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## TAARIFA YA WAKURUGENZI

Wakurugenzi wanatoa taarifa yao pamoja na hesabu zilizokaguliwa za mwaka uliomalizika Septemba 30, 1988.

### 1. MATOKEO

Matokeo ya Kundi hili yanaelezwa kwa ufupi hapa chini:-

	<b>Pauni</b>
Faida kabla ya ushuru	545,699
Ushuru	<u>(233,087)</u>
Faida baada ya ushuru	312,612
Mgao wa faida uliopendekezwa	<u>108,000</u>
Faida ya awali	204,612
Jumla ya faida iliyotengwa	<u>541,735</u>
	<u>746,347</u>

### 2. MGAO WA FAIDA

Wakurugenzi wanapendekeza malipo ya kwanza na ya mwisho ya mgao wa faida ya Sh 1.80 kwa kila hisa (1987 Sh 1.25 kwa kila hisa).

### 3. WAKURUGENZI

Wakurugenzi wa Kampuni tangu Oktoba 1, 1987 wamekuwa:-

- S.N. Waruhiu — Mwenyekiti
- P.T. Kanyago — Mkurugenzi Mkuu
- \*M.V.A. Newman
- A.A. Moody-Awori
- M.K. Too — Kubadilishana zamu na \*C.J. Lance
- \*\*E. Habermacher
- \*J.J. Austen-Brown — Alijiuzulu Mei 26, 1988
- \*K.M. Atkinson
- \*K.J. Gilks
- W.A. Mutsune — Kubadilishana zamu na N. Obure
- K. Mwendia — Aliteuliwa Juni 7, 1988
- Maana ya alama \*Mwingereza \*\*Mswizi

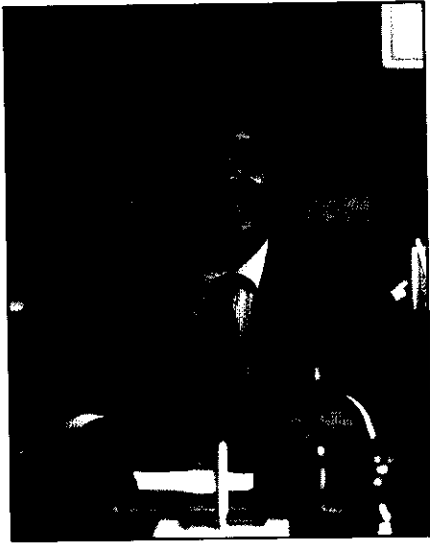
### 4. WAKAGUZI

Wakaguzi, Peat Marwick, Mitchell & Co. sasa wamebadilisha jina kuwa Peat Marwick pekee na ni katika jina hilo jipya wametia sahihi taarifa ya ukaguzi. Wataendelea kuwa wakaguzi wetu kulingana na fungu 159(2) la Sheria ya Makampuni.

### 5. UIDHINISHAJI HESABU

Hesabu ziliidhinishwa katika Mkutano wa Wakurugenzi uliofanyika Desemba 7, 1988.

Kwa Amri ya Halmashauri  
M.C. Kiragu  
Katibu  
Tarehe: Desemba 9, 1988



## **CHAIRMAN'S REPORT**

Your Group continues to perform well. Turnover increased to K£3,282,377 as compared to K£2,502,389 in the previous year. Pre-tax profits increased to K£545,699 as compared to K£426,650 in the previous year; an increase of almost 28%. Taxation amounted to K£233,087 as compared to K£231,933 in the previous year, leaving an attributable profit of K£312,612 as compared to K£194,717 the previous year, an increase of over 60%. Individual Company's performance is summarized below:-

### **EXPRESS KENYA LIMITED, NAIROBI**

All trading divisions of this company namely Seafreight, Airfreight, Transport, Warehouse, Travel, Touring and American Express performed well during the year.

### **EXPRESS MOMBASA LIMITED**

This company did extremely well during the year and contributed substantially to the Group's profits. The company is expanding its services in the fields of Warehousing and Containerisation.

### **CONTAINER SERVICES LIMITED**

Container business continues to increase in Nairobi particularly due to increased activities at the Inland Container Depot at Embakasi.

### **OCEANUS LIMITED**

This company continues to be retained for shipping purposes.

### **AIRPORTER LIMITED**

During the year your Group acquired this new company which is used for Airport Transfers.

### **EUROPCAR DIVISION**

Again during the year your Group acquired the Europcar Franchise. This is one of the major Car Hire companies in the world. We started our operation in July 1988 with a fleet of all ranges of cars. We now have offices at Jomo Kenyatta International Airport Nairobi and also in Bruce House Standard Street, Nairobi. More offices are to be opened in the other major towns in the country. In due course it will be one of the largest Car Hire firms in the country.

### **EXPRESS TRAVEL CENTRE**

During the year the Travel Related Services moved from Consolidated House to a more spacious and prestigious location in Bruce House, Standard Street, Nairobi. Travel, Tours, American Express and Europcar are now based in this new location.

### **KITUI ROAD PREMISES**

Again during the year your Company purchased Kitui Road premises where the operations of bonded warehouse and packing are situated.

### **DIRECTORATE**

Mr. Kiriinya Mwendia joined the Board as the Financial Director during the year while Mr. C.J. Lance was appointed alternate Director to Mr. M.K. Too. Mr. J.J. Austen-Brown resigned from the Board during the year. I wish to take this opportunity to thank my fellow directors for their co-operation and assistance during the year.

### **MANAGEMENT**

I wish also to thank the entire Management of the Group for their continued good work. They continue to provide excellent services to our customers.

### **DIVIDEND**

I am pleased to announce that the Board of Directors have recommended payment of a dividend at the rate of 36% per share as compared to 25% paid in the previous year on the paid up share capital of KShs.6,000,000/-.

### **THE FUTURE**

The results of the first quarter are well within budget, however it is too early to predict the performance of the Group for the rest of the Financial Year.

S.N. Waruhiu  
Chairman

## **TANGAZO LA MKUTANO MKUU WA MWAKA KWA WENYE HISA**

Inatangazwa hapa kwamba Mkutano Mkuu wa Mwaka wa 18 wa Kampuni utafanywa Council Chamber, Professional Centre, St. John's Gate, Parliament Road, Nairobi, Alhamisi, Februari 23, 1989, kuanzia saa tano unusu (11.30 a.m.) asubuhi.

### **SHUGHULI:**

1. Kupokea na kuchunguza hesabu ya fedha na matumizi pamoja na taarifa ya Wakaguzi vile vile taarifa ya wakurugenzi kwa mwaka unaomalizika Septemba 30, 1988.
2. Kufikiria pendekezo la Halmashauri la kutangaza malipo ya kwanza na ya mwisho ya mgao wa faida ya asilimia 36 (Sh 1.80) kwa kila hisa na kulipwa Februari, 1989, wenye hisa walio katika orodha ya Kampuni kutikia mwishoni mwa shughuli za kazi mnamo Februari 23, 1989.
3. Kuchagua tena Wakurugenzi kuambatana na Kanuni za Kampuni.
  - (a) Bw. K. Mwendia anastaafu kuambatana na fungu 90 la Kanuni za Kampuni na kwa kuwa anaweza kuendelea anajitolea kuchaguliwa tena.
  - (b) Wakurugenzi wafuatao wanastaafu kwa zamu kuambatana na fungu 113 la Kanuni za Kampuni na kwa kuwa wanaweza kuendelea wanajitolea kuchaguliwa tena:-
    - (i) Bw. S.N. Waruhiu
    - (ii) Bw. M.V.A. Newman
    - (iii) Mheshimiwa A.A. Moody-Awori
4. Kuteua tena Peat, Marwick kama wakaguzi na kuwaruhusu Wakurugenzi kuamua malipo yao.

Kwa Amri ya Halmashauri.  
M.C. Kiragu  
Katibu  
Tarehe: Januari 16, 1989

### **MUHIMU:**

1. Mwanachama aliye na haki ya kuhudhuria mkutano na kupiga kura ana haki ya kuteua mwakilishi ama wakilishi kuhudhuria mkutano na kupiga kura kwa niaba yake. Mwakilishi si lazima awe mwanachama wa Kampuni.
2. Fomu za uwakilishi ni lazima zirudishwe afisi zilizoandikishwa za Kampuni kupitia Sanduku la Posta 40433, Etcoville, katibu na Enterprise Road, Nairobi na zifike kabla ya masaa 48 kutangulia wakati wa kufanywa kwa mkutano.

## **TAARIFA YA MWENYEKITI**

Kundi lenu linaendelea kufanya vyema. Mapato yaliongezeka hadi pauni 3,282,377 ikilinganishwa na pauni 2,502,389 katika mwaka uliotangulia. Faida kabla ya ushuru ziliongezeka hadi pauni 545,699 ikilinganishwa na pauni 426,650 katika mwaka uliotangulia; ongezeko la karibu asilimia 28. Gharama za ushuru zilifikia pauni 233,087 ikilinganishwa na pauni 231,933 mwaka uliotangulia, na kubakisha faida ya kugawana ya pauni 312,612 ikilinganishwa na pauni 194,717 mwaka uliotangulia, ongezeko la zaidi ya asilimia 60. Matokeo ya kila kampuni binafsi ni kama inavyoelezwa hapa chini kwa ufupi:-

### **EXPRESS KENYA LIMITED, NAIROBI**

Idara zote zinazofanya biashara za kampuni hii, yaani usafirishaji mizigo kwa meli, usafirishaji mizigo kwa ndege, uchukuzi, bohari, safari, utalii na American Express zilifanya vyema mwaka huu.

### **EXPRESS MOMBASA LIMITED**

Kampuni hii ilifanya vyema mwaka huu na kuletea Kundi faida kubwa sana. Kampuni hii inaimarisha huduma zake katika shughuli za kibohari na mashehena ya mizigo.

### **CONTAINER SERVICES LIMITED**

Shughuli za mashehena ya mizigo zinaendelea kuongezeka Nairobi hasa kutokana na kuongezeka kwa mahitaji ya mashehena hayo katika Depo ya Embakasi ya mashehena ya mizigo.

### **OCEANUS LIMITED**

Kampuni hii inaendelea kuhifadhiwa kwa madhumuni ya shughuli za kimeli.

### **AIRPORTER LIMITED**

Mwaka huu, Kundi lenu lilijipatia kampuni hii mpya ambayo inatumiwa katika huduma za kubeba wasafiri kwa na kutoka uwanja wa ndege.

### **EUROPCAR DIVISION**

Kadhalika, mwaka huu, Kundi lenu lilijipatia kibali cha kuendesha shughuli za Europcar hapa nchini. Hii ni mojawapo kampuni maarufu zaidi za magari ya kukodishwa ulimwenguni. Tuliianzisha Julai, 1988, na magari ya aina mbali mbali. Sasa tuna afisi katika Jomo Kenyatta International Airport, Nairobi na pia katika Bruce House, Standard Street, Nairobi. Afisi zaidi zitafunguliwa katika miji mingine mikubwa nchini. Hivi karibuni itakuwa mojawapo kampuni kubwa zaidi za magari ya kukodishwa nchini.

### **EXPRESS TRAVEL CENTRE**

Mwaka huu, huduma zinazohusiana na safari zilhamishwa kutoka Consolidated House hadi mahali penye nafasi zaidi na kuvutia katika Bruce House, Standard Street, Nairobi. Huduma za safari, utalii, American Express na Europcar sasa zipo zote mahali hapo panya.

### **KITUI ROAD PREMISES**

Kadhalika, mwaka huu, Kampuni yenu ilinunua majengo mapya katika Kitui Road ambapo shughuli zote za kibohari na upakizaji zinafanyiwa.

### **WAKURUGENZI**

Bw Kiriinya Mwendia alijiunga na Halmashauri kama mkurugenzi wa kifedha mwaka huu na Bw C.J. Lance akateuliwa kama mkurugenzi wa zamu wa Bw M.K. Too. Bw J.J. Austen-Brown alijuzulu kutoka kwa Halmashauri mwaka huu. Nataka kuchukua nafasi hii kuwashukuru wakurugenzi wenzangu kwa ushirikiano wao na usaidizi wao mwaka huu.

### **WASIMAMIZI**

Napenda pia kuwashukuru wasimamizi wote wa kundi kwa kuendelea na kazi yao vizuri. Warneendelea kuwapatia huduma bora watu wote tunaowatumikia.

### **MGAO WA FAIDA**

Naturahi pia kutangaza kwamba Halmashauri ya Wakurugenzi imependekeza malipo ya mgao wa faida katika kiwango cha asilimia 36 kwa kila hisa ikilinganishwa na asilimia 25 iliyolipwa mwaka uliotangulia kwa hisa zilizolipiwa kamili zenye thamani ya Sh 6,000,000.

### **HALI YA BAADAYE**

Matokeo ya kipindi cha robo ya kwanza yanalingana na makadirio yetu. Hata hivyo, ni mapema bado kubashiri hali kamili ya Kundi hili kwa kipindi kilichobakia cha mwaka wa kifedha.

S.N. Waruhiu  
Mwenyekiti

**EXPRESS KENYA LIMITED**

Head Office, Etcoville,  
(Off Enterprise Road),  
P.O. Box 40433 Nairobi  
Telephone: 556688.  
Telex: 22274/23270 Nairobi  
Fax: 557259

**SUBSIDIARY COMPANY**

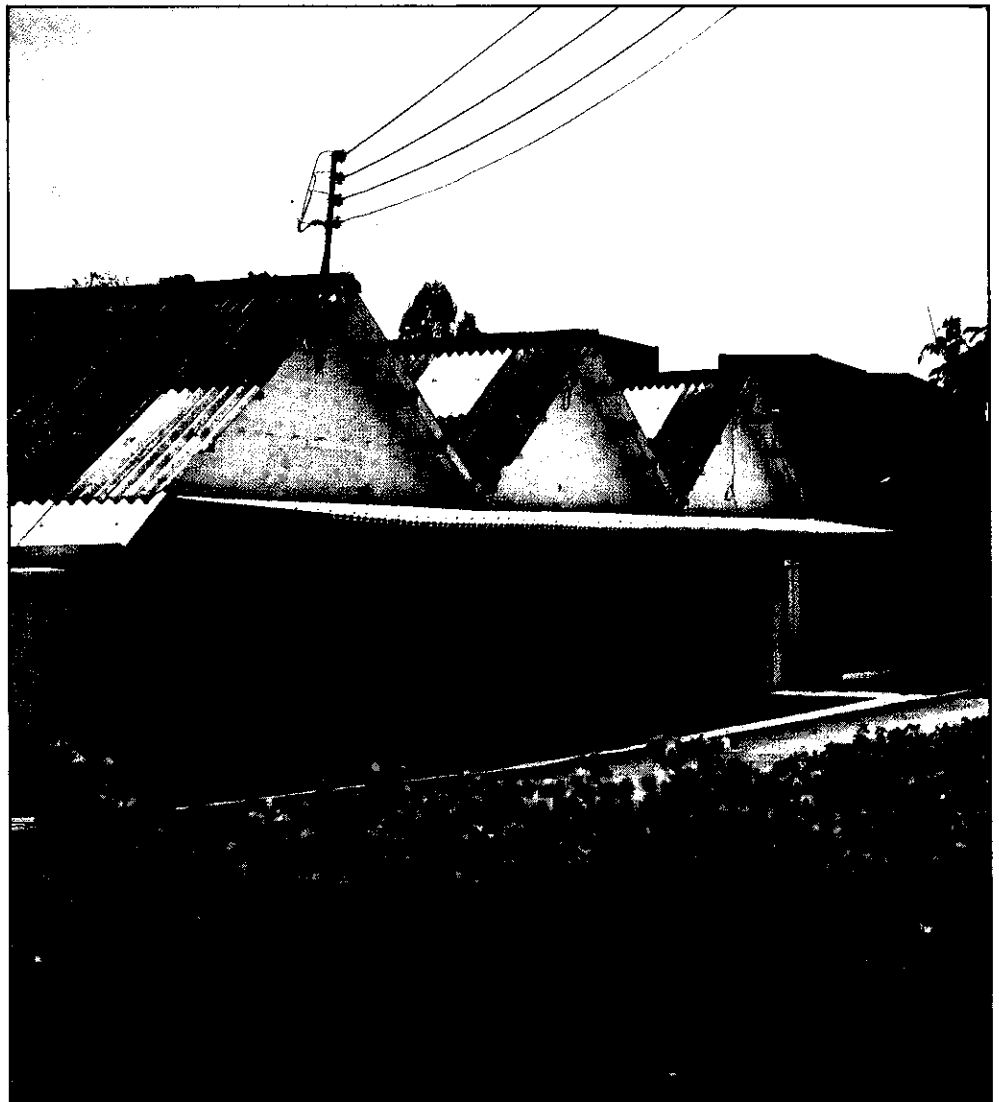
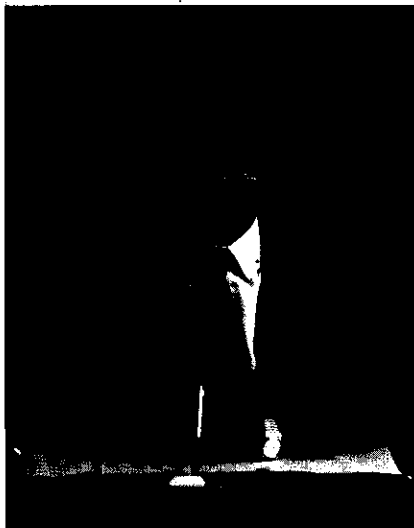
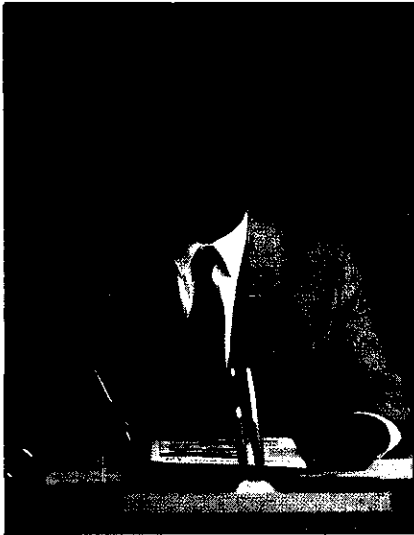
**EXPRESS MOMBASA LTD.**

Nkrumah Road,  
P.O. Box 90631 Mombasa  
Telephone: 312461,  
Telex: 21285 Fax: 314408

*"Express" is an off-shoot of the original transport venture which was established in December 1918 by Mr. E.A. Ruben. Mr. Ruben used his War Gratuity and savings to buy a number of mules and carts with which he set up what was to be called Express Transport Company for many years.*

*Over the years, Express Transport Company expanded and later diversified its activities to include many other services. The most notable, in the early twenties, was when the company was appointed to handle travel services for Wilson Airways. "Express" also expanded in the field of clearing and forwarding to become one of the leading agents in East Africa. It has offices in both Nairobi and Mombasa.*

*Express Kenya in its present form is a public company with more than 1400 shareholders. It is quoted on the Nairobi Stock Exchange and is the only one of its kind in the service industry.*



This Division provides transport services of all types with particular reference to out-of-gauge loads. The Division has a large fleet of vehicles ranging from light vans to vehicles capable of carrying up to 80 tons.

The staff of this Division, like all the others, is fully trained with many years of experience in handling specialised cargo and any other type of cargo. The main area of operation is East Africa but there are plans to go beyond. The following are some of the jobs carried out by Express Transport:-

- \* Halcyon Boat transported by Express Transport from Mombasa to Lake Turkana in North Kenya (over 800 miles). Tonnage 40 tons.
- \* Four large air bridges for Jomo Kenyatta International Airport carried from Mombasa to Jomo Kenyatta Airport.
- \* Heavy equipment used for construction of Nzoia Sugar Company in Western Kenya.
- \* Heavy corner tube boiler was carried from Kilindini Port on two trailers moving side by side to Changamwe. The boiler weighed 70 tons with dimensions of 26 feet high and 26 feet wide.

**Specialities include:-**

- \* Heavy haulage
- \* Loading and off-loading and positioning of cargo
- \* Cartage contractors to Kenya Railways
- \* Hiring out of tents, tables and chairs
- \* Containers Transport

**EXPRESS TRANSPORT**

Etcoville,  
(Off Enterprise Road),  
P.O. Box 40433 Nairobi  
Telephone: 556688/558333  
Telex: 22274/23270 Nairobi  
Fax: 557259

**SUBSIDIARY COMPANY**

Mwinyi Mpate Road,  
P.O. Box 90631 Mombasa  
Telephone: 23150,  
Telex: 21285 Fax: 314408





## **EXPRESS CONTAINERS**

Etcoville,  
(Off Enterprise Road),  
P.O. Box 40433 Nairobi  
Telephone: 556688/558333  
Telex: 22274/23270  
Fax: 557259

## **SUBSIDIARY COMPANY**

Mwinyi Mpate Road,  
P.O. Box 90631 Mombasa  
Telephone: 23150,  
Telex: 21285 Fax: 314408

This Department was formed to provide for the ever-increasing demand for Container Services. It has two ideal situations, in the Industrial Area of Nairobi just four kilometres from the Inland Container Depot (ICD), and at Shimanzi adjacent to the port of Kilindini. Plans are at an advanced stage to open a large Container depot at Changamwe in Mombasa. The Department has contracts from leading Shipping companies for the following services:-

- \* Container storage for empty containers
- \* Container repairs
- \* Container handling
- \* Combined Bill of Lading — both import and export
- \* Consultants on containerisation
- \* Container transport (cartage) to ICD and various loading or off-loading sites throughout the country

Express Container Depot have several advantages for their users which include:-

- \* Required containers will be collected or delivered at shortest notice.
- \* There are facilities for repairing damaged containers.
- \* The container yards are open on Saturdays and could be opened on Sundays and Public Holidays by arrangement.
- \* There is ample space for storage.
- \* Delivery even at short notice is possible since Express Transport is available all the time.



Jomo Kenyatta International Airport where all international  
Division is IATA appointed and it is a member of Kenya Airfreight  
Association. In addition, this Division has several representative offices worldwide  
including the World Air Cargo Organisation (WACO). Plans are in hand to open offices at Moi  
International Airport, Mombasa.

The Division is the best cargo link with the rest of the world and offers the following facilities:-

- \* Consolidation (Break Bulk Agents)
- \* Export Cargo Documentation
- \* Professional packing and handling
- \* Import cargo clearance
- \* Transshipment of cargo to neighbouring countries
- \* Worldwide courier services.

**EXPRESS AIRFREIGHT**  
Jomo Kenyatta  
International Airport,  
P.O. Box 40433 Nairobi  
Telephone: 822346/822318/  
822389/822332  
Telex: 23270/22274  
Fax: 557259



**EXPRESS SEAFREIGHT**

Kitui Road, Industrial Area,  
P.O. Box 40433 Nairobi  
Telephone: 556864/556533/  
556939/556931  
Telex: 22274/23270  
Fax: 557259

**SUBSIDIARY COMPANY**

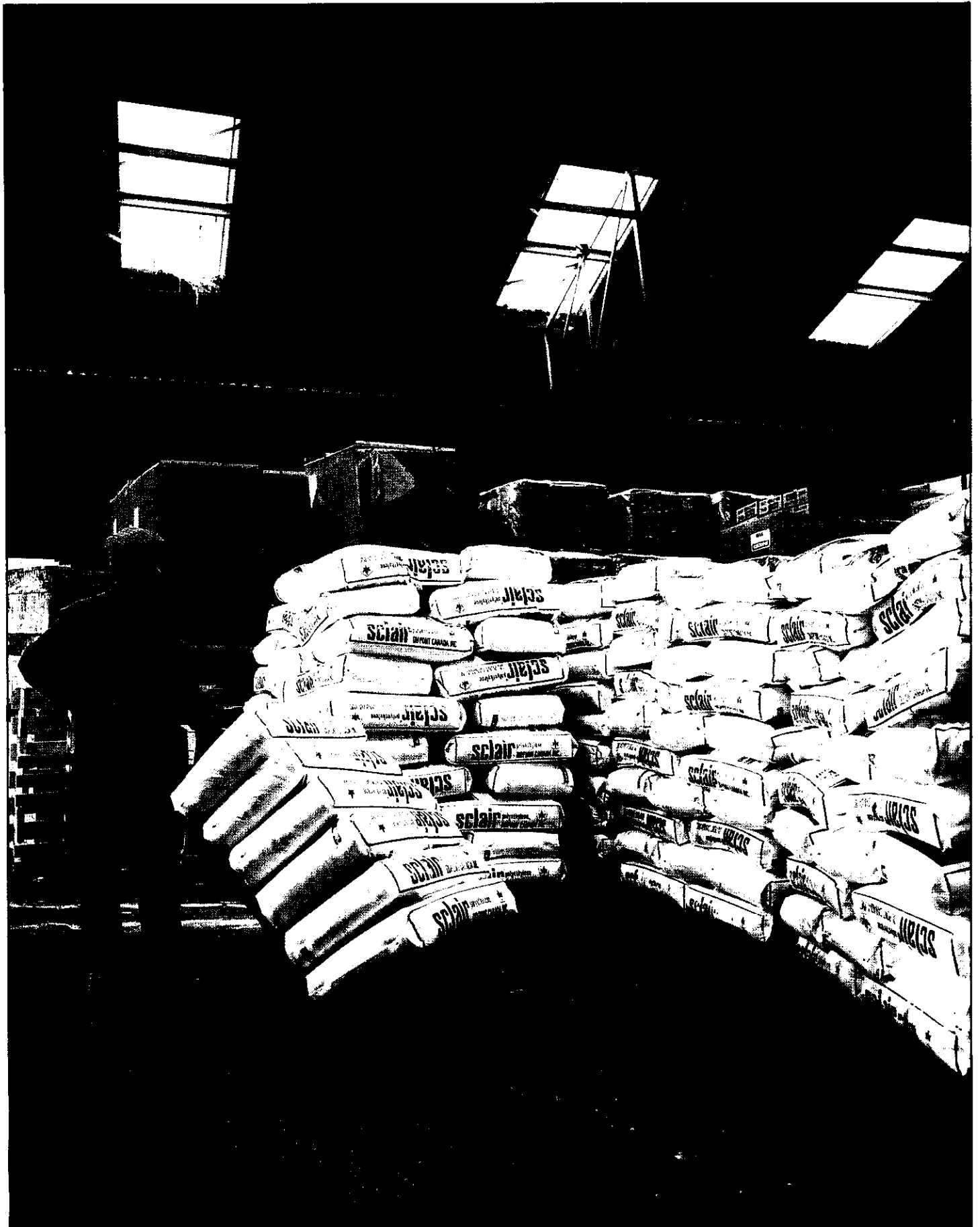
Nkrumah Road,  
P.O. Box 90631 Mombasa  
Telephone: 312461,  
Telex: 21285 Fax: 314408



*This Division deals with clearing and forwarding of all cargo by sea. This includes Containerised cargo which can now be conveniently cleared at Mombasa or the Inland Container Depot at Embakasi, where the Division has a branch office.*

*The following facilities are offered:-*

- \* Documentation, handling and forwarding of both import and export cargo.*
- \* Packing of Export Cargo.*
- \* Documentation and clearance of post parcels.*
- \* Household and Office removals.*
- \* Bonded Warehousing.*



**EXPRESS STORAGE**

Etcoville,  
(Off Enterprise Road),  
P.O. Box 40433 Nairobi  
Telephone: 556688,  
Telex: 22274/23270  
Fax: 557259

**SUBSIDIARY COMPANY**

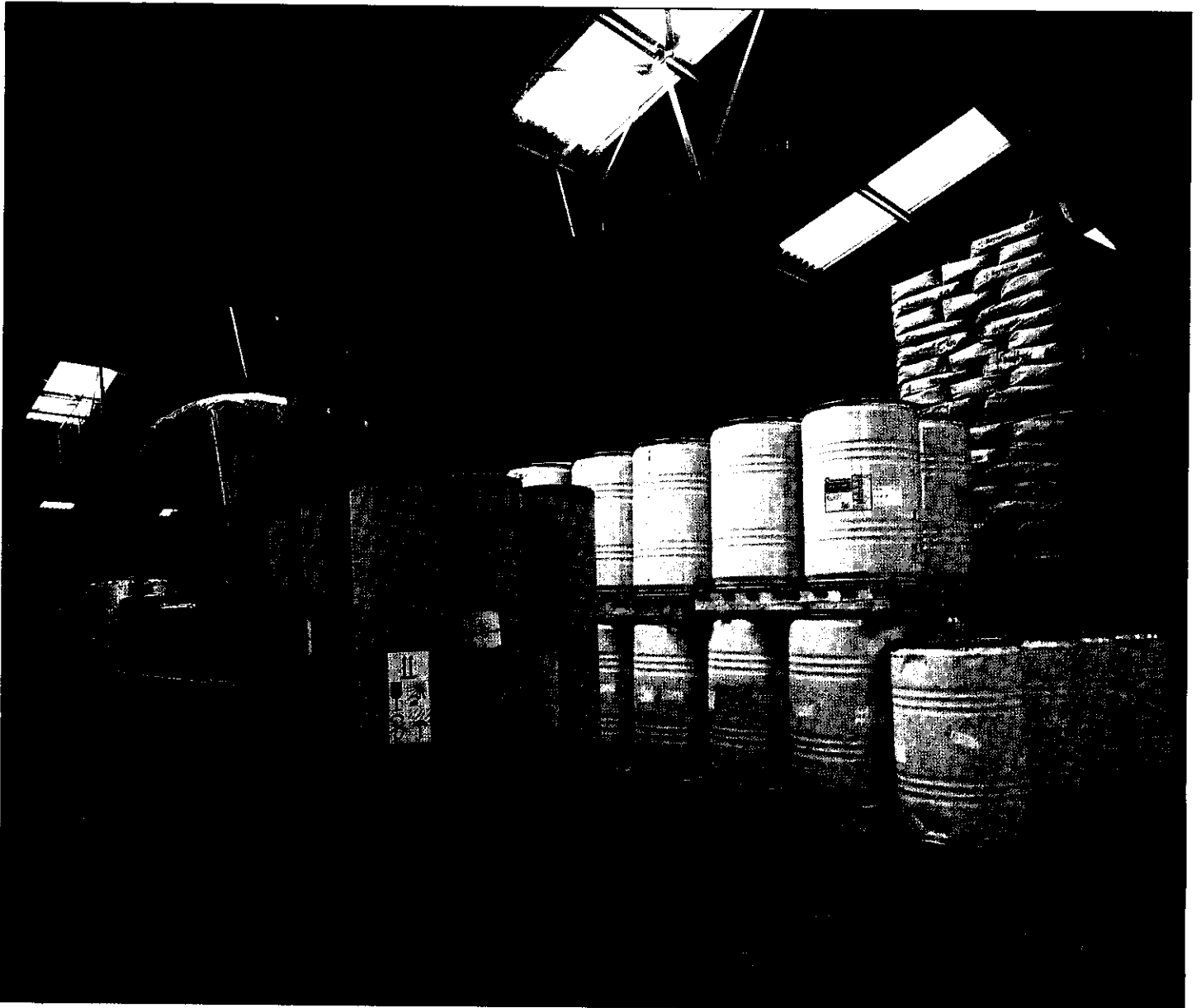
Mwinyi Mpaté Road,  
P.O. Box 90631 Mombasa  
Telephone: 23150,  
Telex: 21285 Fax: 314408

*This Department deals with long and short-term storage. This facility is ideal for people who go overseas leaving their expensive household goods behind.*

*The crystal glasses, the carpets, the car and all the rest of the household goods are taken care of by this Department ensuring that they are dusted, and protected from moth and vermin. They are even hard-packed, if need be. They are guarded full time until the client returns to take delivery of all the goods — intact.*

*The facilities available also include:-*

- \* Storage of all types of goods
- \* Storage of individual vehicles
- \* Storage of vehicles on behalf of Financial Institutions and other organisations.
- \* Storage of personal and household goods.
- \* A large area of open space available for bulky items.



This Department has been the sole representative of American Express in Kenya for over 20 years!

The following services are offered:-

- \* Issue of American Express Travellers Cheques
- \* Refund of lost Travellers Cheques
- \* Replacement of lost or stolen Credit Cards
- \* Servicing of establishments which accept American Express Credit Cards.
- \* American Express Travel Service Representatives
- \* American Express Clients' mail.

**AMERICAN EXPRESS**  
 Bruce House, Standard Street,  
 P.O. Box 40433, Nairobi  
 Telephone: 334722  
 Telex: 22274 Fax: 557259

**SUBSIDIARY COMPANY**  
 Nkrumah Road,  
 P.O. Box 90631 Mombasa  
 Telephone: 312461/311994,  
 Telex: 21285 Fax: 314408



**AMERICAN EXPRESS Travel Service**

*As a customer of American Express Travel Service, you have the benefit of helpful travel assistance not only in your own country but in over 1,400 offices around the world.*

The following travel services will be provided free of charge when you make your travel arrangements at any American Express Travel Service or Representative Office:

- RE-CONFIRMATION OF AIRLINE TICKETS
- RE-ROUTING/RE-ISSUING OF AIRLINE TICKETS
- RE-VALIDATION/CHANGING OF RESERVATIONS
- HOTEL RESERVATIONS
- CAR RENTAL RESERVATIONS
- SIGHT-SEEING ARRANGEMENTS
- TRAVEL ASSISTANCE

*We're with you — ALL the way! —*

ALL THE ABOVE ARE SUBJECT TO LOCAL LAWS AND REGULATIONS



**EXPRESS TRAVEL**

Bruce House Standard Street,  
P.O. Box 40433 Nairobi  
Telephone: 334722  
Telex: 22274 Fax: 557259

**SUBSIDIARY COMPANY**

Nkrumah Road,  
P.O. Box 90631 Mombasa  
Telephone: 312461 / 311914,  
Telex: 21285 Fax: 314408

Express Travel deals with all matters which relate to passenger travel by air or coach. In close liaison with American Express Travel Services, Express Travel offers worldwide customer care and, for the regular traveller, the Division has at its disposal over 1400 offices round the world which give the client the following benefits:-

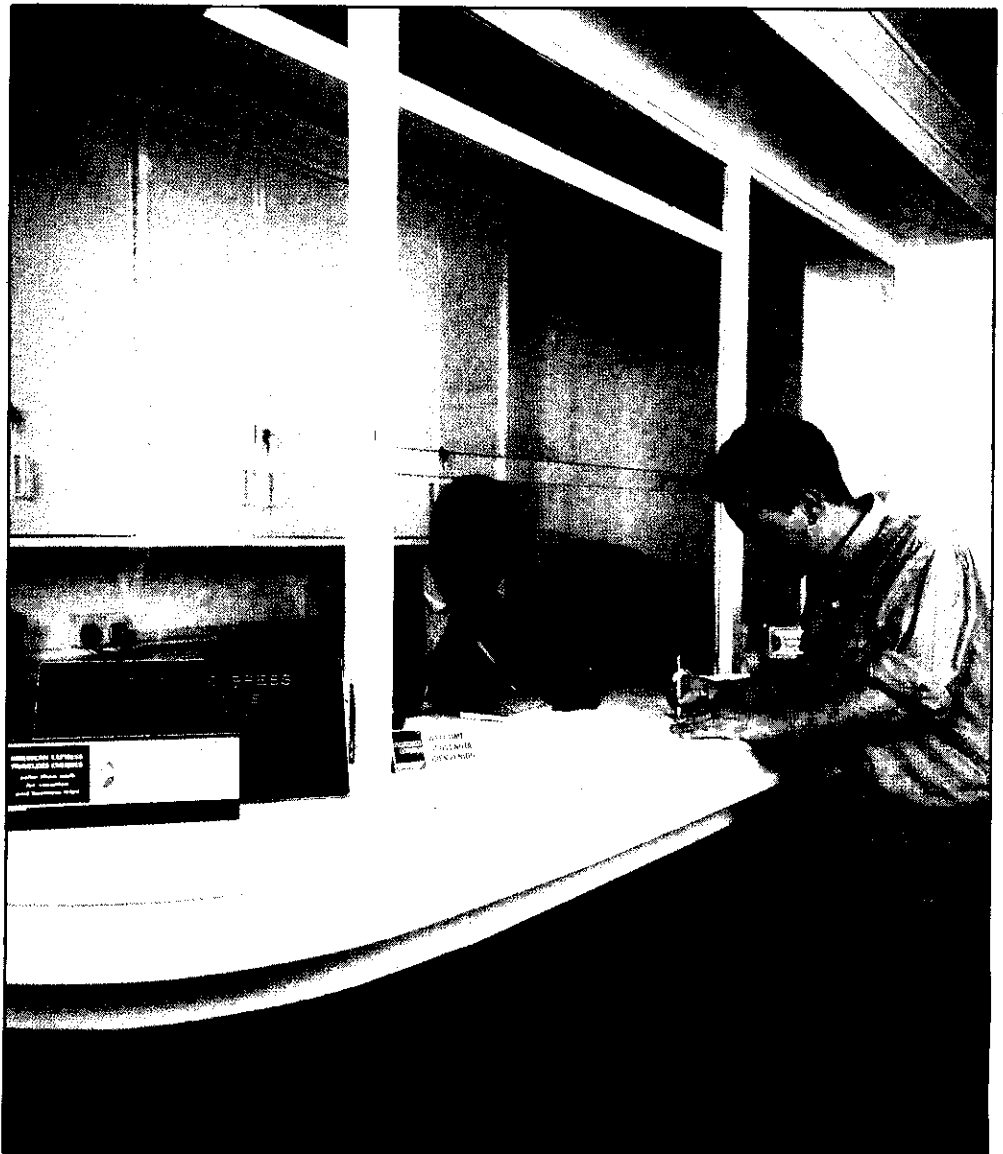
- \* Reconfirmation of Airline tickets
- \* Re-routing / Re-issuing of air tickets
- \* Revalidation / changing of reservations
- \* Hotel Bookings
- \* Car rental reservations
- \* Sightseeing arrangements
- \* Any other travel assistance.

All the above services are provided free of charge provided all the arrangements are made through Express Kenya or at American Express representative offices throughout the world.

Express Travel is IATA appointed and has over 60 years experience in all aspects of travel. It is a member of Kenya Association of Travel Agents (KATA) and UFTAA.

Other facilities offered are:-

- \* Air, Sea and Rail ticket bookings
- \* Overseas Hotel bookings
- \* Overseas Tours
- \* Overseas Car Hire.



ompany has obtained the franchise for Europcar, one of the largest rent-a-car agencies in  
world.

possesses an extensive fleet of all types of cars and can provide both chauffer driven and self  
drive facilities.

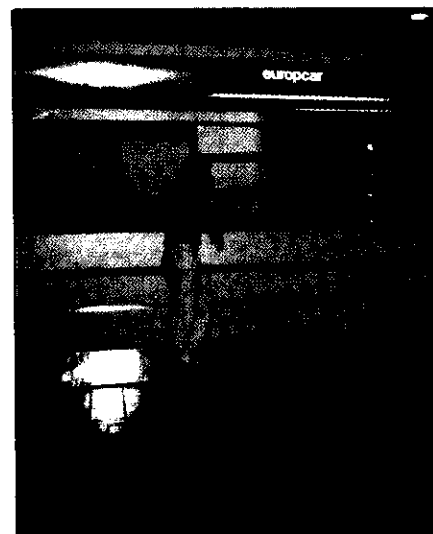
In association with Airporter Ltd. (also a wholly owned subsidiary) it provides staff transport for  
several major airlines. Plans are also in hand to provide similar services in Mombasa.

### **EUROPCAR**

Bruce House, Standard Street,  
P.O. Box 40433, Nairobi  
Telephone: 334722  
Telex: 22274/23270  
Fax: 557259

### **AND**

Jomo Kenyatta  
International Airport  
P.O. Box 40433, Nairobi  
Telephone: 822348  
Telex: 22274/23270  
Fax: 557259





**SILVER SPEAR TOURS**

Bruce House, Standard Street,

P.O. Box 40500, Nairobi

Telephone: 334722

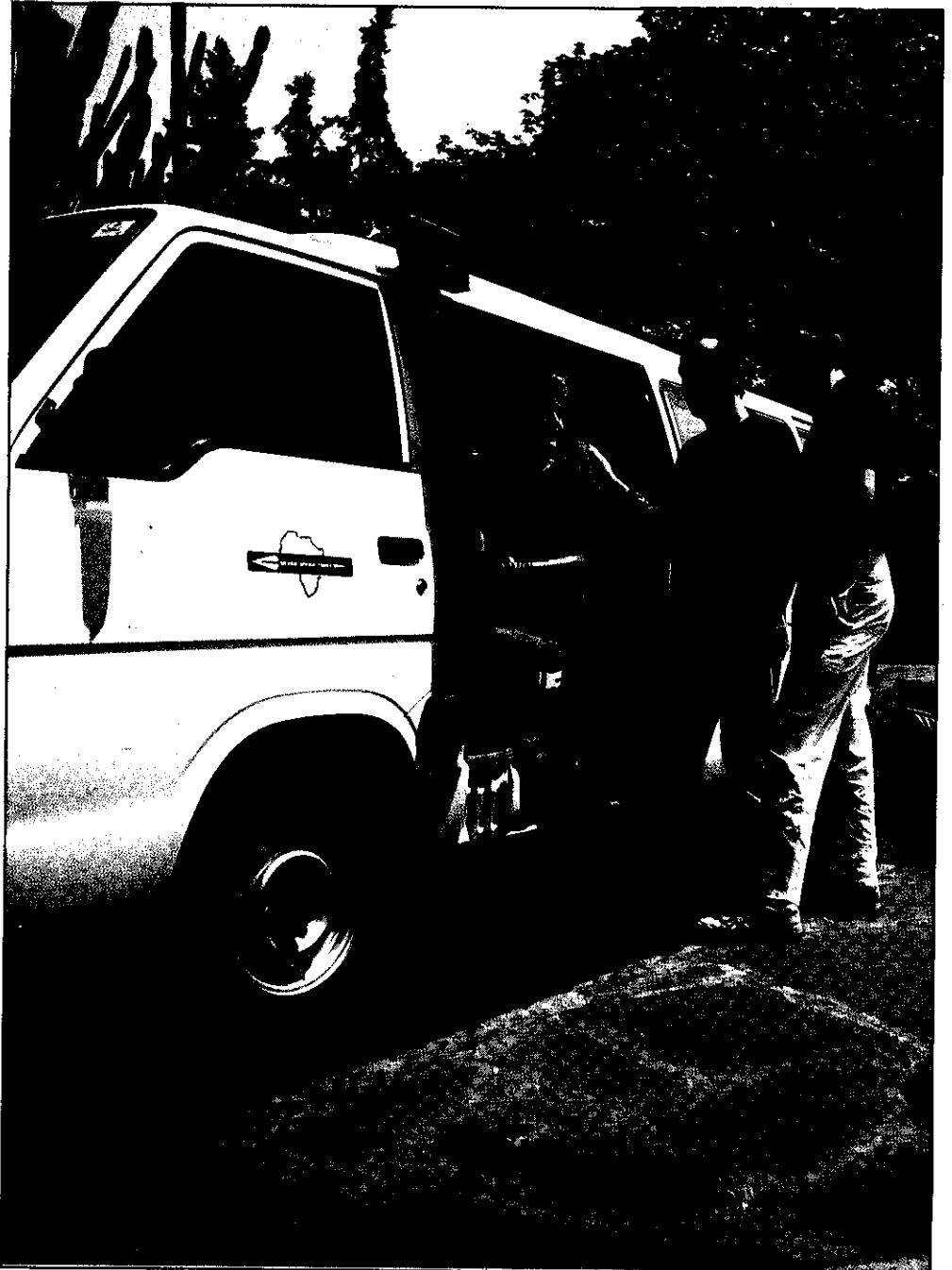
Telex: 22274 Fax: 557259

*Silver Spear Tours is the touring arm of Express Kenya. The department caters for all the requirements of tourism both domestic and overseas in association with Signet Hotels & L<sub>o</sub>. Ltd.*

*The Department leaves no stone unturned when it comes to introducing visitors to Kenya, the safari country. SST, as it is commonly known, has staff which is fully conversant with Kenya and has been showing the country's natural attractions for over 30 years!*

*The other services include:-*

- \* Local tours and safaris*
- \* Hotel and lodge bookings*
- \* Self-drive and chauffer-driven vehicles*
- \* Film locations*
- \* Arranging of conventions*
- \* Special interest tours*



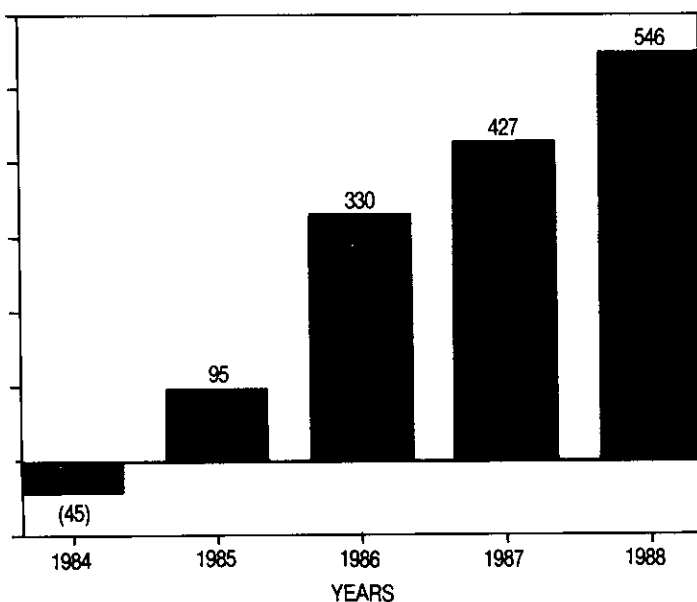
## CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 30th September 1988

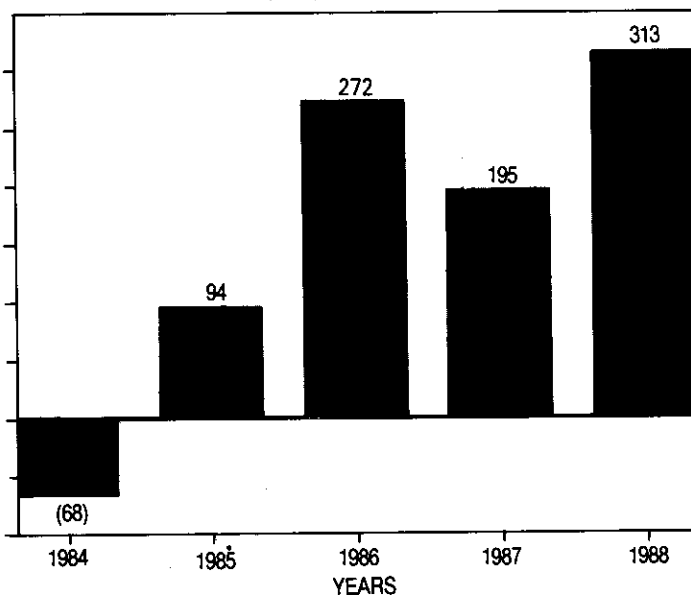
	Note	1988 K£	1987 K£
Turnover	2	<u>3,282,377</u>	<u>2,502,389</u>
Profit Before Taxation	3	545,699	426,650
Taxation	4	<u>( 233,087)</u>	<u>( 231,933)</u>
Profit After Taxation		312,612	194,717
Proposed Dividend		<u>( 108,000)</u>	<u>( 75,000)</u>
		204,612	119,717
Undistributed Profit Brought Forward		<u>541,735</u>	<u>422,018</u>
Undistributed Profit Carried Forward		<u>746,347</u>	<u>541,735</u>

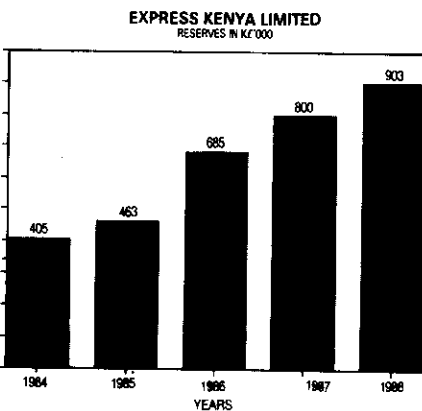
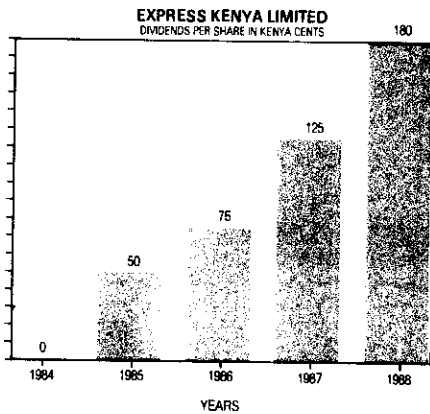
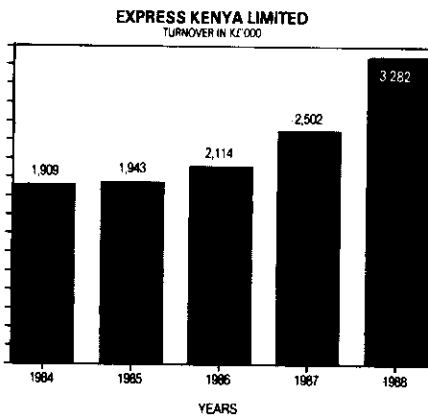
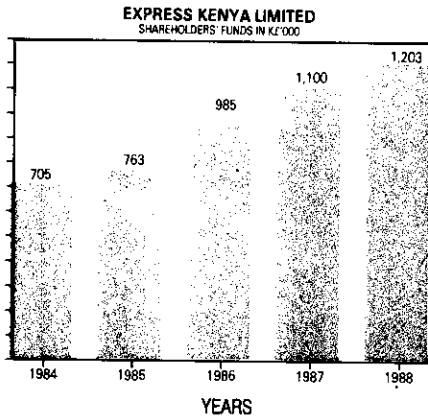
The notes on pages 24 to 28 form part of these accounts

**EXPRESS KENYA LIMITED**  
PROFIT/(LOSS) BEFORE TAX IN K£'000



**EXPRESS KENYA LIMITED**  
PROFIT/(LOSS) AFTER TAX IN K£'000





## BALANCE SHEET

at 30th September 1988

	Note	Group		1987
		1988	1987	K£
		K£	K£	K£
<b>Funds</b>				
Share Capital	5	300,000	300,000	300,000
Reserves	6	902,550	800,413	461,146
<b>Equity Interest</b>		1,202,550	1,100,413	761,146
Loans	7	756,975	140,000	140,000
		<u>1,959,525</u>	<u>1,240,413</u>	<u>901,146</u>
<b>Assets Employed</b>				
Fixed Assets	1(b) & 8	2,506,413	1,343,514	762,471
Assets Subject to Leasehire Agreements	1(b) & 9	367,382	140,657	94,543
Shares in Subsidiaries		—	—	269,250
Investments	10	71,643	—	—
		<u>2,945,438</u>	<u>1,484,171</u>	<u>1,126,264</u>
<b>Current Assets</b>				
Stock	1(c)	38,573	26,125	15,288
Debtors		2,754,849	2,180,269	1,064,453
Loan and debenture		—	—	82,491
Bank balances and cash		19,541	13,228	7,646
		<u>2,812,963</u>	<u>2,219,622</u>	<u>1,169,878</u>
<b>Current Liabilities</b>				
Group companies		—	—	409,448
Creditors		2,425,013	1,893,308	758,761
Bank overdraft		814,807	262,580	12,730
Bank loans		184,490	—	—
Taxation		266,566	232,492	139,057
Proposed dividend		108,000	75,000	75,000
		<u>3,798,876</u>	<u>2,463,380</u>	<u>1,394,996</u>
<b>Net Current Liabilities</b>		<u>( 985,913)</u>	<u>( 243,758)</u>	<u>( 225,118)</u>
S.N. Waruhiu	) Directors			
P.T. Kanyago				
		<u>1,959,525</u>	<u>1,240,413</u>	<u>901,146</u>

The notes on pages 24 to 28 form part of these accounts

# STATEMENT OF SOURCE AND APPLICATION OF FUNDS

for the year ended 30th September 1988

	1988 K£	1987 K£
<b>Source of funds</b>		
Profit before taxation	545,699	426,650
Items not involving the movement of funds		
Excess depreciation on revalued assets	( 3,958)	( 4,608)
Profit on sale of fixed assets	( 27,565)	( 37,649)
Depreciation and amortisation	<u>186,162</u>	<u>113,861</u>
	700,338	498,254
<b>Other sources</b>		
Proceeds on sale of fixed assets	65,754	80,436
Loans received	<u>1,253,935</u>	<u>—</u>
	<u>2,020,027</u>	<u>578,690</u>
<b>Application of funds</b>		
Leasehire payments capitalised	329,246	89,998
Loan repayments	579,025	40,000
Purchase of fixed assets	1,284,729	80,975
Tax paid	198,679	57,192
Dividend paid	75,000	45,000
Investments	71,643	—
Purchase of goodwill on acquisition of subsidiary	<u>98,517</u>	<u>—</u>
	<u>2,636,839</u>	<u>313,165</u>
	<u>( 616,812)</u>	<u>265,525</u>
<b>Increase/(Decrease) in working capital</b>		
Stocks	12,448	( 1,752)
Debtors	574,914	627,556
Creditors	( 658,260)	(361,231)
Net liquid funds	<u>( 545,914)</u>	<u>952</u>
	<u>( 616,812)</u>	<u>265,525</u>
<b>Summary of the effects of acquisition of Airporter Limited</b>		
Net assets acquired	<b>K£</b>	Discharged by
Fixed assets	61,251	Cash paid
Goodwill	98,517	126,557
Net current liabilities	( 33,211)	
	<u>126,557</u>	<u>126,557</u>

## NOTES ON THE ACCOUNTS

### 1. ACCOUNTING POLICIES

The following paragraphs describe the main accounting policies of the Group:-

**(a) Accounting convention**

The accounts have been prepared under the historical cost convention adjusted by the revaluation of certain fixed assets.

**(b) Depreciation and amortisation**

Depreciation on assets at cost or valuation, and amortisation on assets subject to leasehire agreements is provided on a straight line basis at the following rates:-

Freehold land	Nil
Leasehold land (over 50 years unexpired)	Nil
Leasehold buildings (over 50 years unexpired)	2%
Leasehold land and buildings (short term)	Over the life of lease
Plant, machinery, trailers, furniture, fittings and equipment	10%
Motor vehicles and tractors	20%
Staff cars	25%
Touring vehicles	33%

Excess depreciation provided on the surplus over cost of assets at valuation is met by an annual transfer from capital reserve.

**(c) Stocks**

Stock is stated at the lower of cost and net realisable value.

### 2. TURNOVER

Turnover represents sale of services to outsiders.

### 3. PROFIT BEFORE TAXATION

The following items have been (credited)/ charged in arriving at the profit before taxation:-

	1988 K£	1987 K£
Exceptional items	( 11,898)	( 6,769)
Profit on sale of fixed assets	( 27,565)	( 30,011)
Profit on sale of assets ex leasehire	—	( 7,638)
Excess depreciation met by transfer from capital reserve	( 3,958)	( 4,608)
Directors' emoluments		
Executive remuneration	46,358	38,750
Auditors' remuneration	29,778	25,688
Interest payable	104,037	119,002
Depreciation	107,852	82,792
Amortisation	78,310	31,069
	<u>          </u>	<u>          </u>

### 4. TAXATION

	1988 K£	1987 K£
Charge for the year	233,087	231,933

No provision has been made for the liability to taxation that has been deferred by the benefit of taxation allowances on fixed assets including those subject to leasehire agreements, which exceed the related amounts provided for depreciation and amortisation. At 30th September, 1988 this liability is calculated to be K£73,491 (1987 — K£33,521).

### 5. SHARE CAPITAL

	1988 K£	1987 K£
Authorised, issued and fully paid 1,200,000 Shares of KShs.5/- each	<u>300,000</u>	<u>300,000</u>

## 6. RESERVES

	Surplus/ (Goodwill) arising on consolidation	Revaluation	Profit and loss account	Total
	K€	K€	K€	K€
<b>Group:</b>				
At 1st October, 1987	37,324	221,354	541,735	800,413
Excess depreciation on revalued assets	—	( 3,958)	—	( 3,958)
Profit for the year	—	—	204,612	204,612
Preacquisition reserves of subsidiary acquired during the year	( 6,944)	—	—	( 6,944)
Goodwill arising on consolidation	(91,573)	—	—	( 91,573)
At 30th September, 1988	<u>(61,193)</u>	<u>217,396</u>	<u>746,347</u>	<u>902,550</u>
<b>Company:</b>				
At 1st October, 1987	—	81,028	380,118	461,146
Excess depreciation on revalued assets	—	( 1,724)	—	( 1,724)
Profit for the year	—	—	44,417	44,417
At 30th September, 1988	<u>—</u>	<u>79,304</u>	<u>424,535</u>	<u>503,839</u>

## 7. LOANS

		Group 1988 K€	Company 1988 K€
Loans — Secured		435,000	435,000
Finance leases		321,975	199,335
		<u>756,975</u>	<u>634,335</u>
These are repayable as follows:-			
Within 1 year	— Loans	90,000	90,000
	— Finance leases	144,284	90,509
		<u>234,284</u>	<u>180,509</u>
Between 1 and 2 years	— Loans	90,000	90,000
	— Finance leases	154,320	85,455
		<u>244,320</u>	<u>175,455</u>
Between 2 and 5 years	— Loans	255,000	255,000
	— Finance leases	23,371	23,371
		<u>278,371</u>	<u>278,371</u>

## 8. FIXED ASSETS

	Freehold	Leasehold		Plant,	Capital	Total
	land	Land and buildings	Short term	Machinery, Equipment and motor vehicles	work in progress	
	KE	KE	KE	KE	KE	KE
<b>Group:-</b>						
<i>Cost or valuation:</i>						
At 1st October, 1987	3,687	1,139,072	67,062	554,526	—	1,764,347
New subsidiary	—	—	—	82	—	82
Additions	—	544,892	—	692,285	47,500	1,284,677
Disposals	—	—	—	( 29,926)	—	( 29,926)
At 30th September 1988	3,687	1,683,964	67,062	1,216,967	47,500	3,019,180
Cost	3,687	758,964	67,062	1,125,267	47,500	2,002,480
Valuation	—	925,000	—	91,700	—	1,016,700
<b>Depreciation:</b>						
At 1st October, 1987	—	52,365	27,482	340,986	—	420,833
New subsidiary	—	—	—	30	—	30
Charge for year	—	19,309	4,537	84,006	—	107,852
Disposals	—	—	—	( 15,948)	—	( 15,948)
At 30th September 1988	—	71,674	32,019	409,074	—	512,767
Cost	—	11,674	32,019	330,797	—	374,490
Valuation	—	60,000	—	78,277	—	138,277
<b>Net book value:</b>						
At 30th September 1988	3,687	1,612,290	35,043	807,893	47,500	2,506,413
At 30th September 1987	3,687	1,086,707	39,580	213,540	—	1,343,514
<b>Company:-</b>						
<i>Cost or valuation:</i>						
At 1st October, 1987	3,687	664,072	200	361,951	—	1,029,910
Additions	—	544,892	—	595,909	47,500	1,188,301
Disposals	—	—	—	( 28,496)	—	( 28,496)
At 30th September 1988	3,687	1,208,964	200	929,364	47,500	2,189,715
Cost	3,687	758,964	200	875,664	47,500	1,686,015
Valuation	—	450,000	—	53,700	—	503,700
<b>Depreciation:</b>						
At 1st October, 1987	—	34,365	60	233,014	—	267,439
Charge for year	—	13,309	4	57,964	—	71,277
Disposals	—	—	—	( 14,618)	—	( 14,618)
At 30th September 1988	—	47,674	64	276,360	—	324,098
Cost	—	11,674	64	222,683	—	234,421
Valuation	—	36,000	—	53,677	—	89,677
<b>Net book value:</b>						
At 30th September 1988	3,687	1,161,290	136	653,004	47,500	1,865,617
At 30th September 1987	3,687	629,707	140	128,937	—	762,471

The following professional valuations of the Group's and Company's fixed assets have been incorporated in the figures above.

<u>Date of valuation</u>	<u>Assets valued</u>	<u>Name of valuers</u>	<u>Basis of valuation</u>
	Leasehold land and buildings		
1984	Nairobi	Bageine Karanja Mbuu Limited	Market value
1984	Mombasa	-do-	-do-
1977	Motor vehicles — Commercial fleet	Assessors East Africa	Market value

## 9. ASSETS SUBJECT TO LEASEHIRE AGREEMENTS

	<b>Group 1988 K£</b>	<b>Company 1988 K£</b>
<b>Cost:</b>		
Balance at 1st October, 1987	342,245	238,550
New subsidiary	128,067	—
Additions	259,876	166,612
Disposals	( 52,321)	( 38,000)
Balance at 30th September, 1988	<u>677,867</u>	<u>367,162</u>
<b>Amortisation:</b>		
Balance at 1st October, 1987	201,588	144,007
New subsidiary	58,697	—
Charge for year	78,310	37,592
Disposals	( 28,110)	( 14,567)
Balance at 30th September, 1988	<u>310,485</u>	<u>167,032</u>
<b>Net book value:</b>		
At 30th September, 1988	<u>367,382</u>	<u>200,130</u>
At 30th September, 1987	<u>140,657</u>	<u>94,543</u>

## 10. INVESTMENTS

	<b>Group 1988 K£</b>	<b>Company 1988 K£</b>
Shares at cost	<u>71,643</u>	<u>71,643</u>
Directors' valuation	<u>71,643</u>	<u>71,643</u>

## 11. CAPITAL COMMITMENTS

	<b>Group</b>		<b>Company</b>	
	<b>1988 K£</b>	<b>1987 K£</b>	<b>1988 K£</b>	<b>1987 K£</b>
Authorised by the directors not contracted for	152,659	572,176	67,350	559,100
Contracted for but not in accounts	<u>72,575</u>	<u>15,000</u>	<u>38,000</u>	<u>—</u>

## 12. CONTINGENT LIABILITIES

	<b>Group K£</b>	<b>Company K£</b>
(a) Discounted Bills — 30th September, 1988	<u>3,998,178</u>	<u>3,998,178</u>
— 30th September, 1987	<u>21,861</u>	<u>21,861</u>



(b) There are guarantees given by the Group and the Company in the normal course of business in connection with customs bond and bills of lading of which some K£1,142,764 and nil respectively were overdue for cancellation at 30th September, 1988, (1987 — K£1,069,730 and nil respectively) in respect of which no material losses are expected.

	<b>1988</b>	<b>1987</b>
	<b>K£</b>	<b>K£</b>
(c) Guarantee to a bank on behalf of a third party — Group and Company	<u>400,000</u>	<u>400,000</u>

### **13. BANK OVERDRAFT AND LOAN**

The loan and overdraft facilities have been secured by debentures issued by the company and one of its subsidiaries for K£1,550,000 and K£500,000 respectively, supplemented by legal charges over the company's and subsidiary's properties and by third parties' guarantees for bills discounting.

## **REPORT OF THE AUDITORS TO THE MEMBERS OF EXPRESS KENYA LIMITED**

We have audited the accounts set out on pages 21 to 28 and have obtained all the information and explanations which we considered necessary. Proper books have been kept and the balance sheet is in agreement therewith.

In our opinion, the accounts, which have been prepared on the basis of the accounting policies set out on page 24, give a true and fair view of the state of affairs of the Company and of the Group at 30th September 1988 and of the profit and source and application of funds of the Group for the year to that date and comply with the requirements of the Companies Act.

PEAT MARWICK  
CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 40612,  
NAIROBI.

Date: 9th December, 1988

## **TAARIFA YA WAKAGUZI WA HESABU KWA WANAHISA WA EXPRESS KENYA LIMITED**

Sisi tumekagua hesabu kama zilivyoonyeshwa kutoka ukurasa wa 21 hadi wa 28 na tumepata habari na maelezo yote tuliyofikiria kuwa ni lazima. Vitabu timamu vya hesabu vimewekwa na hivyo Balance Sheet inapatana navyo.

Kwa maoni yetu hesabu hizi ambazo zimetayarishwa kufuatana na utaratibu wa hesabu kama inavyoelezwa katika ukurasa wa 24, zinaonyesha hali ya kweli na sawa kabisa yenye kuhusu mambo ya Kampuni hii na Kundi hili kufika tarehe 30 Septemba, 1988 na kuonyesha faida na pesa zilikotoka na matumizi yake za Kundi hili kufika tarehe hiyo na zinalingana na mahitaji ya Sheria ya Makampuni.

PEAT MARWICK  
WAKAGUZI WALIOIDHINISHWA

Sanduku la Posta 40612  
NAIROBI

Tarehe: Desemba 9, 1988



## PROXY FORM

I/We .....  
of .....  
being a Member(s) of the above-named company hereby appoint .....

.....  
of .....  
or failing him .....

of .....  
to vote for me/us/on my/our behalf at the 18th Annual General Meeting of the said  
Company to be held at 11.30 a.m. on Thursday 23rd February, 1989 and at any  
adjournment thereof.

Signed this ..... day of ..... 1989

Signature .....

A Member entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies  
who need not be a Member(s).

N.B. —

This proxy must be deposited at the Registered Office of the Company, P.O. Box 40433,  
Etcoville, Off Enterprise Road, Nairobi not later than 48 hours before the time of holding the  
meeting.

## FOMU YA UWAKILISHI

Mimi/Sisi .....

wa .....

nikiwa/tukiwa mwanachama/wanachama wa Kampuni hii iliyotajwa hapa juu namchagua/  
tunawachagua .....

.....  
wa .....

au akikosa yeye/wao .....

wa .....

kupiga kura badala ya mimi/sisi kwa niaba yangu/yetu katika Mkutano Mkuu wa Mwaka  
wa 18 wa Kampuni hii, utakaofanywa saa tano unusu (11.30 a.m.), asubuhi ya Alhamisi  
tarehe 23 Februari 1989 na katika mkutano wowote wake utakaoahirishwa.

Imetiwa sahihi leo ..... siku ya ..... 1989

Sahihi .....

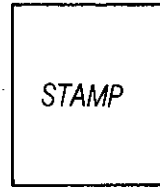
Mwanachama mwenye haki ya kuhudhuria na kupiga kura katika mkutano huu ana haki ya  
kumchagua Mwakilishi au Wakilishi ambaye si lazima kuwa Mshiriki.

**TAZAMA:**

Fomu hii ya UWAKILISHI lazima kufikishwa katika Afisi kuu ya Kampuni hii, Sanduku la  
Posta 40433, Etcoville, Karibu na Enterprise Road, Nairobi, kabla ya masaa 48 mbele ya saa  
ambayo mkutano huu utanza.

CMA-LIBRARY

**COMPANY REGISTRAR**  
**EXPRESS KENYA LIMITED**  
P.O. BOX 40433, NAIROBI, KENYA.



FOLD2

FOLD1