

TEE ES SEE GOLF LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

Tee Es See Golf Limited
Annual Report and Financial Statements
For the year ended 31 December 2025

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Company information

PATRON	Mr. James Kaberia Mbugua
TRUSTEES	Mr. David Maina Karuma Ms. Betty Mutua (Retired 30th March 2025) Mr. Nicholas Kabare (Elected 30th March 2025) Mr. Douglas Mathenge Thoithi
BOARD OF DIRECTORS	Mr. William Wanyoike Ngugi (Chairman Retired 30th March 2025) Eng Kenneth Ndegwa Chege (Chairman Elected 30th March 2025) Dr. Martin Uimbia Gichugu(Director House, Vice Chairman) Mr. Daniel Wokabi Mathenge (Honorary Secretary Retired 30th March 2025) Mr. Micheal Gatuhi (Honorary Secretary Elected 30th March 2025) Mr. Julius Wahome Wanyaga (Director membership and Marketing) Mr. Walter Mwangi Njenga (Director Golf Captain Elected 30 th March 2025) Mr. Moses Kamau Gatonye(Director Golf captain,) Retired 30th March 2025) Eng Kenneth Ndegwa Chege (Director Sports and Wellness) Retired 30th March 2025) Mr. Vincent Karumba Mwangi (Director Sports and Wellness Elected 30th March 2025) Ms. Bibiana Muthoni Kariuki(Director Food and Beverage) Ms. Jessica Nyambura Kimathi (Director Lady Golf Captain) Elected 30th March 2025) Ms. Lucy Nyaguthii Maina (Director Lady Golf Captain, Retired 30th March 2025) CPA Jonh Njenga Kimani(Director finance & Administration) Mr. Anthony Mutugi(Director Golf Course)
PRINCIPAL PLACE OF OPERATIONS	LR. Number 8240 North of Thika Township P.O.Box 257, 01000 THIKA
PRINCIPAL BANKERS	NCBA Bank Kenya Thika Absa Bank Kenya PLC Thika KCB Bank Kenya Limited Thika
INDEPENDENT AUDITOR	JM Associates LLP Certified Public Accountants, 8 th Floor, West Parks Towers Mpesi Lane, Off Muthithi Road P.O. Box 23598-00625, Westlands, Nairobi.

Directors' Report

The directors submit their report together with the audited financial statements for the year ended 31 December 2025 which disclose the state of affairs of the Company.

Directorate

The directors who held office during the year and to the date of this report are set out on page 1.

Principal activities

The principal activity of the Company is that of running a members sports club

Business review

Revenue for the year increased by 17% to Kshs. 195,403,386 (2024: Kshs 171,088,887). The Company made surplus before income tax of Kshs. 9,175,567 (2024: Kshs 4,505,054).

Results

The net surplus for the year of Kshs. 8,537,702 has been added to accumulated funds.

DISCLOSURES TO AUDITORS

The directors confirm that with respect to each director at the time of approval of this report:

- (a) There was, as far as each director is aware, no relevant audit information of which the Company's auditor is unaware; and
- (b) Each director had taken all steps that ought to have been taken as a director so as to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

TERMS OF APPOINTMENT OF AUDITORS

JM Associates LLP were appointed during the year and have expressed willingness to continue in office in accordance with the company's Articles of Association and Section 719 of the 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's appointment and the related fees.

By order of the Board

Director

21st MARCH 2026



Statement of Directors' Responsibilities

The Kenyan Companies Act, 2015 requires the directors to prepare 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 keeps proper accounting records that: (a) show and explain the transactions of the Company; (b) disclose, with reasonable accuracy, the financial position of the Company; and (c) enable the directors to ensure that every financial statement required to be prepared complies with the requirements of the Companies Act, 2015.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Kenyan Companies Act, 2015. They also accept responsibility for:

- i) designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii) selecting suitable accounting policies and applying them consistently; and
- iii) 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 financial statements does not relieve them of their responsibilities.

Approved by the board of directors on 21ST MARCH 2026 and signed on its behalf by:



Director



Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEE ES SEE GOLF LIMITED

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Tee Es See Golf Limited set out on pages 7 to 21 which comprise the statement of financial position at 31 December 2025 and the statements 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 financial statements, which include a summary of significant accounting policies.

In our opinion, except for the effects of matters described in the emphasis of matter paragraph the financial statements give a true and fair view of the financial position of Tee Es See Golf Limited at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Kenyan Companies Act 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (the IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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. Other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, other than that prescribed by the Kenyan Companies Act, 2015, as set out below

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

ADVISORY | INNOVATION | TRANSFORMATION

JM Associates is a Limited Liability Partnership **Partners:** John Mwangi | Gordon Oito
West Park Towers, 8th Floor, Mpesi Lane, Off Muthithi Road | P.O. Box 23598-00625 Nairobi, Kenya
Cell: 0733 818 835 | **Email:** info@jmassociates.co.ke | www.jmassociates.co.ke

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEE ES SEE GOLF LIMITED
(CONTINUED)**

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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 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 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEE ES SEE GOLF LIMITED
(CONTINUED)**

Auditor's responsibilities for the audit of the financial statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 matters prescribed by the Kenyan Companies Act, 2015

In our opinion the information given in the report of the directors on pages 2 is consistent with the financial statements.

**Certified Public Accountants
Nairobi**

----- 2026

The signing partner responsible for the independent audit is CPA John Mwangi, P/ No. 2092.

Tee Es See Golf Limitedd
Annual Report and Financial Statements
For the year ended 31 December 2025

Profit and loss account

	Notes	2025 Kshs.	2024 Kshs.
Income	4	195,403,386	171,088,887
Direct costs	5	<u>(133,045,615)</u>	<u>(109,828,678)</u>
Gross surplus		62,357,771	61,260,209
Other income	6	9,189,084	3,426,702
Administrative expenses	8	(40,350,942)	(32,735,079)
Other operating expenses	9	<u>(22,020,346)</u>	<u>(27,446,778)</u>
Surplus before tax		9,175,567	4,505,054
Tax charge	11	<u>(637,865)</u>	<u>(346,509)</u>
Surplus for the year		<u>8,537,702</u>	<u>4,158,545</u>

Statement of financial position

	Notes	2025 Kshs	2024 Kshs
ASSETS			
Current Assets			
Trade and other receivables	10	7,620,890	9,468,293
Cash in hand and at bank	12	18,647,374	33,304,046
Inventory	13	11,749,245	9,215,948
		<u>38,017,509</u>	<u>51,988,287</u>
Non-Current Assets			
Property and equipment	16	118,024,117	91,363,485
		<u>118,024,117</u>	<u>91,363,485</u>
TOTAL ASSETS		<u>156,041,626</u>	<u>143,351,772</u>
LIABILITIES AND EQUITY			
Current Liabilities			
Corporate tax payable	10	255,865	106,109
Trade and other payables	14	29,647,272	28,077,963
Borrowings	15	1,126,125	937,581
		<u>31,029,262</u>	<u>29,121,653</u>
Non-Current Liabilities			
Retirement benefit obligations	17	5,593,624	4,259,431
Equity			
General fund		<u>119,418,740</u>	<u>109,970,688</u>
		<u>119,418,740</u>	<u>109,970,688</u>
TOTAL EQUITY & LIABILITIES		<u>156,041,626</u>	<u>143,351,772</u>

The financial statements on pages 7 to 21 were approved for issue by the board of directors on 21st MARCH 2026 and were signed on their behalf by:

Chairman



Treasurer



Tee Es See Golf Limitedd
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Statement of changes in General fund

	General fund	Total
	Kshs.	Kshs.
At 1 January 2024	105,812,143	105,812,143
Surplus for the year	4,158,545	4,158,545
	<hr/>	<hr/>
At 31 December 2024	109,970,688	109,970,688
	<hr/>	<hr/>
At 1 January 2025	109,970,688	109,970,688
Surplus for the year	8,537,702	8,537,702
Adjustments on general fund	910,350	910,350
	<hr/>	<hr/>
At 31 December 2025	119,418,740	119,418,740
	<hr/>	<hr/>

Tee Es See Golf Limitedd
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Statement of cash flows

	Notes	2025 Kshs	2024 Kshs
Cash flows from operating activities			
Surplus before tax		9,175,567	4,505,054
Adjustments for:-			
Depreciation	16	11,600,200	12,401,056
Impairment loss on property amd equipment	16	-	7,986,485
Increase in retirement benefits obligations	17	1,618,198	1,280,662
Operating profit before working capital changes		22,393,965	26,173,257
Working capital changes			
Change in inventory	13	(2,533,297)	(2,058,020)
Change in trade and other receivables	10	1,847,403	3,773,168
Change in trade and other payable	14	1,569,309	2,597,137
Benefits paid		(284,005)	(879,777)
Cash generated from operations		22,993,375	29,605,765
Tax paid	11	(488,109)	(458,899)
Net cash generated from operating activities		22,505,266	29,146,866
Cash flows from financing activities:			
Prior year adjustment in reserve		910,350	
Proceeds from insurance premium finance		188,544	1,833,079
Repayment of insurance premium finance		-	(895,498)
Net cash generated from financing activities		1,098,894	937,581
Cash flows from investing activities:			
Purchase of equipment	16	(38,260,831)	(13,879,832)
Net cash used in investing activities		(38,260,831)	(13,879,832)
Net increase in cash and cash equivalents		(14,656,672)	16,204,615
Cash and cash equivalent at beginning of the year (note 12)		33,304,046	17,099,431
Cash and cash equivalent at end of year (Note 12)		18,647,374	33,304,046

Accounting policies

1 General information

Tee Es See Golf Limited (the Company) is domiciled in Kenya where it is incorporated under the Kenyan Companies Act, 2015 as a private company. The address of its registered office and principal place of business is shown on page 1.

2 Basis of preparation and summary of significant accounting policies

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. The financial statements are presented in Kenyan Shillings (Kshs), rounded to the nearest thousand. The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

(a) Revenue recognition

Revenue is recognised only on active members. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and sales-related taxes collected on behalf of the government of Kenya.

Interest income from investments is recognised in the period in which the right to receive payment has been established, and is included in 'other income'.

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Kenya Shillings which is the Company's functional currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other income or expenses'.

(c) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Accounting policies (continued)

2 Basis of preparation and summary of significant accounting policies (Continued)

(d) Property and equipment

Land and buildings are shown at their fair purchasing value. Depreciation is calculated on the reducing balance basis, at annual rates estimated to write off carrying values of the property and equipment over their expected useful lives. The buildings are amortised on straight line. The rates used are set out below:

Leasehold land	Over the lease period
Dams	Over the lease period
Access roads and parking	Over the lease period
Golf course development (golf course and borehole)	5%
Tractors and movers	33%
Fixtures and fittings	12.5%
Equipment (generator, gym and kitchen)	25%
Building (Club house, health club, and extentions)	5%
Computer equipment	33%
Motor vehicles	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The cost of refurbishing the company's property is capitalized in the year in which it is incurred and depreciated over the remaining term of the lease. The carrying values of property and equipment are reviewed for impairment when event or changes in circumstances indicate that carrying values may not be recoverable. Impairment expenditure is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Gains and losses on disposal of property and equipment are determined by reference to their carrying amounts and are taken into account in determining operating income/(expenditure). On disposal of revalued assets, amounts in the revaluation surplus relating to the asset are transferred to reserves.

If any such indications exist and where the carrying values exceed the recoverable amount, property and equipment are written down to their recoverable amounts.

(e) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company. All other leases are classified as operating leases.

Rights to assets held under finance leases are recognised as assets of the Company at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant

Accounting policies (continued)

2. Basis of preparation and summary of significant accounting policies (Continued)

(f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

For the purposes of the cash flow statement, the year-end cash and cash equivalents comprises of cash and cash equivalents as defined above.

(g) Provisions

Provisions are recognized when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments.

Provisions are measured at the present value of the expenditures 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 passage of time is recognised as interest expense.

(h) Prepaid operating lease

Payments, to acquire interests in leasehold land are treated as prepaid operating lease rentals and the cost of the land is amortised over the unexpired term of the lease on the straight-line basis.

(i) Contingent liability

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain events or present obligations where the transfer of economic benefit is uncertain or cannot be reliably measured. Contingent liabilities are not recognized but are disclosed unless they are remote.

(j) Employee benefits

(i) Retirement benefit obligations

The company contributes to the statutory defined contribution scheme, National Social Security Fund, in respect of all permanent employees. The company's obligations under the scheme are determined by local statute of tier i and tier ii per month. The company also operates as a defined contribution retirement benefits scheme for all employees. The assets of the scheme are held in a separate trustee administered fund that is funded from contributions from both the company and the employees.

The company's obligation to both NSSF and the defined contribution scheme are charged to the profit or loss in the year to which it relates.

Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

Accounting policies (continued)

2. Basis of preparation and summary of significant accounting policies (Continued)

(k) Employee benefits

(ii) Other benefits

The estimated monetary liability for employees accrued annual leave entitlement at the balance sheet date is recognised as an expense accrual.

(l) Financial assets

Trade and other receivables are initially recognised at the transaction price. Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. Debt instruments such as Treasury bills or corporate bonds are initially recognised at the transaction price including transaction costs, and subsequently measured at amortised cost using the effective interest

Investments in quoted shares are initially recognised at the transaction price and subsequently measured at fair value with changes in fair value being recognised in profit or loss. Fair value is determined using the quoted bid price at the reporting date.

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

(m) Impairment of non-financial assets

At each reporting date, property, plant and equipment, investment property, intangible assets, and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its 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.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(n) Financial liabilities

Financial liabilities are initially recognized at the transaction price (less transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortized cost using the effective interest method.

Accounting policies (continued)

2. Basis of preparation and summary of significant accounting policies (Continued)

(o) Income tax

Income tax expense is the aggregate of the charge to the profit or loss in respect of current income tax and deferred income tax. Tax is recognised in the profit or loss unless it relates to items recognised directly in equity, in which case it is recognised directly in equity.

(i) Current income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of the tax enacted or substantively enacted at the reporting date. The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(p) Income tax

(ii) Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3 Judgements and key sources of estimation uncertainty

No significant judgements have had to be made by the directors in preparing these financial statements.

Tee Es See Golf Limited
Annual Report and Financial Statements
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Notes to the Financial Statements

	2025	2024
	Kshs.	Kshs.
4 Income		
Subscription and members entrance fees	60,862,575	67,396,694
Development levy	-	15,000
Bar income	47,778,952	34,927,345
Catering income	50,697,740	37,425,141
Club house and accommodation	1,460,534	752,119
Golf captain account	24,956,487	20,662,057
Swimming	4,068,698	4,108,845
Gymnasium and sauna	5,578,400	5,801,686
	<u>195,403,386</u>	<u>171,088,887</u>
5 Direct costs		
Membership cards	170,450	270,058
Bar costs	44,024,670	34,116,865
Catering expenses	40,340,355	30,803,421
Catering salaries	6,130,670	5,680,231
Catering wages	3,509,175	2,489,964
Club house and accommodation costs	9,849,581	8,804,846
Golf captain account	11,708,860	10,865,937
Golf course salaries	4,335,267	3,664,134
Golf course wages	1,096,740	1,449,377
Golf salaries	2,145,567	1,886,595
Golf wages	32,000	104,000
Swimming expenses	704,796	454,710
Swimming salaries	456,672	442,526
Swimming wages	242,000	15,750
Gymnasium and sauna expenses	1,528,344	1,260,280
Gym salaries	490,642	845,555
Gym wages	326,650	94,600
Depreciation on property and equipment	4,968,243	5,600,656
Inventories written off	984,933	979,173
	<u>133,045,615</u>	<u>109,828,678</u>
6 Other income		
Penalties and minimum spend income	5,913,536	754,438
Pro shop rent	288,000	288,000
Locker rent	13,280	16,200
Equipment, tent and ground hire	165,544	85,000
Mpesa commission and other income	582,507	522,275
Other sales	100,000	267,225
Interest income from money markets	2,126,217	1,493,564
	<u>9,189,084</u>	<u>3,426,702</u>

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Notes to the Financial Statements

	2025	2024
	Kshs.	Kshs.
7 Employment:		
Salaries and wages	13,850,476	9,167,033
Staff welfare	3,357,864	3,138,987
Staff uniforms	97,783	421,132
Medical expenses	1,264,167	2,166,685
Increase in accrued leave	337,834	278,707
Increase in retirement benefit obligations	1,618,198	1,280,662
	<u>20,526,321</u>	<u>16,453,206</u>
8 Administrative expenses		
Staff cost (Note 7)	20,526,321	16,453,206
House expenses	2,354,018	2,452,919
Audit fees	230,000	350,004
Legal and professional fees	2,704,863	1,097,251
Motor vehicle running expenses	999,598	829,064
Printing and stationery	1,267,042	1,228,153
Postage and telephone	1,117,759	1,075,578
Bank charges	1,382,588	1,311,706
Satelite television	346,942	200,330
Linen	707,800	2,961,008
Transport expense	344,632	12,674
Bad debts	8,369,377	-
Opening balances difference	-	4,763,186
	<u>40,350,942</u>	<u>32,735,079</u>
9 Other operating expenses		
Electricity and fuel	1,091,618	1,635,968
Repairs and maintenance	6,927,731	5,359,539
Licenses	401,798	389,010
Land Lease	596,565	-
Water	805,122	776,212
Insurance	551,463	497,544
Security expenses	4,645,371	4,001,620
Depreciation on property and equipment	7,000,679	6,800,400
Impairment loss on property and equipment	-	7,986,485
	<u>22,020,346</u>	<u>27,446,778</u>
10 Trade and other receivables		
Amount due from members	4,120,520	8,081,466
Deposits and prepayments	2,522,139	1,081,256
Other receivables	978,231	305,571
	<u>7,620,890</u>	<u>9,468,293</u>

Notes to the Financial Statements (continued)

	2025	2024
	Kshs.	Kshs.
11 Tax		
Current tax	<u>637,865</u>	<u>346,509</u>
Tax credit	<u>637,865</u>	<u>346,509</u>
The tax on the company's profit before tax differs from the theoretical amount that would arise using the basic rate as follows:		
Surplus before tax	<u>9,175,567</u>	<u>4,505,054</u>
Tax calculated at a tax rate of 30% (2024:30%)	2,752,670	1,351,516
Tax effect of:		
- income net of expenses not subject to tax	<u>(2,114,805)</u>	<u>(1,005,007)</u>
Tax charge	<u>637,865</u>	<u>346,509</u>
At start of year	106,109	-
Charge for the year	637,865	346,509
Taxes paid	(106,109)	(240,400)
Withholding tax paid	<u>(382,000)</u>	<u>-</u>
At end of year	<u>255,865</u>	<u>106,109</u>
12 Cash and cash equivalents		
Cash at bank and in hand	<u>18,647,374</u>	<u>33,304,046</u>
	<u>18,647,374</u>	<u>33,304,046</u>
For the purposes of the statement of cash flows, the year-end cash and cash equivalents comprise the above:		
13 Inventory		
Bar stocks	7,491,392	5,241,878
Kitchen stocks	3,753,356	3,974,070
House-keeping stocks	<u>504,497</u>	<u>-</u>
	<u>11,749,245</u>	<u>9,215,948</u>
14 Trade and other payables		
Trade payables	12,378,433	13,670,571
Accruals and other payables	4,935,122	5,382,810
Members' card balances	<u>12,333,717</u>	<u>9,024,582</u>
	<u>29,647,272</u>	<u>28,077,963</u>
15 Borrowings		
Insurance premium finance (IPF)	<u>1,126,125</u>	<u>937,581</u>
	<u>1,126,125</u>	<u>937,581</u>

The IPF is unsecured, subject to interest rate of 8.22% p.a and repayable within 10 months effective from August 2025

Tee Es See Golf Limited
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Notes to the Financial Statements (continued)

16. Property and Equipment

Cost	Leasehold	Golf course	Tractors	Furniture	Computer	Equipment	Motor	Buildings	Dams	Access	Capital	Total
	land	development	and	and	equipment	vehicle	roads and	work in	roads and	work in	progress	
	Kshs	Kshs	mowers	fittings	Kshs	Kshs	Kshs	Kshs	Kshs	parking	progress	Kshs
			Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	bays	Kshs	Kshs
At 1 st January 2024	14,662,500	71,310,864	6,873,188	11,425,738	9,147,216	16,943,498	3,190,000	55,245,107	7,282,503	12,759,941	5,397,855	214,238,410
Additions	-	134,250	-	727,296	477,001	495,593	-	-	-	-	12,045,692	13,879,832
Impairment	-	(12,857,904)	-	-	-	-	-	-	-	-	-	(12,857,904)
At 31 st December 2024	14,662,500	58,587,210	6,873,188	12,153,034	9,624,217	17,439,091	3,190,000	55,245,107	7,282,503	12,759,941	17,443,547	215,260,338
Accumulated depreciation												
At 1 st January 2024	8,833,876	37,106,649	6,734,489	7,428,122	7,555,264	13,816,490	2,741,405	22,606,896	3,467,863	6,076,162	-	116,367,216
Impairment	-	(4,871,419)	-	-	-	-	-	-	-	-	-	(4,871,419)
Charge for the year	4,589,540	1,313,868	50,136	510,911	239,766	703,245	79,345	1,852,212	1,112,601	1,949,432	-	12,401,056
At 31 st December 2024	13,423,416	33,549,098	6,784,625	7,939,033	7,795,030	14,519,735	2,820,750	24,459,108	4,580,464	8,025,594	-	123,896,853
Carrying amount												
At 31 st December 2024	1,239,084	25,038,112	88,563	4,214,001	1,829,187	2,919,356	369,250	30,785,999	2,702,039	4,734,347	17,443,547	91,363,485

Tee Es See Golf Limited
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Notes to the Financial Statements (continued)

16. Property and Equipment (continued)

Cost	Leasehold land	Golf course development	Tractors and mowers	Furniture and fittings	Computer equipment	Motor vehicle	Buildings	Dams	Access roads and parking bays	Capital work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 st January 2025	14,662,500	58,587,210	6,873,188	12,153,034	9,624,217	3,190,000	55,245,107	7,282,503	12,759,941	17,443,547	215,280,338
Additions	-	4,174,046	2,400,000	7,191,256	1,172,295	-	-	-	-	18,563,577	38,280,831
Transfers	-	-	-	-	-	-	17,037,983	-	-	(17,037,983)	-
At 31 st December 2025	14,662,500	62,761,256	9,273,188	19,344,290	10,796,512	3,190,000	72,283,090	7,282,503	12,759,941	18,969,141	253,521,169
Accumulated depreciation											
At 1 st January 2025	13,423,416	33,549,098	6,784,625	7,939,033	7,795,030	2,820,750	24,459,108	4,580,464	8,025,594	-	123,896,853
Charge for the year	161,081	1,460,608	821,226	1,425,657	990,489	92,313	2,391,199	1,134,656	1,230,930	-	11,600,200
At 31 st December 2025	13,584,497	35,009,706	7,605,851	9,364,690	8,785,519	2,913,063	26,850,307	5,715,320	9,256,524	-	135,497,053
Carrying amount											
At 31 st December 2025	1,078,003	27,751,550	1,667,337	9,979,600	2,010,993	276,938	45,432,784	1,567,183	3,503,417	18,969,141	118,024,117

Notes to the Financial Statements (continued)

17. Retirement benefits obligations

The company operates a gratuity scheme for qualifying employees, which qualifies as a defined benefit scheme. Under the plan, the employees are entitled to 15 days of their basic annual salary for each successfully completed year of service, obligation for gratuity and long service.

The amounts recognised in the statement of financial position are determined as follows:

	2025	2024
	Kshs	Kshs
Present value of obligations	<u>5,593,624</u>	<u>4,259,431</u>
	5,593,624	4,259,431

The movement in the defined benefit obligation over the year was as follows;

At start of year	4,259,431	3,858,546
Provision for the year	1,618,198	1,280,662
Benefits paid	<u>(284,005)</u>	<u>(879,777)</u>
	5,593,624	4,259,431

18 Deferred Tax

No provision for deferred tax has been made as there are no temporary differences

19 Comparatives

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

20 Subsequent events

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

21 Commitments

There were no commitments for the year ended December 31,2025 (2024: Nil)