CHAI DIAMOND INVESTMENT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2024

Henry Smith & Wilson
Kalson Towers, 6th Floor
P.O. Box 9937 – 00100
NAIROBI

Email: info@henrysmithwilson.co.ke

CHAI DIAMOND INVESTMENT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

CONTENTS

COMPANY INFORMATION

Board of directors	Grace Miano	: Chairman		
	Isaac Too	: Vice Chairman		
	Lamech Migiro	: Director		
	James Kuungania	: Director		
	James Hinga	: Director		
	Festus Mwatee	: Director		
Registered office				
		: P.O. Box 1951-00100		
		: Nairobi		
Auditor		: Henry Smith & Wilson		
		: Certified Public Accountants (K)		
		: Nairobi-Kenya.		
Principal Banker		: Cooperative Bank of kenya	:	Moi Avenue Branch
		: Chai Sacco Fosa	:	**Nairobi**
		: C.I.C Asset Management		
		Kenya Commercial Bank		
		Family Bank Limited		
		Gulf African Bank		

REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 December 2024, which disclose the state of affairs of the company.

In accordance with Section 42 of the Sixth Schedule of the Companies Act, 2015, Transitional and Savings Provisions, this report has been prepared in accordance with Section 157 of the repealed Kenyan Companies Act, 2015 as if that repeal had not taken effect.

Principal activities

The principal activities of the company is to develop the houses for sale and rental.

Results and dividends

RESULTS	2024 Shs	2023 Shs
Profit before tax	(10,097,860)	(600,281)
(Loss) / profit for the year	(10,097,860)	(600,281)

DIVIDENDS

The directors do not recommend the declaration of a dividend for the year (2023: Nil).

Directors

The directors who held office during the year and to the date of this report are shown on page 1.

Auditor

The company's auditor, Henry Smith & Wilson , has indicated willingness to continue in office in accordance with the Kenyan Companies Act, 2015.

BY ORDER OF THE BOARD

....

DIRECTOR

11/6/ 2025

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Kenyan Companies Act, 2015 requires the directors to prepare financial statements for each 'financial year which give a true and fair view of the state of affairs 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 keeps proper accounting records that are sufficient to show and explain the transactions of the company; and that disclose, with reasonable accuracy, the financial position of the company and that enables them to prepare financial statements of the company that comply with the International Financial Reporting Standard for Small and Medium Sized Entities and the requirements of the Kenyan Companies Act, 2015. 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 fair presentation of the financial statements in accordance with the International Financial Reporting Standards for Small and Medium Size Entities 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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
ii. Selecting and applying appropriate accounting policies; and
iii. Making accounting estimates and judgements that are reasonable in the circumstances;

The Directors are of the opinion that the financial statements give a true and fair view of the financial position of the company as at 31 December 2024 and of it's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium Sized Entities and the requirements of the Kenyan Companies Act, 2015.

In preparing these financial statements the directors have assessed the company's ability to continue as a going concern. Nothing has come to the attention of the directors to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities. So far as each of the directors is aware, there is no relevant audit information which the auditor is unaware of, and each of the directors has taken all the steps that ought to have been taken in order unaware of, and each of the directors has taken all the steps that ought to have been taken in order to become aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the board of directors on 11/6/ 2025 and signed on its behalf by:-

DIRECTOR

HEAD OFFICE:

...ers, 6th Floor
...(Off Parklands Rd.)
...M.P. Shah Hospital
...9937-00100
...Kenya.
...254 (20) 2104874
...743 758 686
... 735 240 888
...@henrysmithwilson.co.ke
...: www.henrysmithwilson.co.ke

BRANCHES:

...Building, 2nd Flr
...Avenue,
...Finance House
... 336-20100
...Kenya
... 721 210 792
...@henrysmithwilson.co.ke

..., 2nd Floor,
...: 82338
..., Thika Town
... 1081-00200
...Kenya
... 743 787 882
...@henrysmithwilson.co.ke

...ICES:

...& Assurance

...ancy

...ion

...ultancy &
...ss Advisory

...ining &
...elopment

...RTNERS:

... S.K. Ndegwa
...aging)

... W.M. Mutero

... P.M Njathi

... S. Muturi

CHAI DIAMOND INVESTMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CHAI DIAMOND INVESTMENT LIMITED

We have audited the accompanying Financial Statements set out on pages 6 to 17 of Chai Diamond Investment Company Limited that comprise;

i. The Statement of Financial Position as at 31 December 2024;
ii. The Statement of Comprehensive Income;
iii. Statement of Changes in Equity;`
iv. The Statement of Cash Flow for the year then ended and;
v. Summary of significant accounting policies and other explanatory information.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.

Opinion

In our opinion the financial statements referred to above present fairly, in all material aspects, the financial position of the business for the twelve months ended 31 December 2024 and of its profits and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Kenyan Companies Act.

Basis of Our Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditors 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 Kenya, and we have fulfilled our other 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 audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CHAI DIAMOND INVESTMENT LIMITED (CONT'D)

Responsibilities of the Board of Directors As stated on page 3, the directors are responsible for the preparation of the Financial Statements in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Kenyan Companies Act. The responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an independent opinion on these financial statements based on our audit and to report our opinion to you. An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the Financial Statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall financial statements presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion.

Report on other Legal Requirements

We report to you that based on our audit;

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;
iii. The Companys Statements of Financial Position and Comprehensive Income are in agreement with the books of account;

The engagement partner responsible for the audit resulting in this independent auditors' report was CPA. Simon K. Ndegwa– P/No.1173.

Henrysmithwilson

Henry Smith & Wilson
Certified Public Accountants

Date: 11th June 2025

HENRY SMITH & WILSON
CPA (K)
P. O. Box 9937 - 00100
NAIROBI

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2,024 KShs	2,023 KShs
Income			
Profit from sale of real estate	9	6,719,403	15,191,615
Other income	10	281,946	366,194
Total income		**7,001,350**	**15,557,810**
Expenditure			
Administration expenses	11	8,971,291	8,004,709
Governance expenses	12	1,762,067	1,261,563
Finance expenses	13	809,461	1,572,322
Operating expenses	14	5,556,391	5,319,497
Total expenses		**17,099,210**	**16,158,091**
Net profit /loss before tax		**(10,097,860)**	**(600,281)**

STATEMENT OF FINANCIAL POSITION

	Notes	2,024	2023
Assets		**KShs**	**KShs**
Non-current assets			
Reserved land	**2a**	31,747,531	53,388,425
Investments	**2b**	1,800,000	1,800,000
Property & equipment	**2c**	505,483	513,330
		34,053,014	**55,701,755**
Current assets			
Cash & bank	**3**	188,607	(1,819,809)
Inventory		8,730	-
Accounts receivables	**4**	35,143,497	49,143,572
Land stock	**5**	51,282,192	52,708,953
Tax recoverable		3,642,268	3,639,504
		90,265,293	**103,672,220**
Total assets		**124,318,308**	**159,373,975**
Equity and liabilities			
Equity			
Share capital	**6**	**500,000**	500,000
Share premium		109,455,876	109,042,559
Revenue reserve		(24,072,528)	(13,974,667)
Revaluation reserve		4,960,335	10,685,546
		90,843,684	**106,253,438**
Current liabilities			
Creditors & accruals	**7**	29,651,739	46,944,835
Short-term Loan	8	3,822,886	6,175,702
		33,474,624	**53,120,537**
Total equity & liabilities		**124,318,308**	**159,373,975**

The financial statements were approved by the board of directos and signed on its behalf by:-

____________________ DIRECTOR 11/6/2025

STATEMENT OFCHANGES IN EQUITY

	Share capital Kshs	Share Premium Kshs	Revenue reserve Kshs	Revalution reserve Kshs	Total Kshs
1st January 2023	500,000	108,602,691	(13,374,387)	10,687,030	106,415,334
Additions	-	439,868	-	(5,726,695)	439,868
Net profit/(loss for the year)	-	-	(600,280)	-	(600,280)
Taxation	-	-		-	-
Proposed dividends	-	-	-	-	-
31st Dec 2024	**500,000**	**109,042,559**	**(13,974,667)**	**4,960,335**	**106,254,921**
1st January 2024	500,000	109,042,559	(13,974,667)	4,960,335	106,254,921
Additions	-	413,317.67	-	-	413,318
Net profit/(loss for the year)	-	-	(10,097,860)	-	(10,097,860)
Taxation	-	-	-	-	-
Proposed dividends	-	-	-	-	-
3ist December 2024	**500,000**	**109,455,876**	**(24,072,528)**	**4,960,335**	**96,570,379**

STATEMENT OF CASHFLOW

	2024	2023
	Kshs	**Kshs**
Cash flow from operating activities		
Profit before taxation	(10,097,860)	(602,924)
Adjustment for:		
Depreciation	188,632	83,463
Operating profit before working capital changes	**(9,909,229)**	**(519,461)**
Changes in working capital:		
(Increase)/ decrease in debtors/receivables	8,275,029	(16,484,236)
(Increase)/ decrease in stock	1,418,032	10,444,931
Increase/ (decrease) in creditors	(17,293,097)	8,644,857
Increase/ (decrease) in loan	(2,352,816)	
	(9,952,852)	**2,605,552**
Tax paid	(2,763.93)	(1,960)
	(9,955,616)	**2,084,131**
Cash flow from investing activities		
Reserved land	21,640,894	(5,971,812)
Purchases of fixed assets	(180,785)	(90,000)
Property investment adjustment	-	-
	21,460,109	**(6,061,812)**
Cash flow from financing activities		
Share premium	413,318	439,868
	413,318	**439,868**
Net increase in cash & cash equivalent	**2,008,582**	**(3,537,814)**
Cash & cash equivalent at the start of the year	**(1,819,975)**	**1,717,839**
Cash & cash equivalent at the end of the year	**188,607**	**(1,819,975)**

NOTES TO THE FINANCIAL STATEMENTS

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1. **General information**
Chai Diamond Investment Limited Companies Act as a private limited company and is domiciled in Kenya. The address of its registered office P.O. Box 1951-00100 Nairobi.

2a) **Basis of preparation**
The financial statements of Chai Diamond Investment Limited have been prepared in accordance with the International Financial Reporting Standard for Small and Medium sized Entities (IFRS for SMEs) with early adoption of the 2015 amendments to the standard. The early adoption of the amendments has not resulted in any prior period restatements or other material changes in presentation.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property, property, plant and equipment, biological assets and derivative financial instruments at fair value.

The preparation of financial statements in conformity with IFRS for SMEs require the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in note 2(b).

These financial statements comply with the requirements of the Kenyan Companies Act, 2015. The statement of profit or loss and statement of comprehensive income represent the profit and loss account referred to in the Act. The statement of financial position represents the balance sheet referred to in the Act.

Going concern
The financial performance of the company is set out in the report of the Director's and in the statement of profit or loss . The financial position of the company is set out in the statement of financial position.

Based on the financial performance and position of the company and its risk management policies, the directors are of the opinion that the company is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

b) **Key sources of estimation uncertainty**
In the application of the accounting policies, the directors are required to make the judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relavant factors. Such estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

b) **Key sources of estimation uncertainty (continued)**

j- **Useful lives of property, plant and equipment**
Management reviews the useful lives and residual values of the items of property and equipment on a regular basis. During the financial period, the directors determined no significant changes in the useful lives and residual values.

c) **Revenue recognition**
Revenue comprises the fair value of the consideration received or receivable for the performance of services, in the ordinary course of business and is stated net of rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when the specific criteria have been met for each of the company's activitiy as described below:

i) Sales of goods are recognised upon delivery of products and customer acceptance;
ii) Interest income is accrued by reference to time in relation to the principal outstanding and the effective interest rate applicable;

d) **Property, plant and equipment**
All equipment are initially recorded at cost and thereafter stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated on the Straightline basis to write down the cost of each asset, to its residual value over its estimated useful life using the following annual rates:

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3 a) Property, plant and equipment (continued)

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit/loss. On disposal of revalued assets, amounts in the revaluation reserve relating to that asset are transferred to retained earnings in the statement of changes in equity.

b) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks and financial assets with maturities of less than 91 days.

c) Financial assets

Trade and other receivables are initially recognised at the transaction price. Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method.

d) Financial liabilities

Financial liabilities are initially recognised at the transaction price (less transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

e) Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over 'the period of the lease.

The company leases certain items of property, plant and equipment. Leases of property, plant and equipment where the company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is apportioned between the liability and finance charges using the effective interest method. Rental obligations, net of finance charges, are included in borrowings in the statement of financial position. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

The company leases out (as an operating lease) an office building that it owns. The asset is included in the statement of financial position as an investment property. Rental income is recognised in accordance with the rental income accounting policy.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3 f) Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

Current tax

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is provided using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

g) Share capital

Ordinary shares are classified as equity.

h) Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

	2024	2023
I) Income	**Kshs**	**Kshs**
Sales	7,001,350	15,557,810
J) Expenses	(17,099,210)	(16,158,091)
K) Profit/Loss	(10,097,860)	(600,281)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

		2024 KShs	2023 KShs
4 a)	**Cash at bank**		
	Cooperative Bank of Kenya Limited	(191,869)	159,157
	Chai Sacco Limited - Fosa	25,162	
	Kenya Commercial Bank Limited	54,034	44,164
	Gulf Africa Bank Limited	21,541	21,541
	Family Bank Limited	123,263	
	Call deposits(C.I.C Asset Management)	156,477	140,848
	Call deposits(Chai Sacco fixed deposit)	-	-
		188,607	**365,710**
4 b)	**Cooperative Bank of Kenya Limited**	-	(1,113,175)
	Family Bank Limited	-	(43,837)
	Chai Sacco Limited - Fosa	-	(1,028,506)
		-	**(2,185,519)**
5a	**Accounts receivables**		
	Nakuru	20,000	153,000
	Bomet	5,403,168	7,324,283
	Isinya	1,542,060	1,542,060
	Nanyuki Phase 1	-	-
	Nanyuki Phase 2	-	-
	Nanyuki Phase 3	-	-
	Nanyuki Phase 4	1,106,220	3,101,020
	Kangundo Rd 1	-	-
	Kangundo Rd 2	1,956,561	2,385,714
	Almasi plains -Mariakani	4,586,580	3,146,167
	Taji plains- Kangundo rd	2,321,069	2,420,516
	Mirira Gardens-Murang'a	10,572,369	23,732,310
	Sabuk plains- Kangundo rd	3,422,403	1,550,000
	Tea Brokerage formation expenses	1,419,368	1,419,368
	Chadin Insurance Agency formation expenses	2,169,133	2,169,133
	Other receivables ISINYA AND KANGUNDO 5	450,000	200,000
	Rent deposit	154,988	-
		35,143,497	**49,143,572**
5a	**Tax recoverable**		
	Tax recoverable	3,639,504	3,639,504
6a	**Land stock**		
	Nakuru 8 PLOTS	2,179,855	
	Bomet (10 plots)	4,201,316	3,631,708
	Isinya (19)	12,473,500	12,473,500
	Nanyuki Phase I	-	277,386
	Nanyuki Phase II(1 plot)	216,756	155,938
	Nanyuki Phase III (1 plot)	209,672	-
	Nanyuki Phase IV (10 plot)	2,275,213	-
	Kangundo Rd Phase 1&2 (12 plot)	4,522,648	-
	Almasi plains-Mariakani (8 plots)	1,510,568	3,776,420
	Taji Plains- Kangundo rd (1 plot)	486,023	-
	Mirira Gardens-Murang'a 47 plots	15,394,803	9,826,470
	Sabuk plains- Kangundo rd (18 plots)	7,811,838	22,567,532
		51,282,192	**52,708,953**
6b	**Inventory**		
	Tea leaves	8,730	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

		2024	2023
7	**Share capital**	**KShs**	**KShs**
	Authorised share capital		
	25,000 ordinary shares @ Kshs.20/=	500,000	500,000
	Issued and fully paid:		
	8,319(2023)8,262(2022)7,804(2021)		
	ordinary shares @ Kshs.20/=	166,380	166,380
	Issued and partly paid:		
	16,694(2023)16,738(2022)17,196(2021)		
	ordinary shares @ Kshs.20/=	333,620	333,620
		500,000	**524,100**
8	**Creditors & accruals**		
	External Auditors	100,000	100,000
	Provision for land services	900,000	900,000
	Land Payments due	12,048,998	31,066,628
	Unpaid dividend	96,551	96,551
	Investment savings a/c	2,446,774	1,400,818
	Office bills	14,059,415	13,380,838
		29,651,739	**46,944,835**
9	**Chai Sacco Loan**	3,822,886	6,175,702

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

		2024 KShs	2023 KShs
10	**Profit from sale of real estate**		
	Bomet	229,737	399,737
	Nanyuki phase 1	109,584	-
	Nanyuki phase 4	-	242,957
	Almasi plains-Mariakani	330,538	1,017,793
	Taji Plains- Kangundo rd	338,977	338,977
	Mirira Gardens-Murang'a	1,080,297	10,777,016
	Sabuk plain - Kangundo road	4,630,270	2,415,135
		6,719,403	**15,191,615**
11	**Other income**		
	Interest on investments	41,207	21,314
	Commissions (sale of FBL shares)	-	2,400
	Dividends	63,145	70,680
	Sundry income (penalties)	51,000	129,300
	Tea sales profits	126,595	142,500
		281,946	**366,194**
12	**Administration expenses**		
	Salaries & wages	6,882,540	6,918,323
	Depreciation	188,632	83,463
	Audit fees	100,000	100,000
	Printing & stationery	30,000	19,250
	Office expenses	998,253	430,127
	Software maintenance	25,000	81,000
	Staff training	55,000	-
	AGM conference expenses	425,066	372,546
	Data Back UP	266,800	-
		8,971,291	**8,004,709**
13	**Governance expenses**		
	Directors allowances	1,062,067	561,563
	Directors fees	700,000	700,000
		1,762,067	**1,261,563**
14	**Finance expenses**		
	Interest on loan	747,184	1,502,061
	Bank charges	62,277	70,261
		809,461	**1,572,322**
15	**Operating expenses**		
	Sales & Marketing	908,844	1,028,095
	Legal & Professional fees	292,500	86,600
	Business plan review	1,018,110	-
	Company secretary	100,000	150,000
	Internal Audit	90,000	120,000
	Land site visit expenses	220,023	316,059
	Land caretaker- Nakuru/Taji plains/Muranga	162,000	132,000
	Office rent	662,703	661,352
	Office cleaning & sanitation	40,200	144,050
	Land survey & title deeds fee	1,151,712	569,000
	Sales Commisions	702,020	2,112,340
	Internet	208,280	-
		5,556,391	**5,319,497**

16 Accounting Policies

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention.

(b) Depreciation

Depreciation on property & equipment is calculated on the reducing balance method after taking into account the residual value of the asset after their useful life at the following annual rates.

Item	Rate
Computers	30%
Software	30%
Equipments	10%

(c) Turnover

Turnover represents income from sale of land

17 Reserved Land

	2024	2023	2022
	KShs	KShs	KShs
Balance brought forward	53,388,425	47,416,612	35,845,612
Addition	(21,640,894)	5,971,812	11,571,000
Revaluations	-	-	-
Balance carried forward	**31,747,531**	**53,388,425**	**47,416,612**

18 Other investments

Family Bank Shares - Fair Value@15/-	**1,800,000**	**1,800,000**	**1,800,000**

2(c) Property & equipment

2023	Furniture & Equipments	Computers	Software	Total
Cost	KShs	KShs	KShs	KShs
1.1.2023	157,981	165,546	183,266	506,793
Additions	-	-	90,000	90,000
31.12.2023	157,981	165,546	273,266	596,793
Depreciation				
1.1.2023	245,507	836,687	671,080	1,753,274
Charge for the year	20,138	30,649	32,676	83,463
31.12.2023	265,645	867,336	703,756	1,836,737

2024	Furniture & Equipments	Computers	Software	Total
Cost	KShs	KShs	KShs	KShs
01.01.2024	137,843	134,897	240,590	513,330
Prior year adjustment	265,645	867,336	703,756	1,836,737
Additions	-	180,785	-	-
31.12.2024	403,488	1,183,018	944,346	2,350,067
Depreciation				
1.1.2024	265,645	867,336	703,756	1,836,737
Charge for the year	17,230	99,224	72,177	188,632
30.09.2024	282,875	966,560	775,933	2,025,369
Net Book Value				
31.12.2024	**120,613**	**216,458**	**168,413**	**505,483**
31.12.2023	**137,843**	**134,897**	**240,590**	**513,330**

Note: Prior year adjustment was to restore book cost to historical value

Tax computation

	2024-12 Kshs
Profit for the year	(10,097,860)
Add back	
Depreciation	188,632
Less	
Wear & tear	(188,632)
	(10,097,860)
Adjusted income	(10,097,860)
Taxable income	**(10,097,860)**
Loss Brought forward	(3,639,504)
Chargeable tax	-
Less : Tax paid	
Withholding tax	(2,764)
Instalment tax	-
Tax credit	**(3,642,268)**