PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2012

	Note	2012 Shs	2011 Shs
Revenue		29,684,494	26,894,182
Cost of sales		(28,044,674)	(24,960,700)
Gross profit		1,639,820	1,933,482
Gain/(loss) on valuation of shares		325,890	(65,463)
Administrative expenses		(271,934)	(297,550)
Selling and distribution expenses		(783,999)	(110,132)
Establishment expenses		(129,482)	(149,036)
Finance costs	5	(23,094)	(64,489)
Profit before tax	4	757,201	1,246,812
Income tax expense	6	(512,244)	(534,546)
Profit and total comprehensive income for the year		244,957	712,266

BALANCE SHEET AT 31ST DECEMBER 2012

	Note	2012 Shs	2011 Shs
CAPITAL EMPLOYED			
Share capital	7	57,228,746	57,228,746
Revaluation reserve		691,551	799,767
Accumulated losses		(57,854,186)	(58,152,359)
Proposed dividends		55,000	55,000
Shareholders funds		121,111	(68,846)
Non Current Liabilities			
Borrowings	8	56,271,926	56,271,926
		56,393,037	**56,203,080**
Non current assets			
Property, plant and equipment	10	22,441,555	23,506,475
Investment	15	545,047	219,157
Deferred tax asset	9	24,267,340	24,779,584
		47,253,942	48,505,216
Current assets			
Inventories	12	9,195,747	11,875,122
Trade and other receivables	11	11,748,470	9,589,967
Cash at bank and in hand	14	738,113	402,186
		21,682,330	21,867,275
Current Liabilities			
Trade and other payables	13	12,543,235	14,169,411
		12,543,235	14,169,411
Net Current Assets		9,139,095	7,697,864
		56,393,037	**56,203,080**

The financial statements on pages 10 to 24 were approved for issue by the board of directors on ....27/3/.. 2013 and were signed on their behalf by:

....
Director

....
Director

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2012

	Share capital Shs	Revaluation reserve Shs	Accumulated earnings Shs	Proposed dividend Shs	Total Shs
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)
Balance as at 1st January, 2012	57,228,746	799,767	(58,152,359)	55,000	(68,846)
Preference Dividends Final 2012-Proposed	-	-	(55,000)	55,000	-
Preference Dividends Final 2011-Paid	-	-	-	(55,000)	(55,000)
Transfer of Excess Depreciation	-	(108,216)	108,216	-	-
Net Profit	-	-	244,957	-	244,957
Balance as at 31st December, 2012	57,228,746	691,551	(57,854,186)	55,000	121,111

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 2012

	Note	2012 Shs	2011 Shs
Cash flows from operating activities			
Profit for the year		757,201	1,246,812
Adjustments for:			
Depreciation of property, plant and equipment	10	1,064,920	1,224,661
Gain on valuation of share		(329,890)	-
		1,492,231	2,471,473
Changes in operating assets and liability			
Decrease/ (increase) in inventories		2,679,375	1,441,433
Decrease/ (increase) in trade and other receivables		(2,158,503)	1,074,361
Decrease/ (increase) in trade and other payables		(1,626,176)	(4,775,898)
Cash generated from Operations		386,927	211,369
Cash flows from investing activities			
Purchases of equipment		-	(20,000)
Purchases of Shares		-	(215,157)
Net cash used in investing activities		-	(235,157)
Cash flows from financing activities			
Dividends paid		(55,000)	(55,000)
		(55,000)	(55,000)
Net increase in cash and cash equivalents		331,927	(78,788)
At the start of the year	14	406,186	484,974
Cash and cash equivalent at the end of the year	14	738,113	406,186