

INTERIM FINANCIAL REPORTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER

STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2020

Figures in Kenyan Shilling thousand	H1 2021	H1 2020
Assets		
Property and equipment	9,521	13,235
Intangible assets	3,727	13,545
Deferred tax asset	0	0
Trade and other receivables	13,503	16,938
Current tax receivable	266,777	273,386
Loans and advances to customers	396,678	565,606
Cash and cash equivalents	40,044	84,788
Total Assets	730,250	967,498
Equity and Liabilities		
Equity		
Share capital	750,000	750,000
Accumulated (loss)/surplus	-1,358,414	-1,093,059
Total Equity	-608,414	-343,059
Liabilities		
Other payables	14,649	16,737
Borrowings	1,323,008	1,293,820
Total Liabilities	1,337,656	1,310,558
Total Equity and Liabilities	729,242	967,498

STATEMENT OF COMPREHENSIVE INCOME

Figures in Kenyan Shilling thousand	H1 2021	H1 2020
Revenue	47,699	121,690
Impairments on loans and advances	6,148	-5,143
Other operating expenses	-114,623	-149,124
	-60,776	-32,576
Finance costs	-68,483	-66,807
Loss before taxation	-129,259	-99,384
Tax (charge)/credit	0	0
Loss for the half year	-129,259	-99,384
Comprehensive loss for the half year	-129,259	-99,384

STATEMENT OF CHANGES IN EQUITY

Figures in Kenyan Shilling thousand	Share capital	(Deficit) / surplus	Total equity
Balance at 01 April 2019	750,000	-988,006	-238,006
Comprehensive loss for the year	-	-241,150	-241,150
Balance at 31 March 2020	750,000	-1,229,156	-479,156
Comprehensive loss for the half year	-	-129,259	-129,259
Balance at 30 September 2020	750,000	-1,358,415	-608,415

STATEMENT OF CASH FLOWS

Figures in Kenyan Shilling thousand	H1 2021	H1 2020
Net cash flows from/(used in) operations	-45,666	-25,773
Net cash flows used in investing	0	264
Net cash flows (used in)/from financing	922	17,496
Total cash movement for the year	-44,745	-8,013
Cash and cash equivalents at the beginning	84,788	92,801
Total cash at the end of the half year	40,044	84,788

Review of financial results

The financial half year results showed a decline compared to the same period last year. The company reported a loss after tax of Ksh 129 million. There has been a decrease in yields due to lower sales numbers during the period. The Covid-19 pandemic had a negative effect on production as well as accepting.

The capital remains below the minimum covenant requirements and the company therefore remains engaged with debt and equity providers with a view to alleviating the debt and interest burden borne by the company and to placing the company on a path to sustainable profitability.

Change of financial year end

The company has changed its financial year to run from January to December and the current financial year will therefore be from April 2020 to December 2020 (9 month period).

Loan impairment provisions

The company has continued adjusting carrying values for various loan asset classes during the 2020 financial year, applying its normal strict criteria.

Deferred tax assets

Deferred tax assets remain impaired in full.

Share capital

There have been no changes to the share capital during the year under review.

Dividends

The directors do not recommend the declaration of a dividend.

Directors and company secretary

Current directors are: EN Ndemo (Chairperson), YM Godo, TM Karanja, RL Shibusse, FO Menya. The company secretary is CK Kigera.

The summary financial statements are available on the company's website, www.RealPeople.co.ke

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By order of the board of directors
Wednesday, December 30, 2020