

Construction company Plc.

The company is based in Kenya and is engaged in building and construction including repair of roads and has been in operation for the past 10 years in the East Africa Region. The company implemented SAP business one ERP in 2016 and all approvals and transactions have now been automated. Bonus equivalent to 4 months' salary were paid to all staff when the revenue targets were achieved. Most of the construction equipment and inventory are imported, as well as other subcontracted services. The company's major customers are the central government and the county governments where major contracts involves road construction. The company is in the process of listing in the securities exchange and has already engaged the CMA on the listing requirements. The financial statements are prepared as per IFRS. The financial statements have been presented as per IFRS.

Construction Company Ltd		
PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED		
DECEMBER 2014		
	2016	2015
	Shs	Shs
Income	145,730,267	196,739,157
Cost of work done	(109,948,920)	(142,120,300)
Gross profit	35,781,347	54,618,857
Administrative expenses	(15,100,457)	(27,923,310)
Other operating expenses	(13,221,879)	(14,078,324)
Profit before tax	7,459,011	12,617,223
Income tax expense	828,328	(588,248)
Profit for the year	8,287,339	12,028,975

ICPAK – AQA Workshop – Mt. Kenya Branch
SAMPLE FINANCIAL STATEMENTS

Construction Company Ltd		
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2016		
	2016	2015
	Shs	Shs
CAPITAL EMPLOYED		
Share capital	5,000,000	5,000,000
Retained earnings	51,690,884	43,403,546
Revaluation reserves	25,835,152	28,183,802
Shareholders' funds	82,526,036	76,587,348
Non-current liabilities		
Directors' accounts	71,827,116	89,911,606
Deferred tax	(20,202)	(301,853)
	71,806,914	89,609,753
	154,332,950	166,197,100
REPRESENTED BY		
Non-current assets		
Property, plant and equipment	6,011,603	6,011,603
Investment property	60,200,000	60,200,000
	66,211,603	66,211,603
Current assets		
Inventories and work-in-progress	3,176,800	3,365,000
Trade and other receivables	18,437,004	16,738,388
Cash at bank and in hand	68,402,043	150,027,809
	90,015,847	170,131,197
Current liabilities		
Trade and other payables	1,894,500	70,145,700
Income tax payable		
Borrowings	-	
	1,894,500	70,145,700
Net current assets	88,121,347	99,985,497
	154,332,950	166,197,100