



**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 Shs '000	2013 Shs '000
Revenue	173,033	387,494
Direct costs	(141,185)	(323,440)
Gross profit	31,848	64,054
Other operating income	164	15,469
Administrative expenses	(53,008)	(48,793)
Other operating expenses	(41,280)	(24,412)
Operating (loss)/profit	(62,276)	6,318
Finance costs	(14,159)	(8,014)
(Loss) before tax	(76,435)	(1,696)
Tax (charge)/credit	(917)	1,925
(Loss)/profit for the year	(77,352)	229
Other comprehensive (loss)/income:		
- Revaluation surplus on property, plant and equipment	84,348	-
- Deferred tax on revaluation surplus	(25,305)	-
Total other comprehensive income:	59,043	-
Total comprehensive (loss)/income for the year	(18,309)	229
(Loss)/profit for the year is attributable to:		
- Owners of the company	(77,352)	229
(Loss)/earnings per share		
Basic and diluted per share	(Shs -2.18)	Shs 0.01

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 Shs '000	2013 Shs '000
At start of year	(9,594)	(5,404)
Net cash (used in)/from operating activities	(84,552)	16,716
Net cash from investing activities	21,456	13,235
Net cash from/(used in) financing activities	23,279	(34,203)
Effect of exchange rate changes	(277)	62
At end of year	(49,688)	(9,594)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER**

	GROUP		COMPANY	
	2014 Shs '000	2013 Shs '000	2014 Shs '000	2013 Shs '000
ASSETS				
Non-current assets	402,899	377,327	405,433	384,796
Current assets	75,023	103,198	75,023	103,198
TOTAL ASSETS	477,922	480,525	480,456	487,994
EQUITY AND LIABILITIES				
Share capital	177,019	177,019	177,019	177,019
Share premium	10,502	10,502	10,502	10,502
Reserves	(7,313)	10,995	(7,364)	15,749
Shareholders' funds	180,208	198,516	180,157	203,270
Non-current liabilities	171,123	120,823	171,123	120,823
Current liabilities	126,591	161,186	129,176	163,901
Total liabilities	297,714	282,009	300,299	284,724
TOTAL EQUITY AND LIABILITIES	477,922	480,525	480,456	487,994

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2014**

	Share capital Shs '000	Share premium Shs '000	Revaluation reserve Shs '000	Retained earnings / (deficit) Shs '000	Total shareholders funds Shs '000
At start of year	177,019	10,502	85,061	(74,066)	198,516
(Loss) for the year	-	-	-	(77,352)	(77,352)
Other comprehensive income for the year:					
Revaluation surplus on property, plant and equipment	-	-	84,348	-	84,348
Deferred tax on revaluation surplus	-	-	(25,305)	-	(25,305)
Total comprehensive income for the year	-	-	59,044	-	59,044
Transfer of excess depreciation	-	-	(2,451)	2,451	-
Deferred tax on excess depreciation transfer	-	-	735	(735)	-
At end of year	177,019	10,502	142,389	(149,702)	180,208

Basis of preparation

The financial statements have been prepared on the historical cost basis in accordance with International Financial Reporting Standard (IFRS) and the accounting policies have been consistently applied to all the years presented.

Audit opinion

The financial statements were approved by the board on 24 April 2015. They were audited by PKF Kenya and have received an unqualified opinion.

Performance

The group has been going through a period of business instability due to the loss of key contracts and as a result the earnings for the year ended 31 December 2014 have declined. The Board is in the process of diversification into the real estate sector as discussed at the Company's Annual General Meeting held last year.

Future outlook

The directors have commenced on plans to develop the group's land into a real estate development. The real estate development will be carried out over four phases with the first phase expected to commence in mid 2015.

Dividend

The directors do not recommend the declaration of a dividend for the year.

By order of the board


Hector Diniz
Chief Executive Officer