



**Intellect Design Arena Limited**  
**Annual Financial Statements**  
**for the year ended 31 March 2024**

# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## General Information

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Country of incorporation and domicile	Kenya
Date of incorporation	28 April 2016
Directors	Govind Singhal Thakur Vikas Sinha Atanu Ganguli
Registered office	L.R. No. 209/1907 5th Floor, Avocado Towers Muthithi Road, Westlands P.O. Box 45569-00100 Nairobi
Principal banker	Standard Chartered Bank Kenya Limited P.O. Box 30003-00100 Ground Floor, Stan Bank House Moi Avenue Nairobi
Independent auditor	Grant Thornton LLP Certified Public Accountants (Kenya) 5th Floor, Avocado Towers Muthithi Road, Westlands P.O. Box 46986-00100 Nairobi
Company secretary	Mutual Registrars Associates Certified Public Secretaries (K) P.O. Box 45669-00100 Nairobi
Company registration number	PVT/2016/011057
Tax reference number	P051650633Y
Ultimate holding company	Intellect Design Arena Limited (India) incorporated in India

# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

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# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Directors' Report

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The directors submit their report together with the audited annual financial statements for the year ended 31 March 2024.

In accordance with section 624 (3) of the Kenyan Companies Act, 2015, this directors' report has been prepared using the guidelines of the small companies regime.

### 1. Principal activities

The principal activities of the company is developing financial technology for banks, insurance companies, financial institutions and other financial services. The company operates principally in Kenya.

There have been no material changes to the nature of the company's business from the prior year.

### 2. Business review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act, 2015. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

### 3. Share capital

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

### 4. Dividends

The board of directors does not recommend the declaration of a dividend for the year (2023: Nil).

### 5. Directors

The directors in office at the date of this report are as follows:

Govind Singhal  
Thakur Vikas Sinha  
Atanu Ganguli

There have been no changes to the directorate for the year under review.

### 6. Ultimate holding company

The company's ultimate holding company is Intellect Design Arena Limited (India) which is incorporated in India.

### 7. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

### 8. Statement of disclosure to the company's auditor

With respect to each person who is a director on the day that this report is approved:

- there is, so far as the person is aware, no relevant audit information of which the company's auditor is unaware; and
- the person has taken all the steps that he or she ought to have taken as a director to be aware of any relevant audit information and to establish that the company's auditors is aware of that information.

### 9. Terms of appointment of the auditor

Grant Thornton LLP continues in office in accordance with the company's Articles of Association and Section 719 of the Kenyan Companies Act, 2015. The directors monitor the effectiveness, objectivity and independence of the auditor. The directors also approve the annual audit engagement contract which sets out the terms of the auditor appointment and the related fees.

# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Directors' Report

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### 10. Approval of annual financial statements

The annual financial statements set out on pages 8 to 19, which have been prepared on the going concern basis, were approved by the board of directors on 11 Jun 2024, and were signed on its behalf by:



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Atanu Ganguli  
(Director)

# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Statement of Directors' Responsibilities

The Kenyan Companies Act, 2015 requires the directors to prepare annual financial statements for each financial year that give a true and fair view of the financial position of the company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the company maintains proper accounting records that are sufficient to show and explain the transactions of the company and disclose, with reasonable accuracy, the financial position of the company. The directors are also responsible for safeguarding the assets of the company, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the Kenyan Companies Act, 2015. They also accept responsibility for:

- designing, implementing and maintaining such internal controls as they determine necessary to enable the presentation of annual financial statements that are free of material misstatement, whether due to fraud or error;
- selecting suitable accounting policies and applying them consistently; and
- making accounting estimates and judgements that are reasonable in the circumstances.

Having made an assessment of the company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the company's ability to continue as a going concern.

The directors acknowledge that the independent audit of the annual financial statements does not relieve them of their responsibilities.

The annual financial statements set out on pages 8 to 19, which have been prepared on the going concern basis, were approved by the board of directors on 11 Jun 2024 and were signed on its behalf by:



Atanu Ganguli  
(Director)



Thakur Vikas Sinha  
(Director)



## Independent Auditor's Report

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**To the Shareholder of Intellect Design Arena Limited**

**Report on the Audit of the Annual Financial Statements**

### **Opinion**

We have audited the annual financial statements of Intellect Design Arena Limited (the company) set out on pages 8 to 19, which comprise the statement of financial position as at 31 March 2024, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Intellect Design Arena Limited as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act, 2015.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audits of Auditor's Responsibilities for the Audit of the Annual Financial Statements in Kenya. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Kenya. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report as required by the Kenyan Companies Act, 2015, which we obtained prior to the date of this report. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Annual Financial Statements**

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process.

## Independent Auditor's Report

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### Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Report on Other Legal and Regulatory Requirements

In our opinion the information given in the report of the directors on page 3 - 4 is consistent with the Annual Financial Statements.

The engagement partner responsible for the audit resulting in this independent auditor's report was CPA Alfred Siele, Practicing Certificate No. 1690.

 Grant Thornton LLP  
Certified Public Accountants

For and on behalf of Grant Thornton LLP  
Certified Public Accountants (Kenya)  
Nairobi

19<sup>th</sup> June 2024

I/516/0324/AUD



# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Statement of Profit or Loss and Other Comprehensive Income

Figures in Shillings	Note(s)	2024	2023
Revenue	2	112,087,376	111,453,513
Other income	3	474	-
Operating expenses	4	(96,533,482)	(96,492,744)
<b>Operating profit</b>		<b>15,554,368</b>	<b>14,960,769</b>
Finance costs	6	(1,679,659)	(428,727)
<b>Profit before taxation</b>		<b>13,874,709</b>	<b>14,532,042</b>
Taxation	7	(6,769,855)	(1,973,214)
<b>Profit for the year</b>		<b>7,104,854</b>	<b>12,558,828</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>7,104,854</b>	<b>12,558,828</b>

The accounting policies on pages 12 to 14 and the notes on pages 15 to 19 form an integral part of the annual financial statements.


# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Statement of Financial Position as at 31 March 2024

Figures in Shillings	Note(s)	2024	2023
<b>Assets</b>			
<b>Non-Current Assets</b>			
Equipment	9	75,056	169,722
Deferred tax	10	12,804,422	6,015,739
		<b>12,879,478</b>	<b>6,185,461</b>
<b>Current Assets</b>			
Trade and other receivables	11	277,937,972	175,584,715
Current tax receivable	8	-	6,125,279
Cash and cash equivalents	12	2,005,401	6,909,276
		<b>279,943,373</b>	<b>188,619,270</b>
<b>Total Assets</b>		<b>292,822,851</b>	<b>194,804,731</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	13	20,770,000	20,770,000
Accumulated losses		2,582,446	(4,522,408)
		<b>23,352,446</b>	<b>16,247,592</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Loan from related party	14	73,708,815	6,627,203
<b>Current Liabilities</b>			
Account payables	15	191,356,025	171,929,936
Current tax payable	8	4,405,565	-
		<b>195,761,590</b>	<b>171,929,936</b>
<b>Total Liabilities</b>		<b>269,470,405</b>	<b>178,557,139</b>
<b>Total Equity and Liabilities</b>		<b>292,822,851</b>	<b>194,804,731</b>

The annual financial statements and the notes on pages 8 to 19, were approved by the board of directors on 11 Jun 2024 and were signed on its behalf by:

  
Atanu Ganguli  
(Director)

  
Thakur Vikas Sinha  
(Director)

The accounting policies on pages 12 to 14 and the notes on pages 15 to 19 form an integral part of the annual financial statements.

## Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

### Statement of Changes in Equity

Figures in Shillings	Share capital	Accumulated losses	Total equity
<b>Balance at 1 April 2022</b>	<b>20,770,000</b>	<b>(17,081,236)</b>	<b>3,688,764</b>
Profit for the year	-	12,558,828	12,558,828
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>12,558,828</b>	<b>12,558,828</b>
<b>Balance at 1 April 2023</b>	<b>20,770,000</b>	<b>(4,522,408)</b>	<b>16,247,592</b>
Profit for the year	-	7,104,854	7,104,854
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>7,104,854</b>	<b>7,104,854</b>
<b>Balance at 31 March 2024</b>	<b>20,770,000</b>	<b>2,582,446</b>	<b>23,352,446</b>
Note(s)	13		

The accounting policies on pages 12 to 14 and the notes on pages 15 to 19 form an integral part of the annual financial statements.

# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Statement of Cash Flows

Figures in Shillings	Note(s)	2024	2023
<b>Cash flows (used in) generated from operating activities</b>			
Cash (used in) generated from operations	17	(67,278,134)	39,374,271
Finance costs	6	(1,679,659)	(428,727)
Tax paid	8	(3,027,694)	(10,125,428)
<b>Net cash flows (used in) generated from operating activities</b>		<b>(71,985,487)</b>	<b>28,820,116</b>
<b>Cash flows used in investing activities</b>			
Purchase of equipment	9	-	(138,000)
<b>Cash flows generated from (used in) financing activities</b>			
Movement of loan from related party	14	67,081,612	(24,889,367)
<b>Net cash flows generated from (used in) financing activities</b>		<b>67,081,612</b>	<b>(24,889,367)</b>
<b>Total cash and cash equivalents movement for the year</b>		<b>(4,903,875)</b>	<b>3,792,749</b>
Cash and cash equivalents at the beginning of the year	12	6,909,276	3,116,527
<b>Total cash and cash equivalents at end of the year</b>	12	<b>2,005,401</b>	<b>6,909,276</b>

The accounting policies on pages 12 to 14 and the notes on pages 15 to 19 form an integral part of the annual financial statements.



# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Significant Accounting Policies

### 1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Kenyan Companies Act, 2015. For Kenyan Companies Act, 2015 reporting purposes in these financial statements, the balance sheet is represented by the statement of financial position and the profit and loss account is represented by the statement of profit or loss and other comprehensive income.

The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in Kenyan Shillings and rounded off to the nearest Shilling.

These accounting policies are consistent with the previous period.

#### 1.1 Significant judgements and sources of estimation uncertainty

##### Critical judgements in applying accounting policies

Management are required to make critical judgements in applying accounting policies from time to time. The judgements, apart from those involving estimations, that have the most significant effect on the amounts recognised in the annual financial statements, are outlined as follows:

##### Lease classification

The company is party to leasing arrangements as a lessee. The treatment of leasing transactions in the annual financial statements is mainly determined by whether the lease is considered to be an operating lease or a finance lease. In making this assessment, management considers the substance of the lease, as well as the legal form, and makes a judgement about whether substantially all of the risks and rewards of ownership are transferred.

##### Key sources of estimation uncertainty

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

#### 1.2 Equipment

Equipment are tangible assets which the company holds for its own use and which are expected to be used for more than one period.

Equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of equipment, the carrying amount of the replaced part is derecognised.

Equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of equipment have been assessed as follows:

Item	Depreciation method	Rate per annum (%)
Computer	Diminishing balance	33.33

When indicators are present that the useful lives and residual values of items of equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Significant Accounting Policies

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### 1.3 Financial instruments

#### Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

#### Financial instruments at amortised cost

These include receivables and payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

### 1.4 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

#### Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

### 1.5 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the year in which they are declared.

### 1.6 Employee benefits

#### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

#### Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

The company and its employees also contribute to the National Social Security Fund (NSSF), a national defined contribution scheme. Contributions are determined by local statute and the company's contributions are charged to the statement of profit or loss and other comprehensive income in the year they fall due.



# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Significant Accounting Policies

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### 1.7 Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

### 1.8 Revenue

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The Stage of completion is determined by surveys of work performed. When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

### 1.9 Foreign exchange

#### Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

All transactions in foreign currencies are initially recorded in Kenyan Shillings, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Notes to the Annual Financial Statements

Figures in Shillings	2024	2023
<b>2. Revenue</b>		
Rendering of services	112,087,376	111,453,513
<b>3. Other income</b>		
Interest income	474	-
<b>4. Operating expenses</b>		
<b>The following items are included within operating expenses:</b>		
Staff costs (Note 5)	77,292,465	60,046,436
Auditors remuneration	841,600	724,600
Bank charges	140,392	132,956
Legal and professional fees	3,816,241	21,945,231
Lease rentals on operating lease	3,925,906	3,806,436
Printing and stationery	400,304	108,027
Repairs and maintenance	135,408	24,000
Subscriptions	-	24,100
Travelling expenses	3,969,828	3,391,746
Telephone and postage	502,475	445,017
Business promotion expenses	2,603,565	1,082,836
Depreciation	94,667	106,167
Loss on exchange differences (See below)	2,810,631	4,655,192
	<b>96,533,482</b>	<b>96,492,744</b>
<b>Loss on exchange differences</b>		
Realised exchange differences	397,049	737,714
Unrealised exchange differences	2,413,582	3,917,478
	<b>2,810,631</b>	<b>4,655,192</b>
<b>5. Staff costs</b>		
Salaries and wages	54,115,385	45,753,873
Sales incentives	20,182,568	11,007,844
Social security cost	88,234	-
Staff insurance	1,368,531	1,357,775
Work permit	600,364	1,594,477
NSSF company contribution	59,400	15,040
Staff welfare	482,055	317,427
Housing levy	393,978	-
NITA	1,950	-
	<b>77,292,465</b>	<b>60,046,436</b>
<b>Average number of persons employed during the year was:</b>		
Sales and marketing	3	3
<b>6. Finance costs</b>		
Interest on loan (Note 16)	1,679,659	428,727



# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Notes to the Annual Financial Statements

Figures in Shillings	2024	2023
<b>7. Taxation</b>		
<b>Major components of the tax expense</b>		
<b>Current taxation</b>		
Local normal tax - current year	13,558,538	3,185,809
<b>Deferred taxation</b>		
Local deferred tax - current year	(6,788,683)	(1,212,595)
	<b>6,769,855</b>	<b>1,973,214</b>
<b>Reconciliation of the tax expense</b>		
Reconciliation between accounting profit and tax expense.		
Accounting profit	13,874,709	14,532,042
Tax at the applicable tax rate of 30% (2023: 30%)	4,162,413	4,359,613
<b>Tax effect of adjustments on taxable income</b>		
Expenses not deductible for tax purposes	2,607,442	-
Income not subject to tax	-	(2,386,399)
	<b>6,769,855</b>	<b>1,973,214</b>
<b>8. Tax paid</b>		
Balance at beginning of the year	6,125,279	(814,340)
Current tax for the year recognised in loss	(13,558,538)	(3,185,809)
Balance at end of the year	4,405,565	(6,125,279)
	<b>(3,027,694)</b>	<b>(10,125,428)</b>

## 9. Equipment

	2024			2023		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Computer	284,000	(208,944)	75,056	284,000	(114,278)	169,722

### Reconciliation of equipment - 2024

	Opening balance	Depreciation	Closing balance
Computers	169,722	(94,667)	75,056

### Reconciliation of equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Computers	137,889	138,000	(106,167)	169,722

# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Notes to the Annual Financial Statements

Figures in Shillings	2024	2023
<b>10. Deferred tax</b>		
Deferred tax asset	12,804,422	6,015,739
<b>Reconciliation of deferred tax asset</b>		
At beginning of year	6,015,739	4,803,144
<b>Recognised in profit or loss:</b>		
Exchange differences	724,075	(2,161,978)
Accelerated capital allowances	9,837	13,288
Provisions	6,054,771	3,361,285
	<b>6,788,683</b>	<b>1,212,595</b>
<b>At end of year</b>	<b>12,804,422</b>	<b>6,015,739</b>
<b>11. Trade and other receivables</b>		
Accrued revenue	91,553,652	66,996,055
Travel advance	-	346,030
Prepayments	995,613	1,208,144
Amounts due from related parties (Note 16)	180,489,231	109,133,246
Other receivables	4,899,476	(2,098,760)
	<b>277,937,972</b>	<b>175,584,715</b>
<b>12. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Bank balances	2,005,401	6,909,276
<b>13. Share capital</b>		
<b>Authorised</b>		
20,770 Ordinary shares of Ksh 1,000 each	20,770,000	20,770,000
<b>Issued</b>		
20,770 Ordinary shares of Ksh 1,000 each	20,770,000	20,770,000
All issued shares are fully paid.		
<b>14. Loan from related party</b>		
<b>At amortised cost</b>		
Intellect Design Arena FZ LLC (Note 16)	73,708,815	6,627,203
The above loan is interest free with no specific repayment terms and conditions.		
<b>Non-current liabilities</b>		
At amortised cost	73,708,815	6,627,203

# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Notes to the Annual Financial Statements

Figures in Shillings	2024	2023
<b>15. Account payables</b>		
Other payables	14,204,748	4,520,159
B2B license accrual	81,315,592	88,328,537
Amounts due to related parties (Note 16)	95,835,685	79,081,240
	<b>191,356,025</b>	<b>171,929,936</b>
<b>16. Related parties</b>		
Relationships		
Ultimate holding company	Intellect Design Arena Limited (India)	
<b>Related party balances and transactions</b>		
<b>Related party balances</b>		
<b>Amounts due to related parties</b>		
Intellect Design Arena Limited (FT)	25,975,017	26,506,452
Intellect Dubai	69,860,668	52,574,788
	<b>95,835,685</b>	<b>79,081,240</b>
<b>Amounts due from related parties</b>		
Intellect Design Arena Limited (Dubai)	94,521,934	94,521,934
REB business to business	85,967,297	14,611,312
	<b>180,489,231</b>	<b>109,133,246</b>
<b>Loan from related party</b>		
Intellect Design Arena FZ LLC	73,708,815	6,627,203
<b>Related party transactions</b>		
<b>Interest paid to related parties</b>		
Intellect Design Arena FZ LLC	1,087,640	353,200
Intellect Design Arena Limited is related to the above companies by virtue of common control and directorship.		
<b>17. Cash (used in) generated from operations</b>		
Profit before taxation	13,874,709	14,532,042
<b>Adjustments for:</b>		
Depreciation and amortisation	94,667	106,167
Finance costs	1,679,659	428,727
<b>Changes in working capital:</b>		
Trade and other receivables	(102,353,260)	77,356,013
Account payables	19,426,091	(53,048,678)
	<b>(67,278,134)</b>	<b>39,374,271</b>
<b>18. Contingencies</b>		
There were no contingencies for the year ended 31 March 2024.		
<b>19. Commitments</b>		
There were no commitments for the year ended 31 March 2024.		

# Intellect Design Arena Limited

Annual Financial Statements for the year ended 31 March 2024

## Notes to the Annual Financial Statements

Figures in Shillings	2024	2023
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### 20. Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

### 21. Events after the reporting period

The director is not aware of any material event which occurred after the reporting date and up to the date of the Director's report.

### 22. Categories of financial instruments

#### Financial assets at amortised cost

Trade and other receivables	276,942,362	174,030,541
Cash and cash equivalents	2,005,401	6,909,276
	<u>278,947,763</u>	<u>180,939,817</u>

#### Financial liabilities at amortised cost

Loan from related party	73,708,815	6,627,203
Other payables	191,356,029	224,978,614
	<u>265,064,844</u>	<u>231,605,817</u>