

Annual report and consolidated financial statements For the year ended 31 December 2017

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	2017 Shs '000	2016 Shs '000
Revenue	50,323	62,817
Direct costs	(45,210)	(48,267)
Gross profit	5,113	14,550
Other operating income	7,155	1,856
Impairment provisions	(3,322)	(39,183)
Administrative expenses	(56,961)	(42,488)
Other operating expenses	(34,233)	(29,892)
Operating (loss)	(82,248)	(95,157)
Finance costs	(12,063)	(16,850)
(Loss) before tax	(94,310)	(112,007)
Tax credit	3,961	15,068
(Loss) for the year	(90,349)	(96,939)
Basic and diluted (loss) per share	(2.55)	(2.73)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December	
	2017 Shs '000	2016 Shs '000
CAPITAL EMPLOYED		
Share capital	177,019	177,019
Share premium	10,502	10,502
Revaluation reserve	112,788	122,655
Retained (deficit)	(367,477)	(286,995)
Shareholders' (deficit)/funds	(67,169)	23,180
Non-current liabilities		
Borrowings	185,135	140,807
Deferred tax	79,891	83,852
Trade and other payables	-	17,000
	265,025	241,658
	197,857	264,839
REPRESENTED BY		
Non-current assets		
Property, plant and equipment	262,982	281,628
Intangible assets	122	184
	263,104	281,811
Current assets		
Inventories	40,631	40,631
Trade and other receivables	21,874	23,472
Cash and cash equivalents	3,022	2,362
Tax recoverable	31,301	31,299
	96,828	97,764
Current liabilities		
Borrowings	62,344	60,160
Trade and other payables	88,070	40,177
Provision for legal claims	11,663	14,400
	162,076	114,737
Net current (liabilities)	(65,248)	(16,973)
	197,857	264,839

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital Shs '000	Share premium Shs '000	Revaluation reserve Shs '000	Retained (deficit) Shs '000	Total Shs '000
Year ended 31 December 2017					
At start of year	177,019	10,502	122,655	(286,995)	23,180
(Loss) for the year	-	-	-	(90,349)	(90,349)
Transfer of excess depreciation	-	-	(14,096)	14,096	-
Deferred tax on excess depreciation transfer	-	-	4,229	(4,229)	-
At end of year	177,019	10,502	112,788	(367,477)	(67,169)

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 Shs '000	2016 Shs '000
At start of year	(47,938)	(47,020)
Net cash (used in) operating activities	(49,683)	(11,322)
Net cash from investing activities	3,474	5,614
Net cash from financing activities	46,141	4,877
Effect of exchange rate changes	357	(88)
At end of year	(47,649)	(47,938)

The above are extracts from the audited financial statements of the group for the year ended 31 December 2017 which were audited by PKF Kenya and received an unqualified opinion. The financial statements were approved by the board of directors for issue on the 27 April 2018.

For the year to 31 December 2017, the Directors do not recommend the declaration of a dividend.



By order of the board
Hector Diniz