

AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER 2019

STATEMENT OF COMPREHENSIVE INCOME			STATEMENT OF FINANCIAL POSITION		
	Year ended Dec. 31, 2019	Year ended Dec. 31, 2018	As at Dec. 31, 2019	As at Dec. 31, 2018	
	Kshs	Kshs			
Income			Non-current assets		
Brokerage commissions	48,979,939	53,593,165	Property, plant and equipment	3,906,444	12,383,486
Interest income	6,262,986	5,880,397	Deposits with CDSC	12,089,202	11,569,142
Dividend income	397,836	246,621	Intangible assets	25,000,000	25,000,000
Other income: Miscellaneous	6,222,462	7,581,787	Financial assets	6,414,650	9,210,025
Loss on disposal of assets	(25,722)	-	Deferred tax	-	26,422,163
Total income	61,837,501	67,301,970	Right of use assets	30,932,222	-
Expenses			Total non-current assets	78,342,518	84,584,816
Direct expenses	14,495,853	18,167,275	Current assets		
Professional fees	1,971,273	807,888	Client debtors	4,033,965	4,273,842
Legal fees	2,100,407	90,366	Amounts due from other stockbrokers	3,779,144	-
Employee costs	31,287,922	31,585,192	Other trade receivables	1,167,951	2,108,080
Directors emoluments	2,085,000	1,200,000	Prepayments	1,194,645	1,708,450
Operational and administrative expenses	28,739,729	23,890,570	Amounts due from related parties	10,828,623	2,487,216
Depreciation expenses	4,096,571	3,464,146	Total clients cash and bank balances	359,457,845	93,883,096
Total expenses	84,776,755	79,205,437	Office cash and bank balances	80,816,181	93,104,291
Operating loss	(22,939,254)	(11,903,467)	Tax recoverable	15,873,822	14,016,668
Finance costs	1,403,549	-	Deposits	2,499,550	2,747,892
Loss before tax	(24,342,803)	(11,903,467)	Other current assets: Assets held for sale	-	7,000,000
Tax	(26,743,599)	3,645,025	Total current assets	479,651,726	221,329,535
Loss after tax	(51,086,402)	(8,258,442)	TOTAL ASSETS	557,994,244	305,914,351
OTHER DISCLOSURES			Share capital and reserves		
1 Capital strength			Paid up ordinary share capital	100,000,000	100,000,000
a. Paid up capital	100,000,000	100,000,000	Revenue reserves	25,315,553	76,401,955
b. Minimum capital required	50,000,000	50,000,000	Revaluation/capital reserves	22,355,863	25,151,238
Excess/deficiency	50,000,000	50,000,000	Total shareholders' funds	147,671,416	201,553,193
2 Shareholders' funds			Non-current liabilities		
a. Total shareholders' funds	147,671,416	201,553,193	Lease liabilities	24,763,563	-
b. Minimum shareholders' funds required	50,000,000	50,000,000	Total Non-current liabilities	24,763,563	-
Excess/deficiency	97,671,416	151,553,193	Current liabilities		
3 Liquid Capital			Client creditors	362,151,654	84,481,954
a. Liquid capital	76,286,462	102,050,354	Amounts due to stockbrokers	-	8,838,230
b. Minimum liquid capital (the higher of Kshs 30M and 8% of liabilities)	30,269,018	30,000,000	Retirement benefit obligations	4,160,000	2,152,500
Excess/deficiency	46,017,444	72,050,354	Trade payables	867,255	228,287
4 Client funds			Accrued expenses	11,183,815	8,660,187
a. Total clients creditors	362,151,654	84,481,954	Lease liabilities	7,196,540	-
b. Total clients' cash and bank balances	359,457,845	93,883,096	Total current liabilities	385,559,265	104,361,158
Excess/deficiency	2,693,809	9,401,142	TOTAL EQUITY AND LIABILITIES	557,994,244	305,914,351

Message from the Directors:

The above statements of comprehensive income and financial position are extracts from the company's financial statements audited by PKF Kenya and have received an unqualified opinion.

The financial statements were approved by the Board of Directors on 25th March 2020.

Azim Virjee
Chairman

Louis Lallia
Director