PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2011

	Note	2011 Shs	2010 Shs
Revenue		26,894,182	23,194,113
Cost of sales		(24,960,700)	(21,484,870)
Gross profit		1,933,482	1,709,243
Profit on sale of motor vehicle		-	454,925
Loss on valuation of shares		(65,463)	-
Administrative expenses		(297,550)	(319,322)
Selling and distribution expenses		(110,132)	(1,026,129)
Establishment expenses		(149,036)	(171,836)
Finance costs		(64,489)	(26,361)
Profit before tax	4	1,246,812	620,520
Income tax (expense)	6	(534,546)	(58,722)
Profit and total comprehensive income for the year		712,266	561,798

BALANCE SHEET AT 31ST DECEMBER 2011

	Note	2011 Shs	2010 Shs
CAPITAL EMPLOYED			
Share capital	7	57,228,746	57,228,746
Revaluation reserve		799,767	923,442
Accumulated losses		(58,152,359)	(58,933,300)
Proposed dividends		55,000	55,000
Shareholders funds		(68,846)	(726,112)
Non Current Liabilities			
Borrowings	8	56,271,926	56,271,926
		56,203,080	**55,545,814**
Non current assets			
Property, plant and equipment	10	23,506,475	24,711,136
Investment	15	219,157	-
Deferred tax asset	9	24,779,584	25,314,130
		48,505,216	50,025,266
Current assets			
Inventories	12	11,875,122	13,316,555
Trade and other receivables	11	9,589,967	10,664,328
Cash at bank and cash in hand	14	402,186	484,974
		21,867,275	24,465,857
Current Liabilities			
Trade and other payables	13	14,169,411	18,945,309
		14,169,411	18,945,309
Net Current Assets		7,697,864	5,520,548
		56,203,080	**55,545,814**

The financial statements on pages 6 to 20 were approved for issue by the board of directors on 28th March 2012 and were signed on their behalf by:

Dinesh L. Shah
....
Director

....
Director

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2011

	Share capital Shs	Revaluation reserve	Accumulated earnings Shs	Proposed dividend	Total Shs
Balance as at 1st January, 2010	57,228,746	1,055,362	(59,572,018)	55,000	(1,232,910)
Preference Dividends Final 2010-Proposed	-	-	(55,000)	55,000	-
Preference Dividends Final 2009-Paid	-	-	-	(55,000)	(55,000)
Transfer of Excess Depreciation	-	(131,920)	131,920	-	-
Net Profit	-	-	561,798	-	561,798
Balance as at 31st December, 2010	57,228,746	923,442	(58,933,300)	55,000	(726,112)
Balance as at 1st January, 2011	57,228,746	923,442	(58,933,300)	55,000	(726,112)
Preference Dividends Final 2011-Proposed	-	-	(55,000)	55,000	-
Preference Dividends Final 2010-Paid	-	-	-	(55,000)	(55,000)
Transfer of Excess Depreciation	-	(123,675)	123,675	-	-
Net Profit	-	-	712,266	-	712,266
Balance as at 31st December, 2011	57,228,746	799,767	(58,152,359)	55,000	(68,846)

Revaluation reserve arises from the revaluation of plant and equipment. This reserve is not distributable.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2011

	Note	2011 Shs	2010 Shs
Cash flows from operating activities			
Profit for the year		1,246,812	620,520
Adjustments for:			
Depreciation of property, plant and equipment	10	1,224,661	1,407,002
Profit on Disposal of asset		-	(454,925)
Changes in operating assets and liability			
Increase in inventories		1,441,433	790,080
Increase in trade and other receivables		1,074,361	2,272,399
Increase in trade and other payables		(4,775,898)	(4,719,662)
Cash generated from Operations		211,369	(84,586)
Cash flows from investing activities			
Purchases of equipment		(20,000)	-
Purchases of Shares		(215,157)	-
Proceeds on Disposal of assets	10	-	500,000
Net cash used in investing activities		(235,157)	500,000
Cash flows from financing activities			
Dividends paid		(55,000)	(55,000)
		(55,000)	(55,000)
Net increase in cash and cash equivalents		(78,788)	360,414
At the start of the year	14	484,974	124,560
Cash and cash equivalent at the end of the year	14	406,186	484,974