	(21,754,751)
Net Profit before tax		<u>45,645,814</u>	<u>61,955,536</u>
Tax for the year	6	(10,438,744)	(12,014,059)
Net profit After Tax		<u>35,207,070</u>	<u>49,941,477</u>
Other comprehensive income			
Gains on property and equipment revaluation		17,416,462	-
Gain/(Loss) on revaluation on investments		<u>332,133</u>	<u>(2,047,305)</u>
Total comprehensive income		<u>52,955,665</u>	<u>47,894,173</u>


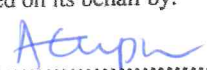
The notes on pages 10 to 17 form an integral part of these financial statements.

Report of the auditors-page 4 and 5.

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2021

	Notes	2021 Shs	2020 Shs
Assets			
Property and equipment's	7	2,319,341	3,011,532
Stock of land	8	25,663,290	2,177,450
Investment property land	9	53,653,284	28,510,687
Intangible asset	10	611,782	764,727
Trade receivables & prepayments	11	1,388,063	7,545,755
Investments	12	7,169,426	6,837,292
Investment in Maisha Bora Sacco	12	425,500	
Cash and cash equivalents	13	164,923,578	185,507,458
Total assets		256,154,264	234,354,901
Liabilities and equity			
Liabilities			
Trade & other payables	14	61,765,850	61,014,846
Tax payable	6	(1,123)	5,299,181
		61,764,727	66,314,028
Equity			
Share capital	15	1,500,000	1,496,070
Share premium	16	148,500,000	148,110,930
Retained earnings		23,913,390	15,706,323
Revaluation reserve	17	20,476,148	2,727,552
		194,389,538	168,040,876
Total liabilities and equity		256,154,264	234,354,901

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
Statement of Changes in Equity
As at 31st December 2021

		Share capital	Share premium	Revaluation reserve	Retained earnings (loss)	Total
	Notes	Shs	Shs	Shs	Shs	Shs
At 1st January 2021		1,496,070	148,110,930	2,727,552	15,706,320	197,962,276
Issued in period		3,930	389,070	-	-	393,000
Net profit		-	-		35,207,070	35,207,070
Revaluation of investments				332,133		332,133
Revaluation of property				17,416,462		17,416,462
Proposed Dividend for year 2021					(27,000,000)	(27,000,000)
At 31st December 2021		1,500,000	148,500,000	20,476,148	23,913,390	224,310,941
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)	
At 31st December 2020		1,496,070	148,110,930	2,727,552	15,706,323	197,962,276

Maisha Bora Ventures Limited
Statement of Cashflows
For the year ended 31st December

		2021	2020
	Notes	Shs	Shs
Cash flow from operating activities			
Cash generated from/(used in) operations	19	25,207,366	100,191,800
Tax paid	6	(15,739,049)	(12,365,020)
Net cash generated from operating activities		9,468,317	87,826,781
Cash flow from investing activities			
Investments	11	(425,500)	-
Property and equipment	7	(98,295)	(2,694,526)
Intangible assets	10	-	-
Net cash flow generated from investing activities		(523,795)	(2,694,526)
Cash flow from financing activities			
Share capital contributions	15	3,930.00	-
Share premium	16	389,070.00	-
Dividend paid			(24,685,155)
Proposed Dividend for year 2021		(29,921,400)	-
Net cash (outflow)/inflow from financing activities		(29,528,400)	(24,685,155)
Net cash flow for the year		(20,583,878)	60,447,100
Changes in cash and cash equivalents			
At the beginning of the year		185,507,458	125,060,358
Net cash flows for the year		(20,583,878)	60,447,100
Cash and cash equivalents at the end of the year	13	164,923,579	185,507,458