UNGA GROUP LIMITED

REPORT AND ACCOUNTS 31 JULY 1989

UNGA GROUP 1909 1989
FACING THE FUTURE WITH CONFIDENCE

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989

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UNGA GROUP LIMITED

1. Unga group limited — periodicals
2. Corn Industry — Kenya — periodicals

DIRECTORS AND OFFICIALS

DIRECTORS	D N Ndegwa, CBS, FCIB, MA.	— Chairman
	G K Mwai	— Group Managing Director
	F W Wanganju, B.Comm., CPA(K), AMKIM.	— Group Finance Director
	R Kemoli	
	J G Kiereini, EGH, EBS, SS.	
	J J Mvoyi	
SECRETARY	J P G Gachoya, B Comm., FCIS.	
REGISTERED OFFICE	Chester House, Koinange Street, P O Box 30096, Nairobi.	
REGISTRARS	Livingstone Registrars Limited, P O Box 30029, Nairobi.	
AUDITORS	Gill & Johnson, P O Box 40092, Nairobi.	
BANKERS	Barclays Bank of Kenya Limited, Queensway House Branch, P O Box 30011, Nairobi.	

UNGA GROUP LIMITED

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the sixty second annual general meeting of UNGA GROUP LIMITED will be held in the Council Chamber of The Professional Centre, Parliament Road, Nairobi on Friday 9 February 1990 at 10.00 a.m. for the following purposes:

1. To consider the accounts and the reports of the directors and auditors for the year ended 31 July 1989.
2. To approve the dividends for the year.
3. To re-elect retiring directors: Mr J G Kiereini retires by rotation and, being eligible, offers himself for re-election. Mr F W Wanganju retires under article 93 of the articles of association and, being eligible, offers himself for re-election.
4. To fix the remuneration of the directors.
5. To authorise the directors to fix the remuneration of the auditors.
6. To transact any other competent business.

BY ORDER OF THE BOARD

J P G GACHOYA
Secretary

Nairobi
12 January 1990

PROXIES:
A member entitled to attend and vote may appoint a proxy to attend and vote on his behalf. A proxy need not also be a member.

NOTE:
Shareholders are reminded that all queries concerning shares should be addressed to the company's registrars, Livingstone Registrars Limited, P O Box 30029, Nairobi.

UNGA GROUP LIMITED

CHAIRMAN'S STATEMENT

Once again, I have the honour and pleasure to present my statement to shareholders at the annual general meeting of the company for the year ended 31 July 1989.

DIRECTORATE
During the year, Messrs C W Rubia, G K Kariithi and A D Raja resigned as directors, I am sure you will join me in commending them for their valuable contributions in the board over the years. Also during the year, Mr F W Wanganju, who has been the Group Financial Controller for several years, was appointed a director. I welcome him to the board.

RESULTS
The accounts fully explain the results. There was a further drop in profits available for appropriation to shs 8m compared to shs 16.2m in the previous year in spite of an increase in total turnover. The losses suffered by Sofar Investments Limited through its subsidiary, Elliot's Bakeries Limited, severely dented the profitability of the group.

DIVIDENDS
Your directors have recommended an interim dividend of shs 0.20 per share which was paid on 16 November 1989 and a final dividend of shs 0.80 per share which will be paid on 9 February 1990, making a total distribution of 20 per cent per share for the year.

INVESTMENTS
Shareholders know that the operations of our group are, in large part, based on basic human and animal foodstuffs. The group endeavours to produce high quality items at lowest possible cost and sell to the public at officially controlled prices. In some cases, the volumes produced are large and therefore resources of plant and machinery, labour and other inputs are committed to market demand. A large scale producer stands to lose much more whenever prices fall below cost of production. Sooner than later, production must be discontinued when poor results cannot be sustained. That position has continued for too long in respect of Elliot's Bakeries Limited with the last straw having been the unheralded price review in March 1989 when the baker's margin was reduced by 24 per cent. Appropriate authorities have been kept informed because repercurssions on existing commitments have been too severe to bear.
Despite this setback, the group as a whole has now installed and renewed its plants and machinery to boost production, not only of more goods, but also extended product lines to be delivered to points of public consumption. In certain sections we suffer from irregular supply of raw materials but we are prepared to face shortages provided fair play is exercised by responsible authorities.

STAFF
Under the circumstances, the management and staff have risen to the challenge and I express thanks to them for their resilience.

D N NDEGWA, CBS, FCIB, MA
Chairman

Nairobi
21 December 1989

UNGA GROUP LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 JULY 1989

The directors present their report together with the accounts of the group for the year ended 31 July 1989.

ACTIVITIES

The company acts as a holding company. The principal activities of the group have continued to be the milling of wheat and maize and the manufacture of bread, animal feeds, cooking oils and related products.

GROUP RESULTS

	1989 shs'000	1988 shs'000
Profit before taxation	48,215	41,425
Taxation	43,422	25,706
Profit before minority interests	4,793	15,719
Minority interests	3,184	(408)
Profit before extraordinary item	7,977	15,311
Extraordinary item	—	869
Profit available for appropriation	7,977	16,180
Dividends	5,206	5,206
Transfer to revenue reserve	2,771	10,974

DIVIDENDS

Interim dividend of shs 0.20 per share paid on 16 November 1989	1,041	1,041
Proposed final dividend of shs 0.80 per share	4,165	4,165
	5,206	5,206

DIRECTORS

The current board of directors is shown on page 2.

Messrs C W Rubia, G K Kariithi and A D Raja resigned on 12 January, 13 January and 6 February 1989 respectively.

Mr F W Wanganju was appointed a director on 6 July 1989.

In accordance with articles 88 and 89 of the articles of association, Mr J G Kiereini retires by rotation and, being eligible, offer himself for re-election.

In accordance with article 93 of the articles of association, Mr F W Wanganju retires and, being eligible, offers himself for re-election.

AUDITORS

Gill & Johnson, having confirmed their willingness, will continue in office in accordance with section 159(2) of the Companies Act.

BY ORDER OF THE BOARD

J P G GACHOYA
Secretary

Nairobi
1 December 1989

UNGA GROUP LIMITED

REPORT OF THE AUDITORS

TO THE MEMBERS OF UNGA GROUP LIMITED

We have examined the accounts on pages 7 to 17 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 31 July 1989 and of the profit and source and application of funds of the group for the year ended on that date.

GILL & JOHNSON
Certified Public Accountants (Kenya)

Nairobi
11 December 1989

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 1989

	Notes	1989 shs'000	1988 shs'000
TURNOVER		2,386,150	2,233,270
PROFIT BEFORE TAXATION	2	48,215	41,425
TAXATION	3	43,422	25,706
PROFIT BEFORE MINORITY INTERESTS		4,793	15,719
MINORITY INTERESTS		3,184	(408)
PROFIT BEFORE EXTRAORDINARY ITEM		7,977	15,311
EXTRAORDINARY ITEM	4	—	869
PROFIT AVAILABLE FOR APPROPRIATION	5	7,977	16,180
DIVIDENDS — GROSS	6	5,206	5,206
RETAINED PROFIT FOR THE YEAR	13	2,771	10,974
EARNINGS PER SHARE	7	shs 1.53	shs 2.94

UNGA GROUP LIMITED

CONSOLIDATED BALANCE SHEET

31 JULY 1989

	Notes	1989 shs'000	1988 shs'000
ASSETS EMPLOYED:			
FIXED ASSETS	8	1,586,515	1,100,970
NATIONALISED ASSETS IN UGANDA	10	34,264	34,264
CURRENT ASSETS			
Stocks	11	169,360	223,150
Debtors		73,119	94,723
Deposits, bank and cash balances		81,548	141,483
		324,027	459,356
CURRENT LIABILITIES			
Creditors		158,826	265,635
Taxation		44,772	35,190
Dividends — gross		5,206	5,206
Long term loans repayable within one year	14	74,231	69,485
Finance leases	15	7,318	8,539
Bank overdrafts (secured)		188,126	114,668
		478,479	498,723
NET CURRENT LIABILITIES		(154,452)	(39,367)
		1,466,327	1,095,867
FINANCED BY:			
SHARE CAPITAL	12	26,033	26,033
RESERVES	13	990,027	681,017
SHAREHOLDERS' FUNDS		1,016,060	707,050
LONG TERM LOANS	14	188,586	193,066
FINANCE LEASES	15	2,344	7,805
MINORITY INTERESTS		259,337	187,946
		1,466,327	1,095,867

The accounts on pages 7 to 17 were approved by the board of directors on 1 December 1989 and were signed on its behalf by:

D N NDEGWA *Director*

G K MWAI *Director*

UNGA GROUP LIMITED

COMPANY BALANCE SHEET

31 JULY 1989

	Notes	1989 shs'000	1988 shs'000
ASSETS EMPLOYED:			
FIXED ASSETS	8	7,319	2,453
INVESTMENTS IN SUBSIDIARIES	9	943,962	681,163
NATIONALISED ASSETS IN UGANDA	10	28,277	28,277
CURRENT ASSETS			
Debtors		481	676
Due from subsidiary companies		22,367	20,916
Deposits, bank and cash balances		5,166	6,561
		28,014	28,153
CURRENT LIABILITIES			
Creditors		9,879	8,186
Due to group company		18	—
Taxation		1,288	918
Dividends — gross		5,206	5,206
Long term loan repayable within one year	14	10,200	10,400
Finance leases	15	1,040	613
Bank overdraft		247	—
		27,878	25,323
NET CURRENT ASSETS		136	2,830
		979,694	714,723
FINANCED BY:			
SHARE CAPITAL	12	26,033	26,033
RESERVES	13	952,583	678,185
SHAREHOLDERS' FUNDS		978,616	704,218
LONG TERM LOAN	14	—	10,200
FINANCE LEASES	15	1,078	305
		979,694	714,723

The accounts on pages 7 to 17 were approved by the board of directors on 1 December 1989 and were signed on its behalf by:

D N NDEGWA *Director*

G K MWAI *Director*

UNGA GROUP LIMITED

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31 JULY 1989

	1989 shs'000	1988 shs'000
SOURCE OF FUNDS:		
Profit before taxation	48,215	41,425
Extraordinary item	—	869
	48,215	42,294
Items not involving the movement of funds:		
Adjustment in respect of finance leases	—	(4,640)
Extraordinary item	—	(869)
Depreciation of fixed assets	87,726	74,877
Loss on exchange	11,578	8,437
Profit on disposal of fixed assets	(1,223)	(356)
Funds generated from operations	146,296	119,743
Funds from other sources:		
Shares issued by subsidiary	5,570	—
Proceeds on disposal of fixed assets	2,633	2,978
Loans received	82,000	31,000
Finance leases entered into	2,078	13,230
INFLOW OF FUNDS	238,577	166,951
APPLICATION OF FUNDS:		
Taxation paid	33,840	77,056
Dividends paid	9,608	9,608
Fixed assets purchased	188,232	136,470
Loans repaid	93,312	94,402
Finance leases repaid	8,760	7,807
Shares purchased in subsidiary	6,803	—
OUTFLOW OF FUNDS	340,555	325,343
NET OUTFLOW OF FUNDS	(101,978)	(158,392)
REPRESENTED BY:		
Movement in working capital:		
Stocks	(53,790)	49,755
Debtors	(21,604)	16,146
Creditors	106,809	(66,653)
	31,415	(752)
Movement in net liquid funds:		
Deposits, bank and cash balances	(59,935)	(64,883)
Bank overdrafts	(73,458)	(92,757)
NET MOVEMENT IN WORKING CAPITAL	(101,978)	(158,392)

UNGA GROUP LIMITED

Unga Group Chairman, Mr. Duncan Ndegwa, addressing the audience of staff and VIP guests at the Special Anniversary Luncheon.

Group Managing Director, Mr. George Mwai, having been with the company for over 25 years receives a long-service award from the Chairman.

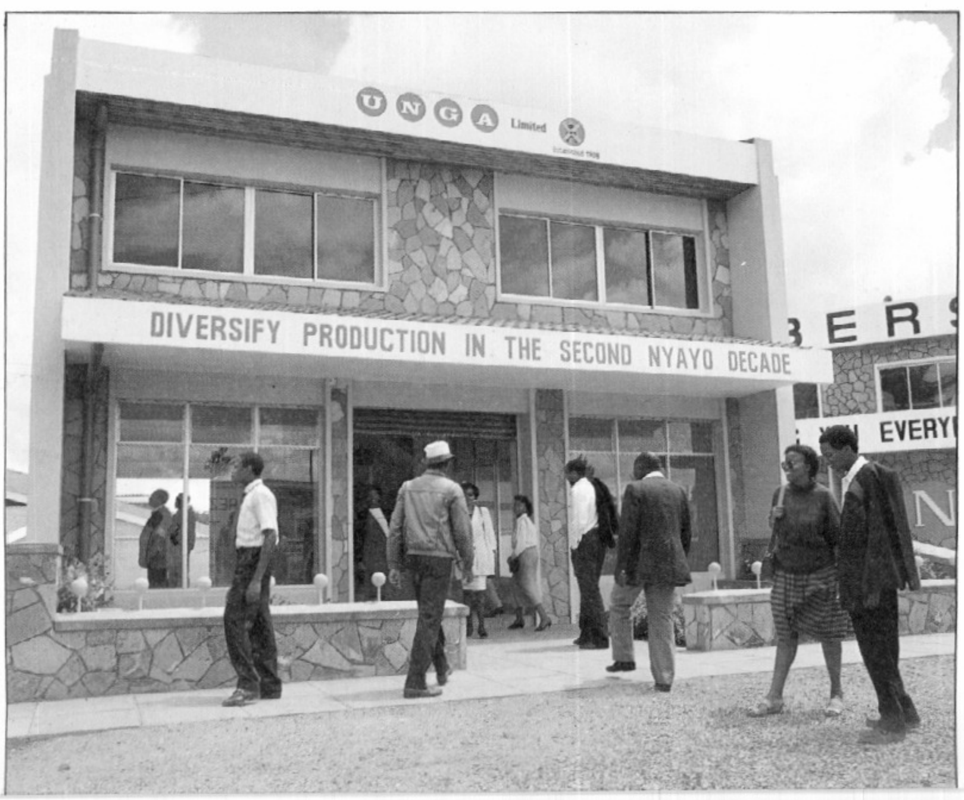
Martha Keter, Dean of Academic Affairs for the Rift Valley Institute of Science and Technology, accepts a cheque for Shs. 10,000/- from Unga Group Chairman Mr. Duncan Ndegwa as Unga's contribution towards the institution's development.

Group Managing Director, Mr. George Mwai (front row centre), pictured with other senior managers at a conference held in February 1989.

Group Chairman, Mr. Duncan Ndegwa, Group Managing Director Mr. George Mwai and directors pictured with the 30 years service employees.

The members gate at the Nairobi International Show sponsored by Unga Limited.

The newly built Unga exhibition stand at the Nairobi International Show.



Artist's impression of Unga House, the future Unga Group Headquarters in Westlands.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1989

1. **ACCOUNTING POLICIES**

BASIS OF ACCOUNTING

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

CONSOLIDATION

The consolidated accounts incorporate the accounts of Unga Group Limited and its subsidiaries, all of which are made up to 31 July.

TURNOVER

Turnover represents the net amount receivable from sales to external customers during the year.

TAXATION

Current taxation is provided on the basis of the results for the year as shown in the accounts, adjusted in accordance with the tax legislation. No provision is made for deferred taxation.

FIXED ASSETS

Fixed assets are stated at cost or as professionally revalued on an existing use basis.

Professional valuations were carried out on 31 July 1989 in accordance with the group's policy of revaluing fixed assets, other than motor vehicles, every three years.

LEASED ASSETS

Assets acquired under finance leases are capitalised at the date of the agreement. The interest element of each instalment is charged to the profit and loss account at the time each instalment falls due.

DEPRECIATION

Depreciation is calculated to write off the cost or valuation of fixed assets in equal annual instalments over their estimated useful lives. The annual rates generally in use are:

Freehold land	Nil
Freehold buildings	2.5%
Leasehold land	period of lease
Long leasehold buildings	2.5%
Short leasehold buildings	period of lease
Plant and machinery	4% — 33.3%
Furniture and fittings	10% — 20%
Motor vehicles	25% — 33.3%
Silos	Shorter of 50 years or the unexpired period of the lease for the land on which they are built.

INVESTMENTS IN SUBSIDIARIES

The investments in subsidiaries are stated at directors' valuation based on the net asset value of each subsidiary company at the balance sheet date.

STOCKS

Stocks are stated at the lower of cost and net realisable value. Cost comprises expenditure directly incurred in purchasing or manufacturing the stocks plus an allocation of normal overhead expenditure attributable to the processes through which they have passed.

FOREIGN CURRENCIES

Assets and liabilities expressed in foreign currencies are translated into Kenya shillings at the rates of exchange ruling at the balance sheet date. Transactions during the year in foreign currencies are translated at the rates ruling at the dates of the transactions. Gains and losses on exchange are dealt with in the profit and loss account.

	1989 shs'000	1988 shs'000
2. PROFIT BEFORE TAXATION		
The profit before taxation is arrived at after charging:		
Depreciation (note 8)	87,793	74,877
Less: Capitalised in work in progress	67	—
	87,726	74,877
Auditors' remuneration	2,716	2,441
Directors' emoluments —		
Fees for services as directors	145	150
Other emoluments	1,311	1,033
Hire of plant and machinery	1,308	1,109
Interest payable on — long term loans	31,559	26,522
— short term loans and bank overdrafts	15,125	10,864
— finance leases	2,224	2,193
Loss on exchange	11,578	8,437
Bad debts	8,883	—
and after crediting:		
Interest receivable on loans and deposits	15,670	20,960
Rent receivable	2,075	2,051
Profit on sale of fixed assets	1,223	356
Prior period adjustment in respect of finance leases	—	4,640
3. TAXATION		
Based on the adjusted profit for the year at 45%	43,461	25,774
Adjustment for previous years	(39)	(68)
	43,422	25,706

At 31 July 1989, there were tax losses in subsidiary companies amounting to shs 130,569,000 (1988 — shs 71,249,000) to be carried forward.

	1989 shs'000	1988 shs'000
4. EXTRAORDINARY ITEM		
Bakery plant scrapped:		
Transfer from capital reserve — prior years' revaluation surpluses on plant now scrapped	—	3,487
1986 valuation of plant scrapped	—	(3,492)
Depreciation charged after 1986 valuation	—	874
	—	869

5. **PROFIT AVAILABLE FOR APPROPRIATION**

A profit of shs 16,805,000 (1988 — shs 16,816,000) is dealt with in the accounts of Unga Group Limited.

	1989 shs'000	1988 shs'000
6. DIVIDENDS — GROSS		
Interim dividend of shs 0.20 per share paid on 16 November 1989	1,041	1,041
Proposed final dividend of shs 0.80 per share	4,165	4,165
	5,206	5,206

7. **EARNINGS PER SHARE**

Earnings per share has been calculated on the profit, before extraordinary item, of shs 7,977,000 (1988 — shs 15,311,000) and on 5,206,529 ordinary shares.

8. **FIXED ASSETS**

	GROUP				COMPANY
	Land and buildings shs'000	Plant and machinery shs'000	Work in progress shs'000	Total shs'000	Plant and machinery shs'000
COST OR VALUATION					
At 1 August 1988	336,736	846,633	62,741	1,246,110	5,677
Additions	102	19,203	168,994	188,299	5,983
Transfers	9,930	35,646	(45,576)	—	—
Disposals	(750)	(2,812)	—	(3,562)	(265)
Surplus/(deficit) on revaluation	201,355	(11,142)	—	190,213	—
At 31 July 1989	547,373	887,528	186,159	1,621,060	11,395
Comprising:					
Valuation — 1989	546,192	828,149	—	1,374,341	—
Cost	1,181	59,379	186,159	246,719	11,395
	547,373	887,528	186,159	1,621,060	11,395
DEPRECIATION					
At 1 August 1988	16,858	128,282	—	145,140	3,224
Charge for the year	9,426	78,367	—	87,793	1,115
Eliminated on disposals	(62)	(2,090)	—	(2,152)	(263)
Written back on revaluation	(26,222)	(170,014)	—	(196,236)	—
At 31 July 1989	—	34,545	—	34,545	4,076
NET BOOK VALUE					
At 31 July 1989	547,373	852,983	186,159	1,586,515	7,319
At 31 July 1988	319,878	718,351	62,741	1,100,970	2,453

Land and buildings comprise:

Freehold	26,500
Long leasehold	363,033
Short leasehold	157,840
	547,373

The net book value of plant and machinery includes shs 22,785,156 (1988 — shs 21,521,947) in respect of assets that were the subject of finance leases.

Certain fixed assets were revalued at 31 July 1989 on an existing use basis by Lloyd Masika Limited, valuers and estate agents.

UNGA GROUP LIMITED

NOTES TO THE ACCOUNTS

(Continued)

9. INVESTMENTS IN SUBSIDIARIES

	1989 shs'000	1988 shs'000
Shareholding at directors' valuation:		
At 1 August 1988	681,163	687,062
Surplus/(deficit) on revaluation	262,799	(5,899)
At 31 July 1989	943,962	681,163

10. NATIONALISED ASSETS IN UGANDA

The amounts shown in the balance sheets represent the net asset values of investments in Bread Limited and Uganda Grain Milling Company Limited and the amounts due on loan and current accounts as at 5 May 1976 when these companies were nationalised.

Following the enactment of the Expropriated Properties Act 1983 by the Uganda Parliament, an application to repossess all the group interest and assets in Bread Limited and Uganda Grain Milling Company Limited was submitted on 19 May 1983. Full provision for these assets is included in the nationalised assets reserve (note 13).

11. STOCKS

	1989 shs'000	1988 shs'000
Finished products	35,366	29,935
Raw materials	79,253	137,273
Production supplies	42,488	27,579
Others	12,253	28,363
	169,360	223,150

12. SHARE CAPITAL

	1989 shs'000	1988 shs'000
Authorised:		
6,200,000 ordinary shares of shs 5 each	31,000	31,000
1,800,000 undenominated shares of shs 5 each	9,000	9,000
	40,000	40,000
Issued and fully paid:		
5,206,529 ordinary shares of shs 5 each	26,033	26,033

13. RESERVES

	Nationalised assets shs'000	Capital shs'000	Share premium shs'000	Revenue shs'000	Total shs'000
GROUP					
At 1 August 1988	33,361	469,971	—	177,685	681,017
Retained profit for the year	—	—	—	2,771	2,771
Realised on disposal of fixed assets	—	(539)	—	539	—
Shares issued	—	—	2,144	—	2,144
Surplus on revaluation	—	316,037	—	—	316,037
Changes in shareholding	—	(7,916)	—	(4,026)	(11,942)
At 31 July 1989	33,361	777,553	2,144	176,969	990,027
COMPANY					
At 1 August 1988	28,277	578,777	—	71,131	678,185
Retained profit for the year	—	—	—	11,599	11,599
Revaluation of investment in subsidiaries	—	262,799	—	—	262,799
At 31 July 1989	28,277	841,576	—	82,730	952,583

UNGA GROUP LIMITED

NOTES TO THE ACCOUNTS

(Continued)

14. LONG TERM LOANS

	1989 shs'000	1988 shs'000
GROUP		
Secured bank loan repayable in semi-annual instalments by 1992; interest at the ruling bank rate	12,000	16,000
Secured bank loans each repayable in monthly instalments by 1992; interest at 14% per annum	43,634	59,034
Secured bank loan repayable by 1990; interest at 15% per annum	10,200	20,600
Secured bank loan repayable in semi-annual instalments by 1994; interest at 18% per annum	50,000	—
Secured USAID loan repayable in semi-annual instalments by 1995; interest at 16% per annum	12,000	—
Unsecured bank loan repayable in monthly instalments by 1994; interest at 18% per annum	20,000	—
Secured consortium debenture loan repayable in quarterly instalments by 1994; interest at 16% per annum	24,753	28,164
Secured loan in Swiss Francs from a supplier of capital equipment repayable in semi-annual instalments by 1991; interest at 7.5% per annum	29,046	59,708
Secured loan in Deutsche Marks from a supplier of capital equipment repaid in May 1989 interest at 8.8% per annum	—	6,922
Secured loans in Deutsche Marks from supplier of capital equipment each repayable in semi-annual instalments by 1991; interest at 10% per annum	29,033	35,702
Unsecured loan in Pound Sterling from a supplier of capital equipment repayable in semi-annual instalments by 1993; interest at 10.1% per annum	32,151	36,421
	262,817	262,551
Less: repayable within one year	74,231	69,485
	188,586	193,066

The subsidiary companies have signed bills of exchange to cover the future payments of capital and interest with regard to the loans in foreign currencies.

	1989 shs'000	1988 shs'000
COMPANY		
Secured bank loan repayable by 1990; interest at 15% per annum	10,200	20,600
Less: repayable within one year	10,200	10,400
	—	10,200

UNGA GROUP LIMITED

15. FINANCE LEASES

	GROUP		COMPANY	
	1989 shs'000	1988 shs'000	1989 shs'000	1988 shs'000
Secured liabilities under finance leases expiring by 1992	9,662	16,344	2,118	918
Less: repayable within one year	7,318	8,539	1,040	613
	2,344	7,805	1,078	305

16. CONTINGENT LIABILITIES

	1989 shs'000	1988 shs'000
GROUP		
Guarantees given to finance houses on behalf of distributors and transporters	—	67
COMPANY		
Guarantees in favour of Barclays Bank of Kenya Limited for loans and other banking facilities to subsidiaries	189,678	170,906

17. CAPITAL COMMITMENTS

Commitments at the year end for which no provision has been made in these accounts:

	1989 shs'000	1988 shs'000
GROUP		
Contracted	78,456	128,924
Authorised but not contracted	14,744	70,748

GROUP FIVE YEAR FINANCIAL REVIEW

		1989 shs'000	1988 shs'000	1987 shs'000	1986 shs'000	1985 shs'000
RESULTS:						
Turnover		2,386,150	2,233,270	2,045,827	1,897,885	1,529,787
Profit before taxation		48,215	41,425	112,503	155,553	90,778
Taxation		(43,422)	(25,706)	(79,008)	(84,128)	(51,639)
Profit after taxation		4,793	15,719	33,495	71,425	39,139
Minority interest		3,184	(408)	(3,660)	(27,925)	(16,162)
Extraordinary item		—	869	—	963	34
Ordinary dividends		(5,206)	(5,206)	(5,206)	(5,206)	(4,165)
Transfer to reserves		2,771	10,974	24,629	39,257	18,846
ASSETS EMPLOYED:						
Fixed assets		1,586,515	1,100,970	1,030,377	800,208	689,230
Nationalised assets in Uganda		34,264	34,264	34,264	34,264	34,264
Net current (liabilities)/assets		(154,452)	(39,367)	61,149	133,514	77,243
		1,466,327	1,095,867	1,125,790	967,986	800,737
FINANCED BY:						
Share capital		26,033	26,033	26,033	26,033	26,033
Reserves		990,027	681,017	673,679	570,871	467,435
Shareholders' funds		1,016,060	707,050	699,712	596,904	493,468
Long term loans		188,586	193,066	232,966	59,021	52,320
Finance leases		2,344	7,805	—	—	—
Minority interest		259,337	187,946	193,112	312,061	254,949
		1,466,327	1,095,867	1,125,790	967,986	800,737
RATIOS:						
Shareholders' funds per share	shs	195.15	135.80	134.39	114.65	94.78
Profit after taxation and minority interest to:						
Turnover	%	0.33	0.68	1.5	2.3	1.5
Capital employed	%	0.7	1.6	3.2	6.6	4.2

UNGA GROUP LIMITED

FORM OF PROXY

I/We ....

of .... being a member/members

of Unga Group Limited hereby appoint ....

.... and failing him/her ....

and failing him/her the duly appointed chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the sixty second annual general meeting of the company to be held on Friday 9 February 1990 at 10.00 a.m. and at any adjournment thereof.

As witness my/our hand this .... day of 1990

....

(Signed)

NOTES:

1. If you are unable to attend this meeting personally this form of proxy should be completed and returned to the Secretary, Unga Group Limited, P O Box 30096, Nairobi, to reach him not later than 24 hours before the time appointed for holding the meeting.

2. A person appointed to act as a proxy need not be a member of the company.

3. If the appointer be a corporation, this form must be under its common seal or under the hand of an officer or attorney authorised in writing.

UNGA GROUP LIMITED