

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 Kshs	2019 Kshs
Turnover	105,888,920	311,516,156
Direct Costs	(61,746,729)	(122,073,166)
Gross (Loss)/Profit	44,142,192	189,442,990
Expenses		
Administrative Costs	38,362,551	103,143,935
Other Operating Expenses	27,065,412	43,991,509
Net Operating Profit/Deficit	(21,285,771)	42,307,546
Other Gains/(Loss)	999,145	-
Finance Cost	2,184,441	3,399,108
Net Surplus/(Deficit) Before Tax	(22,471,068)	38,908,438
Tax Charge	-	(2,332,940)
Net Surplus/(Deficit) After Tax	(22,471,068)	36,575,498
Basic & Diluted Earnings Per Share	(0.51)	0.91
Weighted Average No of Shares		

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	2020 Kshs	2019 Kshs
ASSETS		
Non-Current Assets	67,068,857	77,423,701
Current Assets	25,538,158	79,357,433
Total Assets	92,607,015	156,781,134
EQUITY & LIABILITIES		
Share Capital	31,600,000	20,000,000
Retained Earnings	(2,592,530)	19,878,536
Total Equity	29,007,470	39,878,536
Non-Current Liabilities	15,459,695	32,655,063
Current Liabilities	48,139,850	84,247,535
Total Equity & Liabilities	92,607,015	156,781,134

SUMMARY STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 Kshs	2019 Kshs
Cash Generated from Operations	(6,640,850)	18,098,057
Tax Paid	(641,178)	(2,332,940)
Net Cash flow from Operating Activities	(7,282,028)	15,765,117
Net Cash Flow from Investing Activities	1,576,000	(6,625,000)
Net Cash Flow from Financing Activities	(5,595,368)	2,981,219
Changes in Cash and Cash Equivalents	(11,301,395)	12,121,336
Cash and Cash Equivalent at the Beginning	13,168,326	1,046,990
Cash and Cash Equivalent as at Year End	1,866,931	13,168,326

SUMMARY STATEMENT OF CHANGES IN EQUITY (YEAR ENDED 31 DECEMBER 2020)

	Share Capital Kshs	Retained Earnings Kshs	Total Kshs
As at 1.01.2019	20,000,000	(16,696,960)	3,303,040
Prior Year Adjustments	-	-	-
Restarted Balance	20,000,000	(16,696,960)	3,303,040
Net Surplus/(Deficit) for the year.	-	36,575,498	36,575,498
As at 30.12.2019	20,000,000	19,878,538	39,878,538
As at 1.01.2020	20,000,000	19,878,538	39,878,538
Prior Year Adjustments	-	-	-
Restarted Balance	20,000,000	19,878,538	39,878,538
Addition/ (Reduction) of shares.	11,600,000	11,600,000	
Net Surplus/(Deficit) for the year.	-	(22,471,068)	(22,471,068)
As at 31.12.2020	31,600,000	(2,592,530)	29,007,470

Philip Onyango
Company Secretary
D&M Management Services

PERFORMANCE REVIEW

The performance of the Company in 2020 was adversely affected by the COVID-19 containment measures put in place by the Kenyan government following the reporting of the first case of COVID-19 on March 12th, 2020. The suspension of public gatherings and cancellation of events severely impacted Homeboyz's events management and soundtraxx business.

BUSINESS OUTLOOK

To weather the storm, Homeboyz instituted a number of cost rationalization measures, including instituting a labor contracting scheme based on projects and other innovative initiatives in the internet space to shore up revenues. With the progressive lifting of restrictions in the second half of 2020, business slowly picked up albeit below 2019 levels.

Homeboyz expects its financial performance to recover as the market opens, the COVID-19 crisis is mitigated, and the company implements its strategic plan to capture a wider market share in each of its existing core business lines and diversify revenue streams.

The company has diversified into providing virtual conference support services and production for TV broadcasting; in addition, Homeboyz has also secured contracts with the Kenya Rugby League, Safari Rally, E-Sports Federation of Kenya and the Magical Kenya Open.

DIVIDENDS

The Directors do not recommend a dividend payment for the year 2020.

MESSAGE FROM THE DIRECTORS

These are extracts from the financial statements of the Company which have been audited by Matengo & Associates and have received an unqualified opinion. A full set of these financial statements will be availed at our registered office at Galana House 8th Floor, Galana Road and online at www.homeboyz.com for inspection after approval by shareholders at the Annual General Meeting.

The financial statements were approved and authorized for issue by the Board of Directors on 26 April 2021 and were signed on its behalf by:

Humphrey Wattanga
Chairman

Stephen Gugu
Director

Michael Rabar
CEO