UNGA GROUP LIMITED

EPORT & ACCOUNTS 31 JULY 1992

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1992

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UNGA GROUP LIMITED

DIRECTORS AND OFFICIALS

DIRECTORS	D N Ndegwa, CBS, FCIB, MA	*- Chairman*
	F W Wanganju, B Comm., CPA(K), AMKIM	*- Group Managing*
	R Kemoli	
	J G Kiereini, EGH, EBS, SS	
	J J Mvoyi	
	C N Lagat	
SECRETARY	J P G Gachoya, B Comm., FCIS, CPS(K)	
REGISTERED OFFICE	Unga House, Muthithi Road, Westlands, 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.	

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the sixty fifth annual general meeting of UNGA GROUP LIMITED will be held at the Council Chamber of the Professional Centre, Parliament Road, Nairobi on Friday, 26 February 1993 at 11.30 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 1992.

2 To re-elect retiring directors:- Messrs J J Mvoyi and J G Kiereini retire by rotation and, being eligible, offer themselves for re-election.

3 To approve the remuneration of the directors.

4 To authorise the directors to fix the remuneration of the auditors.

5 To transact any other competent business.

BY ORDER OF THE BOARD

J P G GACHOYA
Secretary

Nairobi
8 January 1993

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

I once again feel honoured to present a statement, report and accounts of the company to shareholders for the year ended 31 July 1992.

DIRECTORATE

Mr R C Wooton resigned as a director on 28 September 1992. I wish to thank him most sincerely for his valuable contribution to the board. I also thank my fellow directors for their continued support.

RESULTS

As I have stated over the past two years, the Unga Group of companies has experienced numerous barriers and setbacks. Some of the problems continue, while new ones have emerged.

Overall results show a profit of shs 17. 7 millions after adjustments for extraordinary items and minority interests — an improvement from a loss of shs 21.5 millions in the previous year.

Elliot's Bakeries Limited continued to be the achilles heel in our operations. It again recorded a large loss despite efforts taken to reduce costs and increase sales. Losses made by this company are no longer sustainable and its future is under critical examination.

Despite favourable prices in the maize milling business, a shortage of maize in the country had almost crippled that business. The shortage led to long periods of down-time as supplies were rationed by the National Cereals and Produce Board. Whatever profits had been made earlier in the year were wiped out.

As supplies of maize from National Cereals and Produce Board continue to be rationed, those from farmers are no longer available following the withdrawal of the transport permit for movement of 88 bags of maize per load. White maize has thus become a rare commodity with consequent high unofficial market prices.

Low supplies of maize have also reduced supplies of by-products for animal feeds and maize -germ for corn oil production, thereby affecting the operations of Unga Feeds Limited and Elianto Kenya Limited respectively.

The poor state of the economy has led to reduced purchasing power and demand for products. Foreign exchange, at a prohibitive high cost in the open market, affected importation of badly needed inputs and spares. Power rationing made the situation worse while fuel price increases in July 1992 will raise production costs in the current financial year.

High capacity utilisation at Unga Limited, combined with high demand for wheaten products, brought good results. The new products of Proctor and Allan Limited registered a significant growth. This company also started supplying relief food for refugees and for drought-stricken areas. Unga House was almost fully let and it is making a significant contribution to the operations of Chester House Limited.

DIVIDEND

Despite operational difficulties and in the light of improved results, your board considers that a dividend should be paid and recommends distribution of shs 0.80 per share.

FUTURE PROSPECTS

Increase of producer prices for wheat and maize should lead to increased supplies. Enhanced consumer prices augur well for the future. We are however apprehensive of the continued tight control on grain movement which tends to discourage farmers.

The poultry diseases occuring in late 1991 have been eliminated and the industry has shown some recovery.

Decontrol of milk prices in May 1992 and of edible oils and fats in September 1992 should lead to a significant improvement in the dairy and liquid edible oil markets respectively.

The extraction plant at Elianto Kenya Limited under the joint venture with CPC is undergoing a renewal programme. Proctor and Allan Limited is installing a plant to increase production of relief foods.

ASSETS IN UGANDA

The company received a further compensation for the assets nationalised by the Uganda Government in 1976. Full compensation for Sofar Investments Limited is awaited.

STAFF

On behalf of the board and shareholders, I wish to commend the staff for their continued hard work and resilience in taking the group out of its difficulties.

D N NDEGWA
Chairman

Nairobi
18 December 1992

UNGA GROUP LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with the accounts of the group for the year ended 31 July 1992.

ACTIVITIES

The company acts as a holding company. The principal activities of the group are the milling of wheat and maize, manufacture of bread, animal feeds, cooking oils and related products and the owning and developing of properties for rental purposes.

On 31 October 1991, a subsidiary company, Ufuta Limited, ceased to trade.

GROUP RESULTS

	1992 shs'000	1991 shs'000
Group operating loss	(9,056)	(88,079)
Share of profit of associated company	2,240	1,816
Loss before taxation	(6,816)	(86,263)
Taxation	29,438	10,193
Loss before extraordinary items	(36,254)	(96,456)
Extraordinary items	51,182	53,141
Profit/(loss) before minority interests	14,928	(43,315)
Minority interests	2,764	21,812
Profit/(loss) before appropriations	17,692	(21,503)
Dividend - proposed	4,165	—
Transfer to revenue reserve	13,527	(21,503)

DIVIDEND

The directors recommend payment of a final dividend of shs 0.80 per share for the year ended 31 July 1992.

DIRECTORS

The present board of directors is shown on page 2.

Mr R C Wootton resigned as a director on 28 September 1992.

In accordance with articles 88 and 89 of the articles of association, Messrs J J Mvoyi and J G Kiereini retire by rotation and, being eligible, offer themselves 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
26 November 1992

UNGA GROUP LIMITED

REPORT OF THE AUDITORS

TO THE MEMBERS OF UNGA GROUP LIMITED

We have examined the acccounts on pages 7 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 31 July 1992 and of the profit and source and application of funds of the group for the year ended on that date.

GILL AND JOHNSON
Certified Public Accountants (Kenya)

Nairobi
22 December 1992

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 1992

	Notes	1992 shs'000	1991 shs'000
TURNOVER		2,985,365	2,432,425
GROUP OPERATING LOSS	2	(9,056)	(88,079)
SHARE OF PROFIT OF ASSOCIATED COMPANY		2,240	1,816
LOSS BEFORE TAXATION		(6,816)	(86,263)
TAXATION	3	29,438	10,193
LOSS BEFORE EXTRAORDINARY ITEMS		(36,254)	(96,456)
EXTRAORDINARY ITEMS	4	51,182	53,141
PROFIT/(LOSS) BEFORE MINORITY INTERESTS		14,928	(43,315)
MINORITY INTERESTS		2,764	21,812
PROFIT/(LOSS) BEFORE APPROPRIATIONS	5	17,692	(21,503)
DIVIDEND - GROSS	6	4,165	—
SURPLUS/(DEFICIT) FOR THE YEAR	13	13,527	(21,503)
LOSS PER SHARE	7	shs (6.43)	shs (14.34)

CONSOLIDATED BALANCE SHEET

31 JULY 1992

	Notes	1992 shs'000	1991 shs'000
ASSETS EMPLOYED:			
FIXED ASSETS	8	2,373,816	1,487,898
INVESTMENT IN ASSOCIATED COMPANY	10	15,220	13,473
CURRENT ASSETS			
Stocks	11	193,311	198,349
Debtors		91,452	89,772
Deposits, bank and cash balances		29,650	6,945
		314,413	295,066
CURRENT LIABILITIES			
Creditors		259,533	250,601
Taxation		27,646	9,224
Dividend - gross		4,165	—
Loans repayable within one year	14	68,356	80,479
Finance leases	15	1,661	1,511
Bank overdrafts (secured)		124,606	200,734
		485,967	542,549
NET CURRENT LIABILITIES		(171,554)	(247,483)
		2,217,482	1,253,888
FINANCED BY:			
SHARE CAPITAL	12	26,033	26,033
RESERVES	13	1,642,543	854,643
SHAREHOLDERS' FUNDS		1,668,576	880,676
LOANS	14	115,454	136,416
FINANCE LEASES	15	1,425	872
MINORITY INTERESTS		432,027	235,924
		2,217,482	1,253,888

The accounts on pages 7 to 18 were approved by the board of directors on 26 November 1992 and were signed on its behalf by:

D N NDEGWA *Director*

F W WANGANJU *Director*

UNGA GROUP LIMITED

COMPANY BALANCE SHEET

31 JULY 1992

	Notes	1992 shs'000	1991 shs'000
ASSETS EMPLOYED:			
FIXED ASSETS	8	11,092	9,604
INVESTMENTS IN SUBSIDIARIES	9	1,639,297	849,715
CURRENT ASSETS			
Debtors		1,660	2,198
Due from subsidiary companies		28,801	39,982
Deposits, bank and cash balances		14,095	3,822
		44,556	46,002
CURRENT LIABILITIES			
Creditors		13,640	15,025
Due to group companies		6,253	9,018
Taxation		2,311	406
Dividend - gross		4,165	—
Finance leases	15	—	316
		26,369	24,765
NET CURRENT ASSETS		18,187	21,237
		1,668,576	880,556
FINANCED BY:			
SHARE CAPITAL	12	26,033	26,033
RESERVES	13	1,642,543	854,523
SHAREHOLDERS' FUNDS		1,668,576	880,556

The accounts on pages 7 to 18 were approved by the board of directors on 26 November 1992 and were signed on its behalf by:

D N NDEGWA *Director*

F W WANGANJU *Director*

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31 JULY 1992

	1992 shs'000	1991 shs'000
SOURCE OF FUNDS		
Loss before taxation and extraordinary items, less minority interests	(4,052)	(64,451)
Extraordinary items	51,182	53,141
	47,130	(11,310)
Items not involving the movement of funds:		
Depreciation of fixed assets	122,691	123,344
Loss on exchange	8,538	3,611
Profit on disposal of fixed assets	(2,147)	(2,251)
Profit on disposal of nationalised assets	—	(14,161)
Release of nationalised assets reserve	—	(34,264)
Profit on sale of shares in Elianto Kenya Limited	—	(4,716)
Minority interests in retained loss for the year	(52,570)	(21,812)
Profit retained in associated company	(2,240)	(1,816)
Funds generated from operations	121,402	36,625
Funds from other sources:		
Proceeds on disposal of investments	—	15,768
Proceeds on disposal of fixed assets	6,786	3,432
Loans received	13,997	137,259
Finance leases entered into	2,578	1,578
Compensation received on nationalised assets	51,182	48,425
INFLOW OF FUNDS	195,945	243,087
APPLICATION OF FUNDS		
Taxation paid	10,128	31,823
Dividend paid	—	6,674
Fixed assets purchased	41,779	39,704
Loans repaid	55,620	154,815
Finance leases repaid	1,875	1,777
Investment in associated company	—	13,155
OUTFLOW OF FUNDS	109,402	247,948
NET INFLOW/(OUTFLOW) OF FUNDS	86,543	(4,861)
REPRESENTED BY:		
Movement in working capital:		
Stocks	(5,038)	32,311
Debtors	1,680	25,193
Creditors	(8,932)	(72,622)
	(12,290)	(15,118)
Movements in liquid funds:		
Deposits, bank and cash balances	22,705	(29,428)
Bank overdrafts	76,128	39,685
NET MOVEMENT IN WORKING CAPITAL	86,543	(4,861)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1992

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, its subsidiaries and its associated company, all of which are made up to 31 July, with the exception of CPC Kenya Limited whose accounts are made up to 30 September.

TURNOVER

Turnover represents net 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 tax legislation.

Deferred taxation is accounted for to the extent that it is probable that timing differences will reverse in the foreseeable future.

FIXED ASSETS

Fixed assets are stated at cost or as professionally revalued.

A professional revaluation was carried out as at 31 July 1992 in accordance with the company's policy of revaluing certain fixed assets 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

No depreciation is provided on freehold land. Depreciation on other assets 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 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.

NOTES TO THE ACCOUNTS

(Continued)

1 ACCOUNTING POLICIES *(continued)*

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.

INVESTMENT IN ASSOCIATED COMPANY

Investment in associated company is stated at the group's share of net assets at 31 July.

Income taken into account represents the group's share of the results for the year to 31 July.

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.

2 GROUP OPERATING LOSS

		1992 shs '000	1991 shs '000
The group operating loss is arrived at after charging:			
Depreciation		122,691	123,344
Auditors' remuneration		3,153	3,175
Directors' emoluments	- fees for services as directors	195	150
	- other emoluments	2,158	1,918
Interest payable on	-loans	41,217	37,959
	- bank overdrafts	26,251	41,844
	- finance leases	599	962
Loss on exchange		8,538	3,611
and after crediting:			
Interest receivable		2,765	2,411
Rent receivable		49,782	39,208
Profit on disposal of fixed assets		2,147	2,251

UNGA GROUP LIMITED

NOTES TO THE ACCOUNTS

(Continued)

		1992 shs '000	1991 shs '000
3	**TAXATION**		
	Based on the adjusted profit for the year at 37.5% (1991 - 40%)	28,550	9,289
	Share of associated company's taxation	888	904
		29,438	10,193

At 31 July 1992, there were tax losses in subsidiary companies amounting to shs 376,135,000 (1991 - shs 375,185,000) to be carried forward.

		1992 shs '000	1991 shs '000
4	**EXTRAORDINARY ITEMS**		
	Compensation for nationalised assets	51,182	48,425
	Profit on sale of shares in Elianto Kenya Limited	—	4,716
		51,182	53,141

5 **PROFIT/(LOSS) BEFORE APPROPRIATIONS**

A profit of shs 61,183,000 (1991 - shs 40,510,000) is dealt with in the accounts of Unga Group Limited.

		1992 shs '000	1991 shs '000
6	**DIVIDEND - GROSS**		
	Proposed final dividend	4,165	—

7 **LOSS PER SHARE**

Loss per share has been calculated on the loss, after minority interests and before extraordinary items, of shs 33,490,000 (1991 - shs 74,644,000) and on 5,206,529 ordinary shares.

NOTES TO THE ACCOUNTS

(Continued)

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 1991	685,108	1,067,990	496	1,753,594	15,608
Additions	5,303	28,037	8,439	41,779	4,877
Transfers	—	114	(114)	—	—
Disposals	(2,780)	(7,217)	—	(9,997)	(479)
Surplus/(deficit) on revaluation	239,255	395,907	—	635,162	(991)
At 31 July 1992	926,886	1,484,831	8,821	2,420,538	19,015
Comprising:					
Valuation in 1992	926,886	1,416,035	—	2,342,921	4,615
Cost	—	68,796	8,821	77,617	14,400
	926,886	1,484,831	8,821	2,420,538	19,015
DEPRECIATION					
At 1 August 1991	31,935	233,761	—	265,696	6,004
Charge for the year	18,055	104,636	—	122,691	3,481
Eliminated on disposals	(209)	(5,149)	—	(5,358)	(372)
Written back on revaluation	(49,591)	(286,716)	—	(336,307)	(1,190)
At 31 July 1992	190	46,532	—	46,722	7,923
NET BOOK VALUE					
At 31 July 1992	926,696	1,438,299	8,821	2,373,816	11,092
At 31 July 1991	653,173	834,229	496	1,487,898	9,604
Land and buildings comprise:					
Freehold	325,890				
Long leasehold	324,136				
Short leasehold	276,670				
	926,696				

The net book value of plant and machinery includes shs 4,783,000 (1991 - shs 4,665,872) in respect of assets that were the subject of finance leases.

Leasehold land and buildings in a subsidiary company, Ufuta Limited, have been valued on an open market value basis and certain other fixed assets in the group were revalued as at 31 July 1992, on a depreciated replacement cost basis, by Lloyd Masika Limited, registered valuers and estate agents.

The depreciated replacement cost basis assumes adequate potential profitability in relation to the total value of the assets and reflects both obsolescence, within the life spans placed upon the various asset categories, and continued usefulness.

NOTES TO THE ACCOUNTS

(Continued)

		1992 shs '000	1991 shs '000
9	**INVESTMENTS IN SUBSIDIARIES**		
	Shareholding at director's valuation:		
	At 1 August 1991	849,715	905,136
	Additions	54,779	18,500
	Disposals	(20,000)	—
	Surplus on revaluation	730,803	(73,921)
	At 31 July 1992	1,615,297	849,715
	Loan to subsidiary company	24,000	—
		1,639,297	849,715
10	**INVESTMENT IN ASSOCIATED COMPANY- Unquoted**		
	Share of net assets in CPC Kenya Limited	15,220	13,473
	Share of revenue reserve at 31 July of associated company	2,745	998

The group holds 49.9% of the total issued ordinary share capital of CPC Kenya Limited

The principal activities of the associated company are the manufacture and distribution of food products.

		1992 shs '000	1991 shs '000
11	**STOCKS**		
	Finished products	30,497	63,721
	Raw materials	89,194	70,321
	Production supplies	30,151	17,768
	Others	43,469	46,539
		193,311	198,349
12	**SHARE CAPITAL**		
	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

NOTES TO THE ACCOUNTS

(Continued)

13 RESERVES

	Capital shs '000	Share premium shs '000	Revenue shs '000	Total shs '000
GROUP				
At 1 August 1991	765,068	2,144	87,431	854,643
Surplus for the year	—	—	13,527	13,527
Realised on disposal of fixed assets	(2,686)	—	2,686	—
Adjustments to minority interest in subsidiary	247	—	—	247
Surplus on revaluation of investment in associated company	1,352	—	—	1,352
Surplus on revaluation of fixed assets	777,397	—	—	777,397
Changes in shareholding	(4,623)	—	—	(4,623)
At 31 July 1992	1,536,755	2,144	103,644	1,642,543
COMPANY				
At 1 August 1991	727,329	—	127,194	854,523
Surplus for the year	—	—	57,018	57,018
Surplus on revaluation of fixed assets	199	—	—	199
Surplus on revaluation of investments in subsidiaries	730,803	—	—	730,803
At 31 July 1992	1,458,331	—	184,212	1,642,543

14 LOANS

	1992 shs'000	1991 shs'000
Secured bank loans repayable in semi-annual instalments by 1992; interest at 13.5% and 16% per annum	—	4,000
Secured bank loans repayable in monthly instalments by 1992; interest at 14.5% and 19% per annum	—	8,667
Secured bank loan repayable in monthly instalments by 1994; interest at 19% per annum	38,350	56,374
Secured bank loan repayable in semi-annual instalments by 1994; interest at 20% per annum	25,000	35,000
Secured bank loan repayable in annual instalments by 1994; interest at 20% per annum	25,128	—
Secured consortium debenture loan repayable in quarterly instalments by 1999; interest at 20.5% per annum	46,000	49,200
Secured USAID loan repayable in semi-annual instalments by 1995; interest at 16% per annum	—	8,000
Secured loan from a financial institution repayable in monthly instalments by 1994; interest at 18% per annum	9,646	13,654
Secured consortium debenture loan repayable in quarterly instalments by 1994, interest at 20% per annum	10,755	16,348
Unsecured loan in Deutsche Marks from a supplier of capital equipment repayable in semi-annual instalments by 1993; interest at 10% per annum	28,931	25,652
	183,810	216,895
Less: repayable within one year	68,356	80,479
	115,454	136,416

15 FINANCE LEASES

	GROUP		COMPANY	
	1992	1991	1992	1991
	shs'000	shs'000	shs'000	shs'000
Secured liabilities under finance leases expiring by:				
1994	2,492	1,362	—	—
1992	594	316	—	316
1991	—	705	—	—
	3,086	2,383	—	316
Less: repayable within one year	1,661	1,511	—	316
	1,425	872	—	—

16 CONTINGENT LIABILITIES

	1992	1991
	shs '000	shs '000
GROUP		
Guarantees given to finance houses on behalf of distributors and transporters	219	556

During 1991, the VAT department issued an assessment to a subsidiary company for shs 11,500,000 to which the subsidiary has objected. The issue in dispute is the effective date of the introduction of Value Added Tax on certain of the subsidiary's products. To date there has been no response from the VAT department.

	1992	1991
COMPANY		
Guarantees in favour of Barclays Bank of Kenya Limited for loans and other banking facilities to subsidiaries	176,214	273,146
Guarantees in favour of Standard Chartered Bank Kenya Limited for loans and other banking facilities to subsidiaries	92,516	102,483
	268,730	375,629

17 CAPITAL COMMITMENTS

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

	1992	1991
GROUP		
Contracted	22,613	1,729
Authorised but not contracted	124,688	12,420

GROUP FIVE YEAR FINANCIAL REVIEW

		1992 shs'000	1991 shs'000	1990 shs'000	1989 shs'000	1988 shs'000
RESULTS						
Turnover		2,985,365	2,432,425	2,234,096	2,386,150	2,233,270
Group operating (loss)/profit		(9,056)	(88,079)	(56,409)	48,215	41,425
Share of profit of associated company		2,240	1,816	—	—	—
(Loss)/profit before taxation		(6,816)	(86,263)	(56,409)	48,215	41,425
Taxation		29,438	10,193	31,908	43,422	25,706
(Loss)/profit after taxation		(36,254)	(96,456)	(88,317)	4,793	15,719
Minority interests		2,764	21,812	23,715	3,184	(408)
Extraordinary items		51,182	53,141	—	—	869
Ordinary dividends		(4,165)	—	(4,165)	(5,206)	(5,206)
Retained surplus/(deficit)		13,527	(21,503)	(68,767)	2,771	10,974
ASSETS EMPLOYED						
Fixed assets		2,373,816	1,487,898	1,566,900	1,586,515	1,100,970
Nationalised assets in Uganda		—	—	34,264	34,264	34,264
Investment in associated company		15,220	13,473	—	—	—
Net current liabilities		(171,554)	(247,483)	(278,540)	(154,452)	(39,367)
		2,217,482	1,253,888	1,322,624	1,466,327	1,095,867
FINANCED BY:						
Share capital		26,033	26,033	26,033	26,033	26,033
Reserves		1,642,543	854,643	916,188	990,027	681,017
Shareholders' funds		1,668,576	880,676	942,221	1,016,060	707,050
Long term loans		115,454	136,416	141,909	188,586	193,066
Finance leases		1,425	872	303	2,344	7,805
Minority interests		432,027	235,924	238,191	259,337	187,946
		2,217,482	1,253,888	1,322,624	1,466,327	1,095,867
RATIOS:						
Shareholders' funds per share	shs	320.48	169.15	180.97	195.15	135.80
(Loss)/profit after taxation and minority interest to:						
Turnover	%	(1.12)	(3.07)	(2.89)	0.33	0.68
Capital employed	%	(1.88)	(7.33)	(5.96)	0.66	1.69

UNGA GROUP LIMITED

FORM OF PROXY

I/We..

of .... being 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 fifth annual general meeting of the company to be held on Friday, 26 February 1993 at 11.30 a.m. and at any adjournment thereof.

As witness my/our hand this...day of 1993

....
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, PO 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 also 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