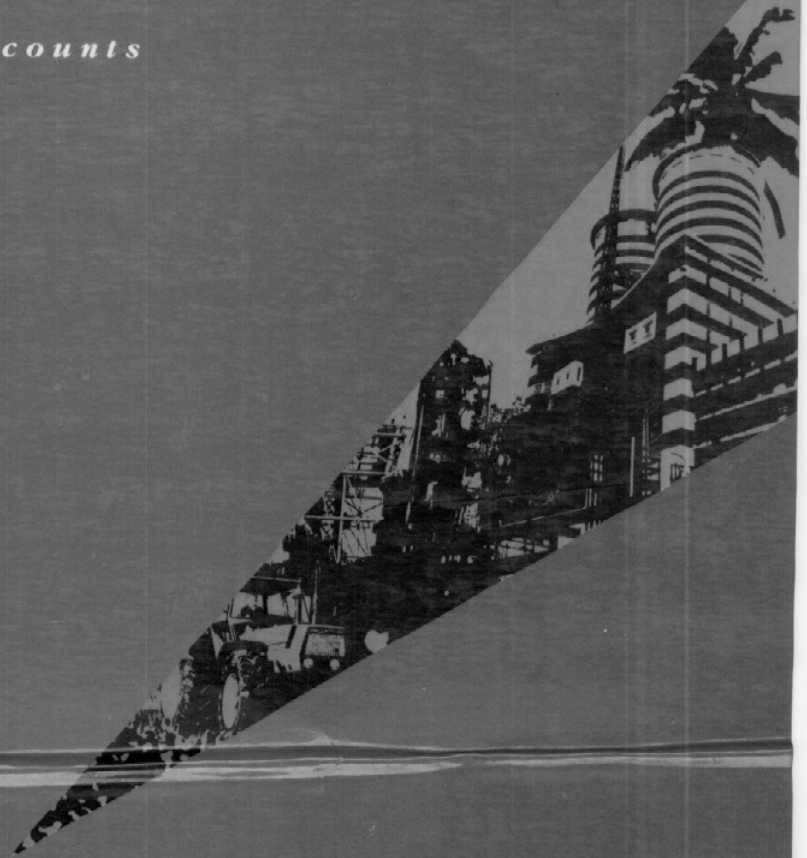


*The 1991  
Annual  
Report  
& Accounts*



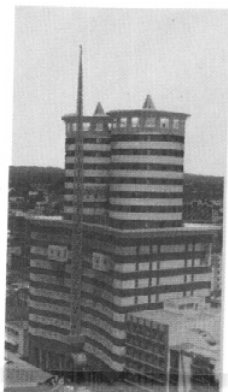
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### *Company information*

#### **Board of Directors**

Zaher K. Ahamed  
(Chairman)

Amirali K. Somji

Christopher H. Malavu

Nurdin G. Ajanja

Nizar S. Meruani\*  
(Managing Director)

William B. Robinson \*\*

David R. Hinde \*\*\*

Amirali H. Rashid

\* Pakistani

\*\* Australian

\*\*\* British

#### **Secretary**

Kanyi Kiiru Thuo,  
Diamond Trust House,  
Moi Avenue,  
P.O. Box 49988,  
NAIROBI.

#### **Registered Office**

Diamond Trust House,  
Moi Avenue,  
P. O. Box 61711,  
NAIROBI.

#### **Auditors**

Kassim-Lakha  
Abdulla & Co  
Certified Public  
Accountants.

#### **Branches**

Diamond Trust House,  
Moi Avenue,  
P.O. Box 49988,  
NAIROBI.

IPS Building,  
Standard Street,  
P.O. Box 34675,  
NAIROBI.

Diamond Trust House,  
Moi Avenue,  
P.O. Box 90564,  
MOMBASA.

Jubilee Insurance House,  
Oginga Odinga Road,  
P.O. Box 1081,  
KISUMU.

Agricultural Finance  
Corporation House,  
Geoffrey Kamau Way,  
P.O. Box 3399,  
NAKURU.

2007 / 0337

## ***Notice of Annual General Meeting***

Notice is hereby given that the Twenty-sixth Annual General Meeting of the Shareholders of the Diamond Trust of Kenya Limited will be held at the Company's registered office, Diamond Trust House, Moi Avenue, Nairobi, on Friday the Twenty-fourth day of April, 1992, at 11.00 a.m. to transact the following business:

1. To confirm the Minutes of, a) the Extraordinary General Meeting held on 15th February, 1991, b) the Twenty-fifth Annual General Meeting held on 26th April, 1991, and c) the Extraordinary General Meeting held on 18th October, 1991.

2. To receive, consider and, if thought fit, adopt the Accounts for the year ended 31st December, 1991, together with the Directors' and Auditors' Reports thereon.

3. To confirm payment of the interim dividend of 15% on the then paid-up capital of Shs.84.8 million made on 20th September, 1991, and approve payment of a final dividend of 20% on the issued and paid-up share capital of Shs.113,066,667 to shareholders registered in our books as at 27th April, 1992, on or about 22nd May, 1992, as recommended by the Board.

4. To elect Directors: In accordance with Articles No. 93 and 94 of the Company's Articles of Association, William B. Robinson and David R. Hinde are due for retirement by rotation and, being eligible, offer themselves for re-election.

5. To approve the Directors' fees.

6. To note that the Company's Auditors, Messrs Kassim-Lakha Abdulla & Company, being eligible, continue in office in accordance with section 159(2) of the Companies Act (Cap 486) and section 24 (1) of the Banking Act 1989.

7. To note the Auditors' remuneration for the year 1991 and to authorise the Directors to fix the Auditors' remuneration.

8. To transact any other Ordinary Business of an Annual General Meeting.

By order of the Board  
Kanyi Kiiru Thuo  
Company Secretary  
24 February, 1992  
Nairobi

### **Note:**

A member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and vote on his behalf. Such proxy need not be a member of the Company. A proxy form, which must be lodged with the Company Secretary, P.O. Box 49988, Nairobi, not later than 48 hours before the time for holding the Meeting, is enclosed.

## *Chairman's Statement*

Although the year 1991 was not an easy one for business and growth, your Company achieved satisfactory results. Group Pretax profits increased from Shs. 127.0 million to Shs. 152.1 million, a growth of 19.8 percent. Total assets increased from Shs. 2,845 million to Shs. 3,338 million, thereby crossing the Shs. 3 billion mark. The growth in total assets was reasonable at 17.3 percent. Deposits also reflected a fair growth of 19.6 percent increasing from Shs. 2,150 million to Shs. 2,513 million. The Board's conscious decision in 1990 to consolidate advances was carried forward, and as a result, advances increased by only Shs. 133 million, from Shs. 1,905 million to Shs. 2,038 million. Investments in the money market made up for the lack of growth in advances.

Your Company paid an interim dividend of 15 percent on the then Issued and Paid-up Share Capital of Shs. 84.8 million on September 20, 1991. Your Board is now recommending, subject to Exchange Control Approval in respect of non-resident Shareholders, a final dividend of 20 percent on the Issued and Paid-up Share Capital of Shs. 113.1 million, to be paid on or about May 22, 1992, making a total of 35 percent for the year.

In my last statement, I mentioned a number of factors, which would set the pace for the future development of your Company. These were, i) an orderly development of the capital markets in Kenya, ii) the existence of a stable capital base, iii) strong management and manpower support, and iv) introduction of appropriate technology and new financial instruments.

To this list, I would like to add a fifth factor, namely, regional context.

New developments continued in the field of capital markets, during the year. The Nairobi Stock Exchange (NSE) acquired a trading floor in the IPS Building in Kimathi Street, Nairobi. The beneficial impact of this facility is already being felt in the transparency, volume, manner and efficiency of transactions on the NSE. Hopefully this transparency will give incentive to Kenyan enterprises to raise capital by share floatation (and debenture issues) on the NSE. The willingness of the Capital Markets Authority to allow the new share issue prices to be determined by the market forces of supply and demand would hasten the pace.

A related development is the government's privatisation programme. A judicious arrangement for the larger and more profitable parastatals (subject, of course, to sanctity of contract) to be listed on the NSE would accelerate its implementation.

The deregulation of interest rates, which was announced in July 1991, has been handled with circumspection and pragmatism by the authorities, the financial sector and the borrowers. Your Company took particular care to ensure that no drastic changes were brought about in the interest rates charged to its borrowers. After a period of

understandable uncertainty, the market is settling down.

The combined effect of these initiatives will, hopefully, have a positive impact on the orderly development of Kenya's capital market. Your Company is fully geared to playing significant role in this process.

Your Company continues to strengthen its capital base. The bonus issue of one for three approved at the Annual General Meeting on April 26, 1991, has been effected and the paid up capital of your Company now stands at Shs. 113.1 million. In pursuance of the same policy, your Board is also recommending, subject to the necessary authorisations, a further bonus issue at the rate of one share for every two shares held in the Issued and Paid up Capital of Shs. 113.1 million, such new issue to rank *pari passu* in

all respects with the existing shares in the capital of the Company except for the final dividend now being recommended and any further dividend paid prior to the implementation of the bonus issue. When implemented, this further bonus issue will be the eighth since 1979 and will increase the paid up share capital to Shs. 169.6 million. You will of course, have observed that these bonus issues, combined with the dividend performance of your Company's shares, have enhanced the original capital investment value of your shares many times over and has made the shares a bluechip on the Nairobi Stock Exchange.



Your Board considers manpower development to be an essential element in the continuance of your Company's growth. The Management is placing special emphasis on providing training opportunities to members of the staff, not only to enhance their technical and professional skills, but also to prepare them to meet the challenges and opportunities of the nineties and beyond.

Your Board believes that the location of the headquarters of your Company in the Nation Centre will enable it to pursue its goal of updating its technology, particularly in the fields of communication and computerisation. As you are aware, Nation Centre is designed to be a modern

high-tech communications centre underlining the position of Nairobi as a major logistic and communications hub.

Once the computerisation programme of your Company, presently under review by your Board, is fully implemented, your Company should have a network of facilities to provide a range of financial services in Kenya and, indeed, in East Africa.

As the liberalisation of the financial policies continues, your Company hopes to be able to introduce new financial instruments relevant to the needs of the local market. You will recall that when your Company undertook a major capital restructuring exercise in 1982, it did so with the intention of taking a lead in providing merchant banking and related services. Over the past ten years your Company has been

responsible for the underwriting and administration of two public issues, and has in addition, been involved in a number of major syndications and has also provided project finance and advisory services to a broad spectrum of Kenyan enterprises. With a market driven and more open financial sector, your Company is well placed to utilise its knowledge and experience of the local markets and to strengthen its expert staff to meet the increasingly sophisticated needs of its clients.

The business climate in Kenya will be affected by a number of factors, i) the evolution of the deregulated interest rates as well as other measures affecting the banking industry, ii) the political and constitutional



changes which are presently under implementation, iii) the timely arrival of the long rains to ensure food sufficiency in the country, iv) the creation of employment opportunities for the large number of people who are daily entering the formal sector of the economy, and v) last but not least, the stabilisation of, a) commodity prices on the world market, and b) the state of the recession in the developed countries. Your Board and the Management are alive to all these issues, and the business plans of your

Company for the current year have taken these factors into account.

Your Board has respect for the innate maturity, wisdom and good sense of the Kenyan public. In view of this and the confidence and trust that your Company enjoys in the market place, I feel reasonably confident that the operations of your Company for the current year will be in accordance with the expectations of your Board.

The Management and staff have once again worked hard and with dedication which is evident in the successful results I have highlighted. I wish to take this opportunity to thank and assure them of our full support in their efforts to strive for structured, sustained and all-round growth.

I wish also to take this opportunity to thank our many customers, both depositors and borrowers,

for their continued support. I would like to reiterate our assurance to continue the high quality service which has characterised our past relationship with them.

Lastly, but by no means least, I would like to thank my colleagues on the Board for their active, creative and total support which has enabled your Company to maintain the upward trend in its profits, standards and expectations.

Zaher K. Ahamed  
Chairman

February 21, 1992

**Report of the Directors for the year  
ended 31 December 1991**

The Directors have pleasure in presenting their Report and Audited Accounts for the year ended 31st December, 1991.

**Results**

	1991 Shs. '000	1990 Shs. '000
Group Profit before taxation for the year	152,076	126,984
Taxation	<u>61,563</u>	<u>58,539</u>
Profit after taxation	<u>90,513</u>	<u>68,445</u>

**Dividends**

An interim dividend of 15% on the Issued and Paid-up Share Capital of Shs. 84,800,000 (1990-15% on Shs. 56,533,333) was paid on 20th September, 1991. It is proposed that a final dividend of 20% on the Issued and Paid-up Share Capital of Shs. 113,066,667 be paid on or about 22nd May, 1992. The payment of both the interim and final dividend in respect of non-resident Shareholders is subject to Exchange Control Approval.

**Bonus Issue**

The Directors also propose to recommend to the Shareholders, subject to consent and approval of the Capital Issues committee and Exchange Control, a Bonus Issue at the rate of one share for every two shares held in the Issued and Paid-up Share Capital of Shs.113,066,667, such new Issue to rank *pari passu* in all respects with the existing shares in the Capital of the Company except for the aforementioned final dividend and any further dividend paid prior to the implementation of the Bonus Issue.

An Extraordinary General Meeting of the Shareholders will be convened to give effect to this proposal upon receipt of the necessary consent and approval.

**Directors**

From the present members of the Board of Directors as listed, Mr. William B. Robinson and Mr. David R. Hinde retire by rotation under Articles No. 93 and 94 of the Company's Articles of Association and, being eligible, offer themselves for re-election.

**Auditors**

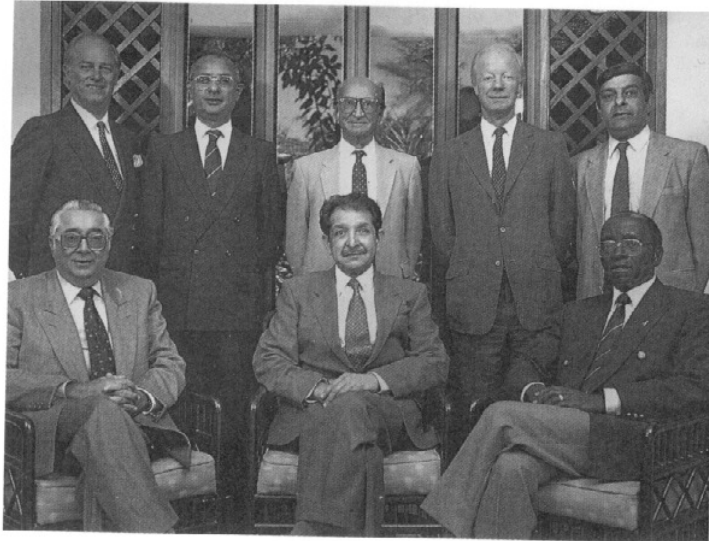
The Company's Auditors, Messrs Kassim-Lakha Abdulla & Co., being eligible, continue in office in accordance with Section 159 (2) of the Companies Act (Cap.486) and Section 24(1) of the Banking Act, 1989.

By Order of the Board

Kanyi Kiiru Thuo  
Company Secretary

21st February, 1992  
Nairobi

*Board of Directors*



*Sitting Left to Right*

Amirali K. Somji

Zaher K. Ahamed  
(Chairman)

Christopher H. Malavu

*Standing Left to Right*

William B. Robinson

Nizar S. Meruani  
(Managing Director)

Amirali H. Rashid

David R. Hinde

Nurdin G. Ajania

***Report of the Auditors to the Members  
of Diamond Trust of Kenya Limited***

We have audited the accounts set out on pages 11 to 21. The accounts are in agreement with the books of account. We obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

In our opinion proper books of account have been kept and the accounts give a true and fair view of the state of the financial affairs of the company and the group at 31st December, 1991, and of the profit and source and application of funds of the group for the

year ended on that date and comply with the Companies Act (Cap.486).

Kassim-Lakha  
Abdulla and Co.  
*Certified Public  
Accountants*  
February 21, 1992  
Nairobi.

***Consolidated Profit and Loss Account  
for the Year ended 31 December 1991***

	NOTES	1991 Shs.'000	1990 Shs.'000
Profit before taxation	2	152,076	126,984
Taxation	3	<u>(61,563)</u>	<u>(58,539)</u>
Profit after taxation		90,513	68,445
Minority interest		<u>(3,932)</u>	<u>(2,187)</u>
Profit attributable to shareholders		<u>86,581</u>	<u>66,258</u>
Dividends:			
Interim paid - 15% (15%)		12,720	8,480
Proposed final - 20% (20%)	4	<u>22,613</u>	<u>11,307</u>
		<u>35,333</u>	<u>19,787</u>
Retained profit		<u>51,248</u>	<u>46,471</u>
Earnings per share	5	Shs. <u>3.06</u>	<u>4.69</u>

**Balance sheet of the Group**  
**31 December 1991**

	NOTES	1991 Shs.'000	1990 Shs.'000
<b>Assets</b>			
Cash and bank balances		47,234	23,481
Money at call and short notice		309,159	279,500
Treasury bills		380,100	318,900
Treasury bonds		100,000	-
Debtors		11,177	12,126
Fixed assets	6	231,970	225,561
Investments	7	33,596	21,451
Associated companies	8	114,202	18,008
Advances		2,038,388	1,905,101
Customers' liabilities for acceptances		<u>71,693</u>	<u>41,070</u>
		<u>3,337,519</u>	<u>2,845,198</u>
<b>Liabilities</b>			
Creditors		206,740	166,186
Taxation		43,860	50,692
Dividend - proposed final		22,613	11,307
Deposits		2,512,571	2,150,500
Liabilities for acceptances		<u>71,693</u>	<u>41,070</u>
		<u>2,857,477</u>	<u>2,419,755</u>
<b>Shareholders' Funds</b>			
Share Capital	10	113,067	56,533
Share Premium		16,320	16,320
Capital Reserve	11	133,512	133,466
Revenue Reserve	12	<u>168,941</u>	<u>174,370</u>
		<u>431,840</u>	<u>380,689</u>
Minority interest		<u>48,202</u>	<u>44,754</u>
		<u>480,042</u>	<u>425,443</u>
		<u>3,337,519</u>	<u>2,845,198</u>

The accounts on pages 11 to 21 were approved by the Board of Directors on 21st February, 1992, and were signed on its behalf by:

**Z.K. Ahamed** - Director

**N.G. Ajania** - Director

**C.H. Malavu** - Director

**N.S. Meruani** - Managing Director

**Balance sheet of the Company**  
**31 December 1991**

	NOTES	1991 Shs.'000	1990 Shs.'000
<b>Assets</b>			
Cash and bank balances		26,656	7,264
Money at call and short notice		280,159	262,000
Treasury bills		330,000	275,900
Treasury bonds		100,000	-
Debtors		7,172	8,645
Fixed assets	6	157,174	150,200
Investments	7	31,914	19,825
Subsidiaries and associated companies	8	124,870	28,231
Advances		1,819,354	1,773,438
Customers' liabilities for acceptances		<u>71,693</u>	<u>40,425</u>
		<u>2,948,992</u>	<u>2,565,928</u>
<b>Liabilities</b>			
Creditors		191,757	154,310
Taxation		38,395	47,066
Dividend - proposed final		22,613	11,307
Deposits		2,243,769	1,977,461
Liabilities for acceptances		<u>71,693</u>	<u>40,425</u>
		<u>2,568,227</u>	<u>2,230,569</u>
<b>Shareholder's Funds</b>			
Share Capital	10	113,067	56,533
Share Premium		16,320	16,320
Capital Reserve	11	98,889	98,889
Revenue Reserve	12	<u>152,489</u>	<u>163,617</u>
		<u>380,765</u>	<u>335,359</u>
		<u>2,948,992</u>	<u>2,565,928</u>

The accounts on pages 11 to 21 were approved by the Board of Directors on 21st February, 1992, and were signed on its behalf by:

Z.K. Ahamed - Director

N.G. Ajania - Director

C.H. Malavu - Director

N.S. Meruani - Managing Director

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***Consolidated Statement of Source and Application of Funds  
for the Year ended 31 December 1991***

	1991 Shs.'000	1990 Shs.'000
<b>Source of Funds</b>		
Profit before taxation	152,076	126,984
Adjustment for items not involving movement of funds:		
Depreciation	3,175	2,702
Fixed assets adjustment	116	-
Profit on sale of fixed assets	(55)	(415)
<b>Total funds generated from operations</b>	<u>155,312</u>	<u>129,271</u>
<b>Funds from other sources</b>		
Sale of fixed assets	<u>1,460</u>	<u>1,124</u>
	<u>156,772</u>	<u>130,395</u>
<b>Application of Funds</b>		
Dividend paid	17,053	9,593
Tax Paid	68,556	56,946
Additions to fixed assets	11,105	10,733
Purchase of investments	<u>107,738</u>	<u>1,301</u>
	<u>204,452</u>	<u>78,573</u>
Increase in working capital (see below)	<u>(47,680)</u>	<u>51,822</u>
	<u>156,772</u>	<u>130,395</u>
<b>Analysis of Working Capital</b>		
Increase in advances	133,287	134,926
Increase in liquid and other assets	<u>214,074</u>	<u>64,527</u>
	<u>347,361</u>	<u>199,453</u>
Increase in deposits	362,071	137,512
Increase in liabilities	<u>32,970</u>	<u>10,119</u>
	<u>395,041</u>	<u>147,631</u>
	<u>(47,680)</u>	<u>51,822</u>



**Notes to the Accounts  
for the Year ended 31 December 1991**

**1. Accounting Policies**

**(a) Group Accounts**

**(i) Subsidiaries**

The Group Accounts comprise a consolidation of the accounts of the Company and its subsidiaries, all of which are made up to 31st December, 1991.

**(ii) Associated Companies**

The Associated Companies' results have not been consolidated as the Directors are of the opinion that it would involve delay out of proportion to the value to the members of the Company. The disclosure requirements under Kenya Accounting Standard 12, where the accounts of Associated Companies are not consolidated, are

shown under Note 8.

The disclosure requirements under the Companies Act are shown under Note 2.

**(b) Income**

**(i) Advances:**

Interest on advances is on accruals basis.

**(ii) Finance and Leasing**

Earnings:

Credit is taken in each accounting year for finance charges received and receivable after eliminating from the balance at the conclusion of each such year, the unearned finance charges calculated on a basis such as to allocate charges earned to the appropriate accounting period.

depreciation.

Leasehold land and buildings are stated at professional valuation carried out at 31st December, 1991.

The basis of valuation is open market value.

Depreciation is provided on straight line basis by reference to the expected useful lives of the assets concerned. The rates used are as follows:

	Rates %
Furniture, fittings and equipment	10 - 25
Lifts	10
Motor vehicles	25

No depreciation is provided on leasehold land and buildings. The effect of the deviation from Kenya Accounting Standard Five is not material.

**(c) Fixed Assets and Depreciation**

Fixed assets are stated at cost or valuation less

***Notes to the Accounts for the Year  
ended 31 December 1991 (continued)***

(d) Investments	(e) Bad and Doubtful Debts	(g) Translation of Foreign Currencies
(i) The Company's quoted investments are shown in the Balance Sheet at their market value. The surplus or deficit arising with reference to the cost price has been dealt with through the Capital Reserves, in accordance with Kenya Accounting Standard 14. The market value of quoted investments is based on the closing middle price of the Stock Exchange quotation as at the date of the Balance Sheet.	Advances are stated after deduction of specific and general provisions. Specific provisions are made when, in the opinion of the Board, after evaluation of the individual advances, recovery is doubtful. General provisions are made for losses which although not specifically identified, are from past experience, known to be present in the aggregate advances portfolio.	Transactions during the year are converted into Kenya Shillings at rates ruling at the transaction dates. Assets and liabilities at the balance sheet date which are expressed in foreign currencies are translated into Kenya Shillings at rates ruling at that date. The resulting differences from conversion and translation are dealt with in the profit and loss account in the year in which they arise.
(ii) The Company's unquoted investments are stated at cost.	<b>(f) Deferred Taxation</b>	
	Provision for deferred tax is made only when the Directors consider that a tax benefit or charge is likely to crystallise in the foreseeable future.	

**Notes to the Accounts for the Year  
ended 31 December 1991 (continued)**

**2. Profit before Taxation**

	1991 Shs.'000	1990 Shs.'000
Group profit before taxation is stated after charging:		
Depreciation	3,175	2,702
Directors' emoluments:		
Fees	132	138
Other	1,415	1,233
Auditors' Remuneration:		
Current year	673	580
Underprovision in previous year	98	-
and after crediting		
Income from quoted investments	244	151
Income from other unquoted investments	1,138	1,174

**3. Taxation**

Taxation is provided on the basis of the group  
profit for the year as adjusted in accordance  
with the tax legislation

<u>61,563</u>	<u>58,539</u>
---------------	---------------

**4. Proposed Final Dividend**

The Directors have proposed a final dividend of 20%  
on the issued and paid-up share capital of Shs.113,066,667.

**5. Earnings per Share**

The calculation of basic earnings per share is based on the  
earnings of Shs. 86,581,000 (1990- Shs.66,258,000) and on  
28,266,667 (1990 - 14,133,333) shares in issue.

**Notes to the Accounts for the Year  
ended 31 December 1991 (continued)**

**6. Fixed Assets**

	Long and short term Leasehold Land and Buildings Shs.'000	Motor Vehicles Shs.'000	Furniture and Equipment Shs.'000	Total Shs.'000
<b>The Company</b>				
Cost or Valuation				
At 1st January, 1991	142,200	4,427	15,144	161,771
Additions	3,607	1,649	4,321	9,577
Disposals	-	-	(135)	(135)
At 31st December, 1991	<u>145,807</u>	<u>6,076</u>	<u>19,330</u>	<u>171,213</u>
Depreciation				
At 1st January, 1991	-	3,011	8,560	11,571
Prior year adjustment	-	-	116	116
Charge for the year	-	998	1,450	2,448
On disposals	-	-	(96)	(96)
At 31st December, 1991	<u>-</u>	<u>4,009</u>	<u>10,030</u>	<u>14,039</u>
Net Book Value				
At 31st December, 1991	<u>145,807</u>	<u>2,067</u>	<u>9,300</u>	<u>157,174</u>
At 31st December, 1990	<u>142,200</u>	<u>1,416</u>	<u>6,584</u>	<u>150,200</u>
<b>The Group</b>				
Cost or Valuation				
At 1st January, 1991	215,891	5,063	19,142	240,096
Additions	3,607	2,188	5,310	11,105
Disposals	(851)	(15)	(1,608)	(2,474)
At 31st December, 1991	<u>218,647</u>	<u>7,236</u>	<u>22,844</u>	<u>248,727</u>
Depreciation				
At 1st January, 1991	-	3,269	11,266	14,535
Prior year adjustment	-	-	116	116
Charge for the year	-	1,291	1,884	3,175
On disposals	-	(14)	(1,055)	(1,069)
At 31st December, 1991	<u>-</u>	<u>4,546</u>	<u>12,211</u>	<u>16,757</u>
Net Book Value				
At 31st December, 1991	<u>218,647</u>	<u>2,690</u>	<u>10,633</u>	<u>231,970</u>
At 31st December, 1990	<u>215,891</u>	<u>1,794</u>	<u>7,876</u>	<u>225,561</u>

The figures shown in respect of land and buildings are based on professional valuation carried out by Mr. C. P. Robertson-Dunn TD, BSC (Lond), FRICS, MISK, Chartered Surveyor and Registered Valuer, on the basis of current open market value at 31st December, 1991.

**Notes to the Accounts for the Year  
ended 31 December 1991 (continued)**

	THE COMPANY		THE GROUP	
	1991	1990	1991	1990
	Shs.'000	Shs.'000	Shs.'000	Shs.'000
7. Other Investments				
Quoted shares and stocks at market value	12,387	12,264	14,069	13,890
Unquoted shares at cost	19,527	7,561	19,527	7,561
	<u>31,914</u>	<u>19,825</u>	<u>33,596</u>	<u>21,451</u>

In the opinion of the Directors the investments in unquoted shares are long term and are worth, at least, the net value reflected.

**8. Subsidiary and Associated Companies**

(a) Subsidiary Companies:				
Shares at cost	9,198	9,198	-	-
Amount due by subsidiaries	1,470	1,025	-	-
	<u>10,668</u>	<u>10,223</u>	<u>-</u>	<u>-</u>
(b) Associated Companies:				
Shares at cost	113,186	17,724	113,186	17,724
Amount due by Associated Companies	1,016	284	1,016	284
	<u>114,202</u>	<u>18,008</u>	<u>114,202</u>	<u>18,008</u>
	<u>124,870</u>	<u>28,231</u>	<u>114,202</u>	<u>18,008</u>

- (c) The following information is given in respect of Associated Companies (% holdings are shown on Page 23), whose results have not been consolidated.

	1991 Shs.'000			1990 Shs.'000		
	Cost of Shares Held	Net Assets	After Tax Profit	Cost of Shares Held	Net Assets	After Tax Profit
Combined						
Warehouses Ltd	1,062	13,565	832	1,062	12,873	2,226
Drumcon (1973) Ltd	80	939	64	80	987	63
Industrial Promotion						
Building Limited	111,204	283,010	2,464	15,554	98,905	1,253
Agricraft Kenya Ltd	840	758	(12)	840	874	(15)
Loans to Associated Companies	-	-	-	-	88,089	-

The results of the Associated Companies are for the year ended 31st December, 1991, except for Agricraft Kenya Limited, whose results are for the year ended 30th June, 1991. Audited accounts have been used for Agricraft Kenya Limited while Management accounts have been used for the Subsidiaries and other Associated Companies.

**Notes to the Accounts for the Year  
ended 31 December 1991 (continued)**

**9. Related Party Transactions**

The information on related party transactions is as follows:-

Name	Relationship	Transaction	1991	1990
			Shs.'000	Shs.'000
			Loan Balance	
Freight Forwarders Kenya Limited	Investment	Secured Loan	28,057	5,464
Leather Industries of Kenya Limited	Investment	Secured Loan	18,666	19,275
Tourism Promotion Services (Kenya) Ltd	Investment	Secured Loan	24,765	14,802
Premier Food Industries Limited	Board Representation	Secured Loan	9,891	11,825

**10. Share Capital**

	1991	1990
	Shs.'000	Shs.'000
Authorised:		
50 million (1990 - 25 million) ordinary shares of Shs.4 each	<u>200,000</u>	<u>100,000</u>
Issued and fully paid:		
At 1st January, 1991 - 14,133,333 ordinary shares of Shs. 4 each	56,533	56,533
Bonus Issue 14,133,334 ordinary shares of Shs. 4 each	<u>56,534</u>	-
At 31st December, 1991 - 28,266,667 (1990 -14,133,333) Ordinary shares of Shs. 4 each	<u>113,067</u>	<u>56,533</u>

**Notes to the Accounts for the Year  
ended 31 December 1991 (continued)**

**11. Capital Reserves**

	THE COMPANY		THE GROUP	
	1991	1990	1991	1990
	Shs.'000	Shs.'000	Shs.'000	Shs.'000
At 1st January, 1991	98,889	22,507	133,466	32,576
Adjustment on market value of quoted investments	-	-	46	(15)
Surplus on revaluation of assets	-	76,382	-	123,234
	98,889	98,889	133,512	155,795
Adjustment to Minority Interest	-	-	-	(22,329)
At 31st December, 1991	<u>98,889</u>	<u>98,889</u>	<u>133,512</u>	<u>133,466</u>

**12. Revenue Reserves**

At 1st January, 1991	163,617	120,265	174,370	127,899
Prior year adjustment	-	-	143	-
	163,617	120,265	174,227	127,899
Retained profit	45,406	43,352	51,248	46,471
	209,023	163,617	225,475	174,370
Bonus Issue	56,534	-	56,534	-
At 31st December, 1991	<u>152,489</u>	<u>163,617</u>	<u>168,941</u>	<u>174,370</u>

**13. Incorporation**

The Company is incorporated in Kenya under the Companies Act.

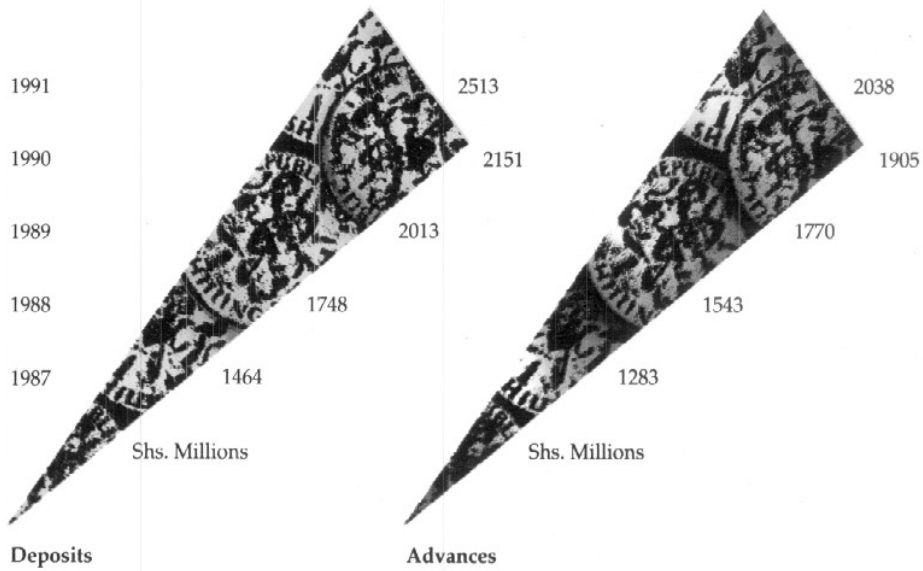
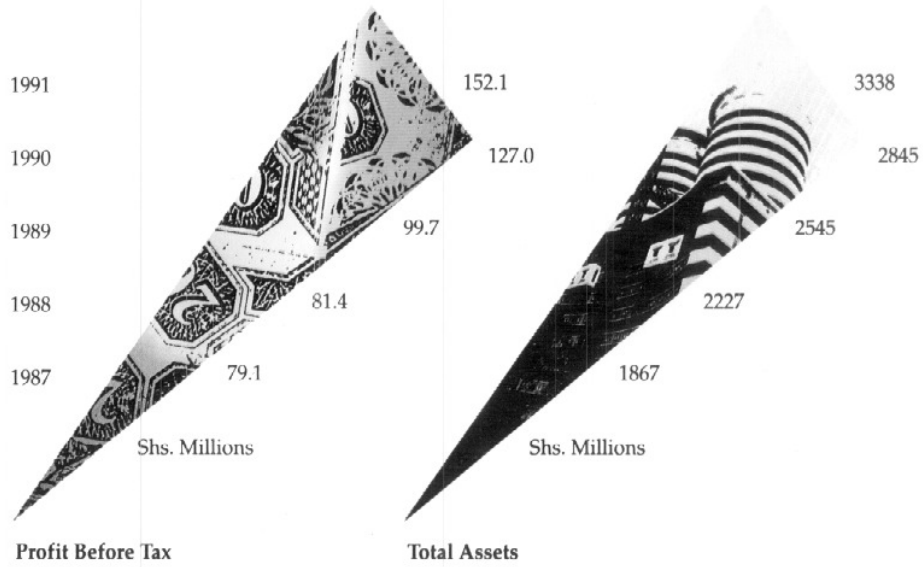
**14. Currency**

These accounts are presented in Kenya Shillings.

**15. Comparatives**

Certain figures for the previous year have been reclassified for comparative purposes.

## Financial Highlights





***Subsidiary and Associated companies***  
***31 December 1991***

	Holding %
<b>Subsidiary Companies</b>	
The Diamond Trust Properties (Kenya) Ltd	53.34
Premier Savings and Finance Ltd	66.8
<b>Associated Companies</b>	
Agricraft Kenya Ltd	20.0
Combined Warehouses Ltd	44.1
Drumcon (1973) Ltd	40.0
Industrial Promotion Building Ltd	44.6
Services and Systems Ltd.	40.0





***Proxy form***

I/we \_\_\_\_\_

of \_\_\_\_\_

being a member/members of Diamond Trust of Kenya Limited, hereby appoint

\_\_\_\_\_

of \_\_\_\_\_

and failing him, \_\_\_\_\_

of \_\_\_\_\_

and failing him, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on the twenty-fourth day of April, 1992, at 11.00 am and at any adjournment thereon.

As witness my/our hand this \_\_\_\_\_ day of \_\_\_\_\_ 1992

Signature \_\_\_\_\_

**Important notes**

- |   |  |  |
|---|--|--|
| 1. If you are unable to attend this meeting personally, this Proxy Form should be completed and returned to the Company Secretary, P.O. Box 49988, Nairobi, to reach him not later than 48 hours before the | time appointed for holding the meeting.                                      | 3. If the appointer is a Corporation, this Proxy Form must be under Seal or under the hand of an Officer or Attorney duly authorised in writing. |
|   | 2. A person appointed to act as a proxy need not be a member of the company. |  |

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Affix

Stamp

THE COMPANY SECRETARY  
DIAMOND TRUST OF KENYA LTD.  
P.O. BOX 49988,  
NAIROBI,  
KENYA.

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