CARBACID INVESTMENTS LIMITED

REPORT AND ACCOUNTS 1994

CARBACID INVESTMENTS LIMITED

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CARBACID INVESTMENTS LIMITED

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31ST JULY 1994

GENERAL

The Company has had an excellent year to 31st July 1994.

SALES

Local and export sales of carbon dioxide gas and sales of dry ice have been very good.

DEVELOPMENTS

All plant and buildings have been maintained to the highest standards. Equipment and infrastructure have been enhanced as necessary and significant investment continues to be made in the Company's fleet of vehicles.

DIVIDENDS

An interim dividend of 15% (1993-12%) was paid in April and the Directors have recommended that a final dividend of 21% (1993-18%) be paid in December.

FUTURE PROSPECTS

Your Company continues to enjoy strong sales volumes and profitability.

STAFF

The management and staff have done an excellent job this year and on behalf of the Board of Directors and our Shareholders I wish to convey our appreciation to all of them.

Nairobi
5th October 1994

S G SMITH
Chairman

CARBACID INVESTMENTS LIMITED

TAARIFA YA MWENYEKITI YA MWAKA ULIOMALIZIKA JULAI 31 1994

MAELEZO KWA UJUMLA

Kampuni hii imefanya vyema sana katika mwaka uliomalizika Julai 31 1994.

MAUZO

Mauzo ya nchini na nje ya gesi ya carbon dioxide na mauzo ya barafu kavu yamekuwa mazuri sana.

MASTAWISHO

Mitambo na majengo yote yamehifadhiwa kwa hali ya juu. Vifaa na mahitaji mengine muhimu yameimarishwa kama inavyohitajika na uwekaji rasilmali mkubwa unazidi kuwekwa katika magari ya kampuni.

MIGAO YA FAIDA

Mgao wa muda wa faida asilimia 15 *(asilimia 12 mnamo* 1993) *ulilipwa Aprili na Wakurugenzi* wamependekeza kuwa mgao wa mwisho wa faida wa asilimia 21 (asilimia 18 mnamo 1993) ulipwe mnamo Desemba.

MATARAJIO YA SIKU ZIJAZO

Kampuni yenu inaendelea kuimarika kwa mauzo na faida.

WAFANYA KAZI

Wasimamizi na wafanya kazi wamefanya kazi nzuri sana mwaka huu na kwa niaba ya Halmashauri ya Wakurugenzi na Wenyehisa ningependa kuwashukuru wote.

Nairobi
Oktoba 5 1994

S G SMITH
Mwenyekiti

REPORT OF THE DIRECTORS

The directors present their report and the group accounts for the year ended 31st July 1994.

ACTIVITIES

The company is a holding company with one wholly owned operating subsidiary, Carbacid (CO_2) Limited, whose principal activity is the mining of carbon dioxide gas.

PROFIT AND DIVIDENDS

	Sh '000
The group profit for the year before taxation was	53,099
Group taxation for the year amounted to	19,958
Leaving a group profit after taxation available for appropriation of	33,141
An interim dividend of 15% (1993 - 12%) amounting to Sh 3,160,366 (1993- Sh 1,805,923) was paid on 29th April 1994 and a final dividend of 21% (1993 - 18%) is proposed on the issued share capital. The dividends amount to	7,585
Leaving a retained profit for the year transferred to revenue reserve of	25,556

DIRECTORS

The directors since 1st August 1993 have been:

S.G.Smith	(Chairman)
Hon. K.S.N. Matiba, M.P.	
Sir Peter Hewett Bt.	(Appointed 5th October 1993)
R.A. Shepherd	
J.M. Wanjigi	

Mr. S.G. Smith and Mr. J.M. Wanjigi retire by rotation and, being eligible, offer themselves for re-election.

REPORT OF THE DIRECTORS *Continued*

AUDITORS

The auditors, Deloitte & Touche having expressed willingness, will continue in office in accordance with the provisions of section 159 (2) of the Companies Act (Cap. 486).

By Order of the Board

N.P. KOTHARI
Secretary

Nairobi
5th October 1994

REPORT OF THE AUDITORS
TO THE MEMBERS OF CARBACID INVESTMENTS LIMITED

We have examined the accounts on pages 9 to 20 and have obtained all the information and explanations considered necessary for our audit.

In our opinion:

1 Proper books of account have been kept by the company and the company's balance sheet is in agreement therewith.

2 The accounts, which comply with the Companies Act, give a true and fair view of the state of affairs of the company and the group at 31st July 1994 and of the profit and cash flows of the group for the year ended on that date.

DELOITTE & TOUCHE

Certified Public Accountants (Kenya)

Nairobi
5th October 1994

CARBACID INVESTMENTS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST JULY 1994

	Note		1994 Sh '000		1993 Sh '000
TURNOVER			73,803		60,097
PROFIT BEFORE TAXATION	2		53,099		37,412
TAXATION	3		19,958		13,201
PROFIT AFTER TAXATION AVAILABLE FOR APPROPRIATION	4		33,141		24,211
DIVIDENDS	5		7,585		5,598
RETAINED PROFIT FOR THE YEAR	14		25,556		18,613
EARNINGS PER SHARE	6	Shs	7.86	Shs	5.75
DIVIDENDS PER SHARE	6	Shs	1.80	Shs	1.86

CARBACID INVESTMENTS LIMITED

BALANCE SHEETS 31ST JULY 1994

		GROUP		COMPANY	
		1994	1993	1994	1993
	Note	Sh '000	Sh '000	Sh '000	Sh '000
FIXED ASSETS	7	316,528	128,141	20,000	8,427
SUBSIDIARY	8	—	—	352,742	158,622
INVESTMENTS	9	649	649	649	649
CURRENT ASSETS					
Stocks	10	8,161	6,789	—	—
Debtors	11	15,847	14,294	22	8
Taxation recoverable		46	—	46	—
Dividend receivable from subsidiary		—	—	7,840	5,160
Short term deposits		60,265	53,984	—	—
Bank balances and cash		13,518	5,933	696	298
		97,837	81,000	8,604	5,466
CURRENT LIABILITIES					
Creditors	12	12,565	11,308	575	778
Taxation payable		10,479	12,729	—	552
Proposed dividend (gross)		4,425	3,792	4,425	3,792
		27,469	27,829	5,000	5,122
NET CURRENT ASSETS		70,368	53,171	3,604	344
		387,545	181,961	376,995	168,042
Financed by:					
SHARE CAPITAL	13	21,069	15,049	21,069	15,049
RESERVES	14	355,926	152,993	355,926	152,993
SHAREHOLDERS' FUNDS		376,995	168,042	376,995	168,042
TAX EQUALISATION ACCOUNT	15	10,550	13,919	—	—
		387,545	181,961	376,995	168,042

The accounts on pages 9 to 20 were approved by the Board of Directors on 5th October 1994 and were signed on its behalf by:

S.G. SMITH
J.M. WANJIGI

Directors

CARBACID INVESTMENTS LIMITED

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JULY 1994

	Note	1994 Sh '000	1993 Sh '000
NET CASH INFLOW FROM OPERATING ACTIVITIES	16(a)	48,274	39,415
RETURN ON INVESTMENT AND SERVICING OF FINANCE			
Rent received		1,902	1,890
Interest received		16,459	6,516
Dividends paid		(6,952)	(4,063)
Dividends from quoted investments received		258	114
Net cash inflow from return on investment and servicing of finance		11,667	4,457
TAXATION PAID		(25,623)	(13,041)
INVESTING ACTIVITIES			
Purchase of investment		—	(429)
Purchase of fixed assets		(24,943)	(5,559)
Proceeds on sale of fixed assets		4,466	648
Net cash outflow from investing activities		(20,477)	(5,340)
NET CASH INFLOW BEFORE FINANCING		13,841	25,491
FINANCING			
Issue of ordinary share capital		25	—
NET CASH RECEIVED DURING THE YEAR		13,866	25,491
INCREASE IN CASH & CASH EQUIVALENTS	16(b)	13,866	25,491

CARBACID INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS *Continued*

16 NOTES TO CONSOLIDATED CASH FLOW STATEMENT *Continued*

	1994 Sh '000	1993 Sh '000
(b) INCREASE IN CASH AND CASH EQUIVALENTS		
Short term deposits	6,281	20,770
Bank balances and cash	7,585	4,721
	13,866	25,491
(c) ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR		
Balance at 1st August	59,917	34,426
Net cash inflow	13,866	25,491
Balance at 31 July	73,783	59,917

17 CAPITAL COMMITMENTS

GROUP

	1994 Sh '000	1993 Sh '000
Contracted but not provided *for in these accounts*	17,030	7,576

Fold 2
Kisa Kunja Hapa

STICK STAMP HERE

Company Secretary
Carbacid Investments Limited
P.O. Box 30633
Nairobi
Kenya

Fold 1
Kunja hapa kwanza

Fold 3
Halafu Kunja Hapa

Insert flap inside
Sasa Ingiza hii karatasi ndani ya mkunjo ili ionekane kama bahasha

CARBACID INVESTMENTS LIMITED

REPORT AND ACCOUNTS 1992

CARBACID INVESTMENTS LIMITED

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CARBACID INVESTMENTS LIMITED

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Twenty - second Annual General Meeting of the Company will be held at the Professional Centre (Council Chamber), Parliament Way, Nairobi, on Friday, 4th December 1992 at 12 noon for the following purposes:-

1. To receive the Directors' Report and audited accounts for the year ended 31st July 1992.
2. To approve Directors' fees.
3. To declare a final dividend.
4. To re-elect a Director.
5. To authorize the Directors to fix the remuneration of the auditors, Deloitte & Touche (formerly Deloitte Haskins & Sells).

By Order of the Board

N.P. KOTHARI
Secretary

Nairobi
2nd November 1992

A member entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.

CARBACID INVESTMENTS LIMITED

TAARIFA YA MWENYEKITI YA MWAKA ULIOISHIA TAREHE JULAI 31 1992

HALI KWA JUMLA

Kampuni iliendelea kufanya vyema katika mwaka ulioishia tarehe Julai 31 1992.

UUZAJI

Kutokana na hali dhaifu ya uchumi kwa jumla mauzo ya gas ya carbon dioxide kwa mwaka unaojadiliwa yalishuka. Mauzo ya bidhaa nchi za nje yalionyesha ongezeko.

MAENDELEO

Kampuni imenunua jengo katika eneo la viwanda. Jengo hili litatoa ofisi za nyongeza na sehemu za kuhifadhia na kuuzia bidhaa wakati upanuzi wa kampuni utakapohitajika kutekelezwa. Kwa sasa jengo hili limepangishwa.

MGAWO WA FAIDA

Mgawo wa kwanza wa faida kiasi cha asilimia kumi (10%) ulilipwa katika mwezi wa Aprili, na sasa

CARBACID INVESTMENTS LIMITED

Directors:	S.G. SMITH (Chairman)
	B.A. KAMPF
	R.A. SHEPHERD
	J.M. WANJIGI
Secretary:	N.P. KOTHARI
Registrars:	SPECIALIST CORPORATE CONSULTANTS, P.O. Box 30633, NAIROBI
Registered Office:	COMCRAFT HOUSE, HAILE SELASSIE AVENUE, P.O. Box 30633, NAIROBI
Auditors:	DELOITTE & TOUCHE P.O. Box 40092, NAIROBI
Bankers:	KENYA COMMERCIAL BANK LIMITED, P.O. Box 30081, NAIROBI STANDARD CHARTERED BANK KENYA LIMITED, P.O. Box 18081, NAIROBI.

CARBACID INVESTMENTS LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the group accounts for the year ended 31st July 1992.

ACTIVITIES

The company is a holding company with one wholly owned operating subsidiary, Carbacid (CO_2) Limited, whose principal activity is the mining of carbon dioxide gas.

PROFIT AND DIVIDENDS

	K£
The group profit for the year before taxation was	806,428
Group taxation for the year amounted to	365,358
Leaving a group profit available for appropriation of	441,070
An interim dividend of K£ 75, 247 was paid on 27th April 1992 and a final dividend of 15% is proposed on the issued capital. The dividends amount to	188,117
Leaving a retained profit for the year transferred to revenue reserve	252,953

DIRECTORS

The directors since 1st August 1991 have been:

S.G.Smith (Chairman)
B.A. Kampf
R.A. Shepherd
J.M. Wanjigi

Mr. J.M. Wanjigi retires by rotation and, being eligible, offers himself for re-election.

AUDITORS

On 1st October 1992, the auditors, Deloitte Haskins & Sells, changed their name to Deloitte & Touche and, therefore, they have signed their audit report under their new name. The auditors, Deloitte & Touche (formerly Deliotte Haskins & Sells) will continue in office in accordance with the provisions of section 159 (2) of the Companies Act (Cap. 486).

By Order of the Board

N.P. KOTHARI
Secretary

Nairobi

8th October 1992

... of directors and our shareholders I wish to convey our appreciation to all of them.

Nairobi
15th October 1992

S G SMITH
Chairman

REPORT OF THE AUDITORS
TO THE MEMBERS OF CARBACID INVESTMENTS LIMITED

We have examined the accounts on pages 8 to 18 and have obtained all the information and explanations considered necessary for our audit.

In our opinion:

1. Proper books of account have been kept by the company and the company's balance sheet is in agreement therewith.

2. The accounts, which comply with the Companies Act, give a true and fair view of the state of affairs of the company and the group at 31st July 1992 and of the profit and source and application of funds of the group for the year ended on that date.

DELOITTE & TOUCHE

Certified Public Accountants (Kenya)

Nairobi
8th October 1992

CARBACID INVESTMENTS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST JULY 1992

	Note	1992 K£	1991 K£
TURNOVER		1,958,962	2,174,022
PROFIT BEFORE TAXATION	2	806,428	1,015,557
TAXATION	3	365,358	462,845
PROFIT AVAILABLE FOR APPROPRIATION	4	441,070	552,712
DIVIDENDS	5	188, 117	188,117
RETAINED PROFIT FOR THE YEAR	15	252,953	364,595
EARNINGS PER SHARE	6	Sh 2.93	Sh 3.67

CARBACID INVESTMENTS LIMITED

BALANCE SHEETS 31ST JULY 1992

		GROUP		COMPANY	
		1992	1991	1992	1991
	Note	K£	K£	K£	K£
FIXED ASSETS	7	6,909,326	7,029,186	429,080	—
SUBSIDIARY	8	—	—	7,025,999	7,175,081
INVESTMENTS	9	11,030	171,387	11,030	11,030
LOAN (secured)	10	—	360,000	—	—
CURRENT ASSETS					
Stocks	11	212,577	167,627	—	—
Debtors	12	389,496	394,154	870	28,457
Dividend receivable from subsidiary		—	—	128,000	128,000
Short term deposits		1,660,678	1,260,193	—	—
Bank balances and cash		60,604	67,787	32,742	20,252
		2,323,355	1,889,761	161,612	176,709
CURRENT LIABILITIES					
Creditors	13	335,041	312,494	43,424	31,476
Taxation		432,573	649,696	—	—
Proposed dividend (gross)		112,870	112,870	112,870	112,870
		880,484	1,075,060	156,294	144,346
NET CURRENT ASSETS		1,442,871	814,701	5,318	32,363
		8,363,227	8,375,274	7,471,427	7,218,474
Financed by:					
SHARE CAPITAL	14	752,468	752,468	752,468	752,468
RESERVES	15	6,718,959	6,466,006	6,718,959	6,466,006
SHAREHOLDERS' FUNDS		7,471,427	7,218,474	7,471,427	7,218,474
TAX EQUALISATION ACCOUNT	16	891,800	1,156,800	—	—
		8,363,227	8,375,274	7,471,427	7,218,474

The accounts on pages 8 to 18 were approved by the Board of Directors on 8th October 1992 and were signed on its behalf by:

S.G. SMITH
B.A. KAMPF
Directors

CARBACID INVESTMENTS LIMITED

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED 31ST JULY 1992

	1992 K£	1991 K£
SOURCE OF FUNDS		
Profit before taxation	806,428	1,015,557
Adjustment for items not involving the movement of funds:		
Depreciation	730,735	694,101
Profit on disposal of fixed assets	(20,201)	(33,470)
Loss on disposal of investments	357	—
Total generated from operations	1,517,319	1,676,188
Loan repaid	360,000	—
Proceeds on issue of fractional shares	—	37
Proceeds on disposal of fixed assets	68,062	62,813
Proceeds on disposal of investments	160,000	—
INFLOW OF FUNDS	2,105,381	1,739,038
APPLICATION OF FUNDS		
Taxation paid	847,481	83,592
Dividends paid	188,117	165,543
Fixed assets purchased	658,736	483,063
Investments purchased	—	160,357
OUTFLOW OF FUNDS	1,694,334	892,555
NET INFLOW OF FUNDS	411,047	846,483
Represented by:		
MOVEMENT IN WORKING CAPITAL:		
Stocks	44,950	1,037
Debtors	(4,658)	5,910
Creditors	(22,547)	(8,547)
	17,745	(1,600)
Movement in net liquid funds		
Bank balances and cash	(7,183)	39,998
Short term deposits	400,485	808,085
	393,302	848,083
	411,047	846,483

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST JULY 1992

1 ACCOUNTING POLICIES

(a) BASIS OF ACCOUNTING

The group prepares its accounts on the historical cost basis of accounting, modified to include the revaluation of certain fixed assets.

(b) TURNOVER

Turnover represents gross sales value of carbon dioxide gas and dry ice.

(c) STOCKS

Stocks are stated at the lower of cost and net realisable value. Cost comprises direct materials and labour, together with the relevant production overheads.

(d) DEPRECIATION

Depreciation is calculated to write off the cost or valuation of fixed assets in equal annual instalments over their estimated useful lives at the following rates:

Leasehold land and buildings	2% - 5%
Boreholes	5%
Roads	10%
Motor vehicles	25%
Plant and equipment	5% - 33.33 %

(e) TAXATION

Current taxation is provided for on the basis of results for the year as shown in the accounts, adjusted in accordance with tax legislation.

(f) TAX EQUALISATION ACCOUNT

The tax equalisation account balance represents the unutilised amount previously provided for as deferred taxation, which is no longer required. The movement in the balance on this account represents an annual transfer to taxation account of an amount equal to the excess of the actual taxation charge over the derived current taxation charge on the accounting profit at the ruling tax rate.

(g) CONSOLIDATION OF GROUP COMPANIES

The consolidated accounts include the assets, liabilities and revenue results of the company and its subsidiary company made up to 31st July.

NOTES TO THE ACCOUNTS *Continued*

2 PROFIT BEFORE TAXATION

	1992 K£	1991 K£
The group profit before taxation is arrived at after charging:		
Depreciation	730,735	694,101
Auditors' remuneration	13,553	12,081
Directors' emoluments		
Emoluments as directors	23,209	22,885
Other emoluments	76,685	67,376
and after crediting:		
Profit on disposal of fixed assets	20,201	33,470
Dividends from quoted investments	3,911	2,571
Interest on loan	69,403	52,000
Interest on deposits	203,961	140,896

3 TAXATION

	1992 K£	1991 K£
Income tax on adjusted profit for the year at 45%	629,771	666,977
Withholding tax		
- qualifying dividends	587	—
Transfer from tax equalisation account	(265,000)	(208,200)
	365,358	458,777
Adjustment in respect of prior year:		
Underprovision of income tax	—	4,068
	365,358	462,845

The taxable profit is materially greater than the accounting profit mainly due to the excess of depreciation over capital allowances.

At 31st July 1992, there were tax losses amounting to K£ 20,106 (1991 - K£ 12,271) carried forward in respect of the holding company.

NOTES TO THE ACCOUNTS *Continued*

4 PROFIT AFTER TAXATION

Of the group profit for the year after taxation K£ 198,496 (1991 - K£ 199,557) has been dealt with in the accounts of the holding company.

5 DIVIDENDS

	1992 K£	1991 K£
Dividends are shown gross and comprise:		
Interim paid at 10% of issued share capital	75,247	75,247
Final proposed at 15% of issued share capital	112,870	112,870
	188,117	188,117

6 EARNINGS PER SHARE

Earnings per share is based on the profit after taxation for the year and on the shares in issue at the balance sheet date.

7 FIXED ASSETS

COMPANY

	Leasehold and buildings K£
COST	
Additions	429,080
At 31st July 1992	429,080
NET BOOK VALUE	
At 31st July 1992	429,080
At 31st July 1991	—

NOTES TO THE ACCOUNTS *Continued*

7 FIXED ASSETS *(Continued)*

GROUP	Leasehold land, buildings and boreholes K£	Roads K£	Motor vehicles K£	Plant and equipment K£	Total K£
COST OR VALUATION					
At 1st August 1991	490,267	25,000	779,597	6,503,779	7,798,643
Additions	435,254	33,783	179,826	9,873	658,736
Disposals	—	—	(56,250)	(3,275)	(59,525)
At 31st July 1992	925,521	58,783	903,173	6,510,377	8,397,854
Comprising:					
Valuation at 1st September 1990	—	—	77,538	—	77,538
Valuation at 31st July 1990	490,001	25,000	355,250	6,180,581	7,050,832
Valuation at 31st July 1986	—	—	—	445	445
Valuation at 31st July 1983	—	—	—	1,322	1,322
Cost	435,520	33,783	470,385	328,029	1,267,717
	925,521	58,783	903,173	6,510,377	8,397,854
DEPRECIATION					
At 1st August 1991	19,263	2,500	191,499	556,195	769,457
Charge for the year	19,572	5,878	184,753	520,532	730,735
On disposals	—	—	(11,500)	(164)	(11,664)
At 31st July 1992	38,835	8,378	364,752	1,076,563	1,488,528
NET BOOK VALUE					
At 31st July 1992	886,686	50,405	538,421	5,433,814	6,909,326
At 31st July 1991	471,004	22,500	588,098	5,947,584	7,029,186

At 31st July 1992, fixed assets valued at K£ 39,078 (1991 K£ 25,706) had been fully depreciated. The normal annual depreciation charge would have been K£ 10,624 (1991 - K£ 6,751).

NOTES TO THE ACCOUNTS *Continued*

8 SUBSIDIARY

	1992 K£	1991 K£
Shares at net asset valuation	6,848,267	6,605,693
Amount due by subsidiary	177,732	569,388
	7,025,999	7,175,081

9 INVESTMENTS

	GROUP		COMPANY	
	1992 K£	1991 K£	1992 K£	1991 K£
Quoted investments —				
Cost	11,030	11,030	11,030	11,030
Market value	49,751	27,064	49,751	27,064
Residential properties at cost	—	160,357	—	—
	11,030	171,387	11,030	11,030

The residential properties were sold during the year.

10 LOAN (secured)

	1992 K£	1991 K£
	—	360,000

The loan was repaid during the year.

NOTES TO THE ACCOUNTS *Continued*

11 STOCKS

	1992 K£	1991 K£
GROUP		
Carbon dioxide gas and dry ice	15,041	15,408
Spare parts, fuel and chemicals	197,536	152,219
	212,577	167,627

12 DEBTORS

	GROUP 1992 K£	GROUP 1991 K£	COMPANY 1992 K£	COMPANY 1991 K£
Trade debtors	343,441	318,821	—	—
Prepayments	—	42,586	—	27,586
Other debtors	46,055	32,747	870	871
	389,496	394,154	870	28,457

13 CREDITORS

	GROUP 1992 K£	GROUP 1991 K£	COMPANY 1992 K£	COMPANY 1991 K£
Trade creditors	35,306	34,114	—	—
Cylinder deposits	150,647	133,566	—	—
Other creditors	108,379	115,404	2,715	2,066
Unclaimed dividends	40,709	29,410	40,709	29,410
	335,041	312,494	43,424	31,476

14 SHARE CAPITAL

	1992 K£	1991 K£
Authorised:		
3,200,000 ordinary shares of sh 5 each	800,000	800,000
Issued and fully paid:		
3,009,873 ordinary shares of sh 5 each	752,468	752,468

NOTES TO THE ACCOUNTS *Continued*

15 RESERVES

	GROUP		COMPANY	
	1992	1991	1992	1991
	K£	K£	K£	K£
CAPITAL				
At 1st August	4,303,755	4,410,787	6,438,256	6,175,101
Revaluation of investment in subsidiary	—	—	242,574	263,155
Revaluation surplus realised on disposal of fixed assets transferred to revenue reserve	—	(17,032)	—	—
Deficit on revaluation of fixed assets	—	(90,000)	—	—
At 31st July	4,303,755	4,303,755	6,680,830	6,438,256
REVENUE				
At 1st August	2,162,251	1,905,998	27,750	141,684
Retained profit for the year	252,953	364,595	10,379	11,440
Revaluation surplus realised on disposal of fixed assets transferred from capital reserve	—	17,032	—	—
Capitalisation issue	—	(125,374)	—	(125,374)
At 31st July	2,415,204	2,162,251	38,129	27,750
TOTAL RESERVES	6,718,959	6,466,006	6,718,959	6,466,006

16 TAX EQUALISATION ACCOUNT

GROUP

	1992	1991
	K£	K£
At 1st August	1,156,800	—
Transfer from deferred taxation account	—	1,403,350
Movement in timing differences during the year	—	(38, 350)
Transfer to current taxation account	(265,000)	(208,200)
At 31st July	891,800	1,156,800

NOTES TO THE ACCOUNTS *Continued*

	1992 K£	1991 K£
17 CAPITAL COMMITMENTS		
GROUP		
Contracted but not provided for in these accounts	—	98,037