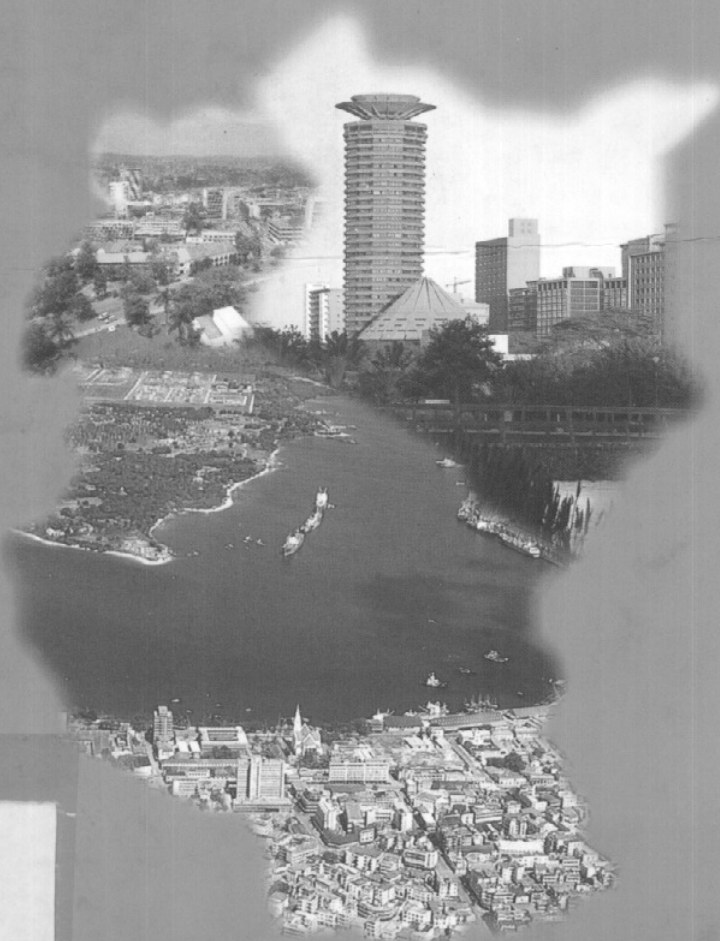




DIAMOND
TRUST

ANNUAL REPORT & ACCOUNTS 1995

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SUBSIDIARY AND ASSOCIATED COMPANIES
31ST DECEMBER, 1995

<i>SUBSIDIARY COMPANY</i>	Holding
	<i>%</i>

Premier Savings and Finance Limited	100.00
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ASSOCIATED COMPANIES

Agricraft Kenya Limited	20.00
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ComTech Systems Limited	29.17
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Diamond Trust Bank Uganda Limited	40.00
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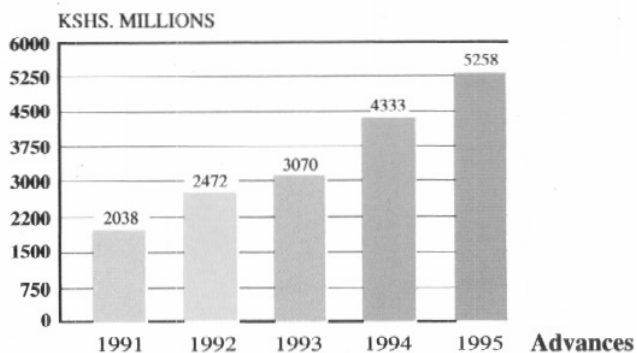
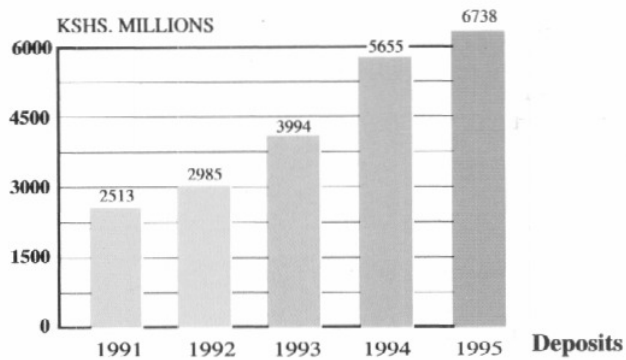
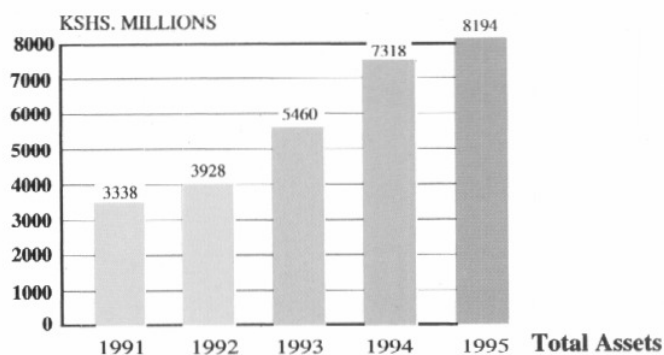
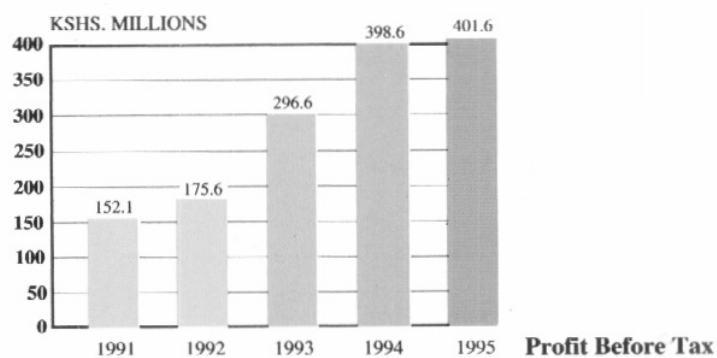
Diamond Trust of Tanzania Limited	33.40
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Drumcon (1973) Limited	40.00
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Industrial Promotion Building Limited	46.01
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Services and Systems Limited	40.00
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FINANCIAL HIGHLIGHTS



**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER, 1995
(CONTINUED)**

12. REVENUE RESERVES

	THE COMPANY		THE GROUP	
	1995	1994	1995	1994
	Shs.'000	Shs.'000	Shs.'000	Shs.'000
At 1st January, 1995	284,373	254,913	373,401	300,781
Prior year adjustment	-	-	(2,288)	118
Adjustment on merger of subsidiary	-	-	-	(5,174)
	284,373	254,913	371,113	295,725
Retained profit for the year	118,443	114,260	144,306	162,476
	402,816	369,173	515,419	458,201
Less capitalization of reserves	(63,600)	(84,800)	(63,600)	(84,800)
At 31st December, 1995	339,216	284,373	451,819	373,401

13. CASH AND CASH EQUIVALENTS

Cash and Cash equivalents included in the Consolidated Cash Flow Statement comprise the following Balance Sheet amounts:

	1995	1994
	Shs.'000	Shs.'000
Cash and bank balances	99,203	123,263
Balance with Central Bank of Kenya	1,193,113	-
Money at call and short notice	486,000	311,000
Treasury bills	470,000	1,690,800
	2,248,316	2,125,063

14. INCORPORATION

The Company is incorporated in Kenya under the Companies Act.

15. CURRENCY

These accounts are presented in Kenya Shillings (Shs).

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER, 1995
(CONTINUED)**

9. RELATED PARTY TRANSACTIONS

Included under advances are secured loans amounting to Shs. 141,085,000 (1994 - Shs. 204,227,000) extended to certain parties which are related to the company by virtue of an investment interest or board representation by the former. The transactions entered into by the company with these related parties are at arms' length and in the normal course of business.

10. SHARE CAPITAL

	1995 Shs.'000	1994 Shs.'000
Authorised:		
125 million ordinary shares of Shs.4 each	500,000	500,000
Issued and fully paid:		
At 1st January, 1995 - 63,600,000 (1994 - 42,400,000) ordinary shares of Shs. 4 each	254,400	169,600
Bonus Issue 15,900,000 (1994 - 21,200,000) ordinary shares of Shs. 4 each	63,600	84,800
At 31st December, 1995 - 79,500,000 (1994 - 63,600,000) ordinary shares of Shs. 4 each	318,000	254,400

11. CAPITAL RESERVES

	THE COMPANY		THE GROUP	
	1995 Shs.'000	1994 Shs.'000	1995 Shs.'000	1994 Shs.'000
At 1st January, 1995	236,464	206,085	244,593	268,406
Adjustment on merger of subsidiary	-	-	-	(57,797)
Adjustment on market value of quoted shares	(18,006)	30,379	(20,596)	33,984
At 31st December, 1995	218,458	236,464	223,997	244,593

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER, 1995
(CONTINUED)**

8. SUBSIDIARY AND ASSOCIATED COMPANIES

	THE COMPANY		THE GROUP	
	1995	1994	1995	1994
	Shs.'000	Shs.'000	Shs.'000	Shs.'000
(a) Subsidiary Companies				
Shares at cost	29,137	29,137	-	-
Amount due by subsidiaries	-	-	-	-
	<u>29,137</u>	<u>29,137</u>	<u>-</u>	<u>-</u>
(b) Associated Companies				
Shares at cost	170,611	167,778	170,611	167,778
Amount due by Associated Companies	252	252	252	252
	<u>170,863</u>	<u>168,030</u>	<u>170,863</u>	<u>168,030</u>
	<u>200,000</u>	<u>197,167</u>	<u>170,863</u>	<u>168,030</u>

(c) The following information is given in respect of Associated Companies (% holdings are shown on Page 20), whose results have not been consolidated.

	1995			1994		
	Shs.'000			Shs.'000		
	Group Share			Group Share		
	Cost of Shares Held	Net Assets	After Tax Profit/(Loss)	Cost of Shares Held	Net Assets	After Tax Profit/(Loss)
Agricraft Kenya Limited	840	643	(16)	840	659	16
ComTech Systems Limited	3,500	3,458	(32)	1,167	1,167	0
Diamond Trust Bank Uganda Limited	25,000	32,879	8,635	25,000	20,810	8,335
Diamond Trust of Tanzania Limited	25,000	45,601	11,306	25,000	25,217	6,291
Drumcon (1973) Limited	80	829	67	80	869	52
Industrial Promotion Building Limited	116,191	485,592	13,030	116,191	390,561	5,462

The results of the Associated Companies are for the year ended 31st December, 1995, except for Agricraft Kenya Limited, whose results are for the year ended 30th June, 1995, and ComTech Systems Limited which commenced operations in July 1994 and whose results are for the first trading period of 18 months to 31st December, 1995. Audited accounts have been used for Agricraft Kenya Limited while Management accounts have been used for the Subsidiary and other Associated Companies.

	1995	1994
	Shs.'000	Shs.'000
(d) Loans to Associated Companies	<u>2,257</u>	<u>3,106</u>

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER, 1995
(CONTINUED)

7. FIXED ASSETS	Long and short term Leasehold Land and Buildings Shs.'000	Motor Vehicles Shs.'000	Furniture and Equipment Shs.'000	Total Shs.'000
THE COMPANY				
COST OR VALUATION				
At 1st January, 1995	295,465	10,232	80,130	385,827
Prior year adjustment	-	-	9	9
Additions	916	-	16,327	17,243
Disposals	-	(350)	(190)	(540)
At 31st December, 1995	296,381	9,882	96,276	402,539
DEPRECIATION				
At 1st January, 1995	-	6,655	24,179	30,834
Prior year adjustment	-	-	9	9
Charge for the year	-	1,480	8,805	10,285
On disposals	-	(350)	(182)	(532)
At 31st December, 1995	-	7,785	32,811	40,596
NET BOOK VALUE				
At 31st December, 1995	296,381	2,097	63,465	361,943
At 31st December, 1994	295,465	3,577	55,951	354,993
THE GROUP				
COST OR VALUATION				
At 1st January, 1995	295,465	10,772	83,954	390,191
Prior year adjustment	-	-	7	7
Additions	9,849	-	22,066	31,915
Disposals	-	(350)	(190)	(540)
At 31st December, 1995	305,314	10,422	105,837	421,573
DEPRECIATION				
At 1st January, 1995	-	7,194	25,708	32,902
Prior year adjustment	-	-	7	7
Charge for the year	-	1,480	10,315	11,795
On disposals	-	(350)	(182)	(532)
At 31st December, 1995	-	8,324	35,848	44,172
NET BOOK VALUE				
At 31st December, 1995	305,314	2,098	69,989	377,401
At 31st December, 1994	295,465	3,578	58,246	357,289

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, 1995.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER, 1995
(CONTINUED)**

2. GROUP PROFIT BEFORE TAXATION

	1995	1994
	Shs.'000	Shs.'000
Group profit before taxation is stated after charging:		
Depreciation	11,795	9,594
Directors' emoluments:		
Fees	108	108
Other	6,614	13,320
Auditors' Remuneration:		
Current year	1,660	1,281
Underprovision in previous year	441	195
and after crediting:		
Income from quoted investments	1,303	1,483
Income from unquoted investments	5,804	3,104

3. TAXATION

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

142,819	147,048
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4. PROPOSED FINAL DIVIDEND

The Directors have proposed a final dividend of 20% on the issued and paid-up share capital of Shs. 318,000,000.

5. EARNINGS PER SHARE

The calculation of earnings per share is based on the profit attributable to shareholders, Shs. 258,786,000 (1994 - Shs. 251,516,000) and on 79,500,000 shares in issue at the balance sheet date.

6. INVESTMENTS

	THE COMPANY		THE GROUP	
	1995	1994	1995	1994
	Shs. '000	Shs. '000	Shs. '000	Shs. '000
Quoted shares and stocks at market value	33,507	51,513	38,082	58,679
Unquoted shares at cost	39,420	39,920	39,420	39,920
	72,927	91,433	77,502	98,599

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 1995

I. ACCOUNTING POLICIES

(a) BASIS OF ACCOUNTING

The accounts of the Company and the Group are prepared on the historical cost basis of accounting, modified to include the revaluation of certain assets.

(b) GROUP ACCOUNTS

(i) Subsidiary

The Group Accounts comprise a consolidation of the accounts of the Company and its subsidiary, all of which are made up to 31st December, 1995.

(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 Kenyan 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.

(c) 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.

(d) FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at cost or valuation less depreciation.

Leasehold land and buildings are stated at professional valuation carried out at 31st December, 1995. 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 and equipment	10 - 25
Motor vehicles	25

No depreciation is provided on leasehold land and buildings in view of regular maintenance and confirmation of values by professional valuers.

(e) INVESTMENTS

- (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 Kenyan 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.

- (ii) The Company's unquoted investments are stated at cost.

(f) BAD AND DOUBTFUL DEBTS

Advances are stated after deduction of specific provisions. These provisions are made when, in the opinion of the Board, after evaluation of the individual advances, recovery is doubtful.

(g) DEFERRED TAXATION

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.

(h) TRANSLATION OF FOREIGN CURRENCIES

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.

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 1995**

	Notes	1995 Shs.'000	1994 Shs.'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Group profit before taxation		401,605	398,564
Adjustment for items not involving movement of funds:			
Depreciation		11,795	9,594
Profit on sale of investments		-	(7,576)
Profit on sale of fixed assets		(9)	(911)
Foreign exchange (gain) loss		(183)	314
Investment Income		(7,107)	(4,587)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		406,101	395,398
Increase in Advances		(925,262)	(1,262,955)
Increase in Deposits		1,083,357	1,660,784
Decrease in Treasury Bonds		-	140,000
Decrease (Increase) in Debtors		4,829	(7,392)
(Decrease) Increase in Current Liabilities		(154,551)	1,229
Cash generated from operations		414,474	927,064
Income Tax paid		(183,738)	(160,466)
NET CASH FROM OPERATING ACTIVITIES		230,736	766,598
RETURN ON INVESTMENTS AND SERVICING OF FINANCE			
Dividend received		7,107	4,587
Dividend paid		(80,542)	(68,259)
NET CASH FROM INVESTMENTS AND SERVICING OF FINANCE		(73,435)	(63,672)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds on sale of assets		17	1,695
Proceeds on sale of investments		-	14,364
Purchase of fixed assets		(31,915)	(25,654)
Purchase of investments		-	(60,005)
(Decrease) Increase in inter-company receivables		(2,333)	3,138
NET CASH FROM INVESTING ACTIVITIES		(34,231)	(66,462)
NET INCREASE IN CASH AND CASH EQUIVALENTS		123,070	636,464
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	13	2,125,063	1,488,913
EFFECT OF EXCHANGE RATE CHANGES		183	(314)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	13	2,248,316	2,125,063

BALANCE SHEET OF THE COMPANY
31ST DECEMBER, 1995

	Notes	1995 Shs.'000	1994 Shs.'000
ASSETS			
Cash and bank balances		72,704	106,861
Balance with Central Bank of Kenya		1,043,113	0
Money at call and short notice		346,000	223,000
Treasury bills		370,000	1,405,000
Debtors		38,376	43,303
Investments	6	72,927	91,433
Fixed assets	7	361,943	354,993
Subsidiaries and associated companies	8	200,00	197,167
Advances		4,707,292	3,877,767
Customers' liabilities for acceptances		20,900	190,275
		<u>7,233,255</u>	<u>6,489,799</u>
LIABILITIES			
Creditors		317,352	423,906
Taxation		12,297	28,850
Dividend - proposed final		63,600	63,600
Deposits		5,927,112	4,991,611
Liabilities for acceptances		20,900	190,275
		<u>6,341,261</u>	<u>5,698,242</u>
SHAREHOLDERS' FUNDS			
Share capital	10	318,000	254,400
Share premium		16,320	16,320
Capital reserve	11	218,458	236,464
Revenue reserve	12	339,216	284,373
		<u>891,994</u>	<u>791,557</u>
		<u>7,233,255</u>	<u>6,489,799</u>

The accounts on pages 9 to 18 were approved by the Board of Directors on March 27, 1996, and were signed on its behalf by:

Z.K. AHAMED - DIRECTOR

N.G. AJANIA - DIRECTOR

C.H. MALAVU - DIRECTOR

M.P. MANJI - MANAGING DIRECTOR

Report of the Auditors - Page 8

The notes on pages 13 to 18 form part of these accounts.

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BALANCE SHEET OF THE GROUP
31ST DECEMBER, 1995

	Notes	1995 Shs.'000	1994 Shs.'000
ASSETS			
Cash and bank balances		99,203	123,263
Balance with Central Bank of Kenya		1,193,113	0
Money at call and short notice		486,000	311,000
Treasury bills		470,000	1,690,800
Debtors		40,564	45,393
Investments	6	77,502	98,599
Fixed assets	7	377,401	357,289
Associated companies	8	170,863	168,030
Advances		5,258,035	4,332,773
Customers' liabilities for acceptances		21,200	191,125
		<u>8,193,881</u>	<u>7,318,272</u>
LIABILITIES			
Creditors		357,168	477,281
Taxation		3,845	42,977
Dividend - proposed final		63,600	63,600
Deposits		6,737,932	5,654,575
Liabilities for acceptances		21,200	191,125
		<u>7,183,745</u>	<u>6,429,558</u>
SHAREHOLDERS' FUNDS			
Share capital	10	318,000	254,400
Share premium		16,320	16,320
Capital reserve	11	223,997	244,593
Revenue reserve	12	451,819	373,401
		<u>1,010,136</u>	<u>888,714</u>
		<u>8,193,881</u>	<u>7,318,272</u>

The accounts on pages 9 to 18 were approved by the Board of Directors on March 27, 1996, and were signed on its behalf by:

Z.K. AHAMED - DIRECTOR

N.G. AJANIA - DIRECTOR

C.H. MALAVU - DIRECTOR

M.P. MANJI - MANAGING DIRECTOR

Report of the Auditors - Page 8

The notes on pages 13 to 18 form part of these accounts.

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 1995**

	NOTES	1995 Shs.'000	1994 Shs.'000
Group profit before taxation	2	401,605	398,564
Taxation	3	(142,819)	(147,048)
Group profit after taxation attributable to shareholders		<u>258,786</u>	<u>251,516</u>
Dividends:			
Interim paid - 20% (1994 15%)		50,880	25,440
Proposed final - 20% (1994 25%)	4	63,600	63,600
		<u>114,480</u>	<u>89,040</u>
Retained profit for the year		<u>144,306</u>	<u>162,476</u>
Earnings per share	5	<u>Shs. 3.26</u>	<u>Shs. 3.16</u>

Report of the Auditors - Page 8

The notes on pages 13 to 18 form part of these accounts.

REPORT OF THE AUDITORS TO THE MEMBERS OF DIAMOND TRUST BANK KENYA LIMITED

*W*e have audited the accounts set out on pages 9 to 18 and have obtained all the information and explanations necessary for our audit.

The financial statements are the responsibility of the directors. Our responsibility is to express an opinion on the financial statements based on our audit.

We have conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the directors, and evaluating the overall financial statement presentation.

In our opinion proper books of account have been kept by the bank and the financial statements, which are in agreement therewith, comply with the Companies Act and give a true and fair view of the state of affairs of the bank and the group at 31st December, 1995, and of the profit and cash flows of the group for the year ended on that date.

Kassim-Lakha Abdulla & Co.
Certified Public Accountants
March 29, 1996
Nairobi

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER, 1995

*T*he Directors have pleasure in presenting their Report and Audited Accounts for the year ended December 31, 1995.

RESULTS	1995	1994
	Shs.'000	Shs.'000
Group profit before taxation for the year	401,605	398,564
Taxation	142,819	147,048
Group profit after taxation	258,786	251,516

DIVIDENDS

An interim dividend of 20% on the then Issued and Paid-up Share Capital of Shs. 254.4 million (1994 15% on Shs.169,600,000) was paid on August 31, 1995. It is proposed that a final dividend of 20% on the Issued and Paid-up Share Capital of Shs. 318 million be paid on or about June 21, 1996.

DIRECTORS

From the present members of the Board of Directors as listed, Messrs Nurdin Gulamhussein Ajania and William Brian Robinson retire by

rotation under Articles No. 93 and 94 of the Company's Articles of Association and, being eligible, offer themselves for re-election. Mr. Mahmood Pyarali Manji retires under Article No. 98 as this is the first Annual General Meeting since his appointment and, being eligible, offers himself for re-election.

In terms of Articles No. 93 and 94 of the Company's Articles of Association Mr. Christopher Henry Malavu (a Director who is over the age of 70 years) is due for retirement by rotation and a Special Notice having been received pursuant to section 142 of the Companies Act (Cap 486) it is proposed that he be re-elected as a Director under Section 186(5) of the said Act.

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
Julius N. Kuria (Mr)
Company Secretary
March 27, 1996
Nairobi

were implemented effective July 1, 1995. Group profitability, despite the narrowed margins, increased marginally from Shs. 398.6 million in 1994 to Shs. 401.6 million in 1995.

Based on the financial results achieved during the year your Company paid an interim dividend of 20 per cent on the Paid - up Share Capital of Shs. 254.4 million on August 31, 1995. Your Board is now recommending a final dividend of 20 per cent on the increased Paid - up Share Capital of Shs. 318 million to be paid on or about June 21, 1996, making a total payment of Shs. 114.48 million (1994: Shs. 89.04 million).

As part of the conversion, your Company has invested in additional technical expertise, trained and experienced manpower and information technology systems to maintain its competitive edge. Computerisation of Diamond Trust Bank Uganda Limited and Diamond Trust of Tanzania Limited will be undertaken as soon as the on-going computerisation of your Company is completed.

In 1996, the key factors enumerated above will continue to remain in the forefront of economic management. In this context we welcome the publication of the Policy Framework Paper (PFP) - Economic Reforms for 1996-1998 - prepared by the Government in collaboration with the International Monetary Fund and the World Bank. The PFP outlines the development strategy and key economic reforms that the Government plans to implement in the next three years to achieve reduction in poverty and unemployment. His Excellency the President has set up a Presidential Economic Commission. His Excellency will be the Chairman and several prominent personalities from private & public sectors will be members. You will be happy to know that your Managing Director, Mr. M.P. Manji has been appointed a member of this important economic body.

The PFP has detailed a range of strategies, measures and programmes covering, among others, financial sector, privatisation, domestic market liberalisation, acceleration of agricultural growth, infrastructure upgrading and encouragement of private sector in new areas such as energy production. These initiatives are designed to improve the environment for the private sector development and hence should enable your Company to respond to the resultant business opportunities.

Your Board and Management have always pursued a policy of controlled growth with prudence, ensuring that we play our role in the development process. Your Board will continue this policy as we expand into commercial banking this year.

Following the retirement of Mr. N. S. Meruani on September 21, 1995, your Board appointed Mr. M.P. Manji as the Managing Director and Chief Executive of your Company with effect from February 1, 1996.

Once again I wish to express our gratitude to all depositors and borrowers who have continued loyally to support your Company.

I should also like to thank, on your behalf and on behalf of the Board, the Management and Staff without whose dedication, commitment and hard work the Company would not have achieved the level of growth realised over the years.

Finally, I am indebted to my colleagues on the Board for their continued guidance, support and advice which has made it possible for your Company to adhere to its long term objectives.

Zaher K. Ahamed
Chairman
March 1, 1996

CHAIRMAN'S STATEMENT

Your Company achieved a major milestone in 1995 by converting its legal status from a non-bank financial institution into a commercial bank. This year, the necessary organisational changes and operational procedures are being put in place to ensure smooth and orderly transition into an extensive range of commercial banking activities. These additional financial services and facilities will augment, intensify and develop the existing successful business operations built over the past fifty years.

In my last year's statement I mentioned that a number of key factors would affect business in 1995. These were:

- Stabilisation of the banking sector resulting from the policy reforms,
- Positive impact of liberalisation,
- Maintaining single digit inflation, low interest rate and achieving target economic growth rate of 5%,
- Judicious and pragmatic management of the political process leading to peaceful elections in 1997,
- The negative impact of unrehabilitated infrastructure, unaddressed unemployment and other social issues.

During 1995 the economy revived as the shilling stabilised and inflation was brought to a reasonable level through the sound management of the liberalisation policies by the monetary authorities. The country's GDP growth was an estimated 5 per cent. The fiscal deficit reduced from over 11 per cent of GDP in 1992/93 to 2.6 per cent in 1994/95.

Banking business was competitive in the course of the year. Margins were narrow as direct and operating costs increased causing our cost of doing business to escalate. We, however, achieved growth in our overall operations. Advances went up from Shs. 4,333 million to Shs. 5,258 million, registering an increase of 21 per cent, while deposits increased from Shs. 5,655 million to Shs. 6,738 million, a growth of 19 per cent, and total assets stood at Shs. 8,194 million as compared to Shs. 7,318 million. We realised significantly reduced revenues on money market operations as the cash ratio reserve requirements



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Thirtieth Annual General Meeting of the Shareholders of Diamond Trust Bank Kenya Limited will be held at the Company's Registered Office, 8th Floor, Nation Centre, Kimathi Street, Nairobi, on Friday, May 31, 1996, at 11.00 a.m. to transact the following business:

1. To confirm the Minutes of the Twenty-ninth Annual General Meeting held on June 29, 1995.
2. To receive, consider and, if thought fit, adopt the Accounts for the year ended December 31, 1995, together with the Directors' and Auditors' Reports thereon.
3. To confirm payment of the interim dividend of 20% on the then Issued and Paid-up Share Capital of Shs. 254.4 million made on August 31, 1995, and approve payment of a final dividend of 20% on the Issued and Paid-up Share Capital of Shs. 318.0 million to Shareholders registered in our books as at May 31, 1996, on or about June 21, 1996, as recommended by the Board.
4. To elect Directors: In accordance with Articles No. 93 and 94 of the Company's Articles of Association, Messrs Nurdin Gulamhussein Ajanía and William Brian Robinson are due for retirement by rotation and, being eligible, offer themselves for re-election. Mr. Mahmood Pyarali Manji retires under Article No. 98 as this is the first Annual General Meeting since his appointment and, being eligible, offers himself for re-election.
5. To approve the Directors' remuneration.
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 1995 and to authorise the Directors to fix the Auditors' remuneration for the year 1996.
8. To transact any other Ordinary Business of an Annual General Meeting.

SPECIAL BUSINESS

9. Mr. Christopher Henry Malavu retires by rotation in accordance with articles no. 93 and no. 94 of Company's Articles of Association. Special Notice has been received by the Company pursuant to section 142 of the Companies Act (Cap 486) that the following resolution be proposed in accordance with Section 186(5) of the said Act for the consideration of the shareholders:

"THAT Mr. Christopher Henry Malavu (a Director retiring by rotation) who is over the age of 70 years, be and is hereby re-elected as a Director of the Company".

By Order of the Board
Julius N. Kuria (Mr)
Company Secretary
March 27, 1996
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 61711, Nairobi, not later than 48 hours before the time for holding the meeting, is enclosed.

COMPANY INFORMATION

Directors: Zaher K. Ahamed (Chairman)
 Amirali K. Somji
 Christopher H. Malavu
 Nurdin G. Ajania
 Nizar S. Meruani* (Managing Director) retired September 21, 1995
 William B. Robinson**
 David R. Hinde***
 Mahmood P. Manji (Managing Director) appointed February 1, 1996

*Pakistani **Australian ***British

Company Secretary: Ruth Mugela (Mrs) resigned May 28, 1995
 Julius N. Kuria acting May 28 - November 30, 1995
 appointed December 1, 1995

Nation Centre,
 Kimathi Street,
 P.O. Box 61711,
 Nairobi.

Registered Office: Nation Centre,
 Kimathi Street,
 P.O. Box 61711,
 Nairobi.

Auditors: Kassim-Lakha Abdulla & Co.,
 Certified Public Accountants.

Branches: Nation Centre,
 Kimathi Street,
 P.O. Box 61711,
 Nairobi.

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

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

Diamond Trust House,
 Oginga Odinga Road,
 P.O. Box 1081,
 Kisumu.

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

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1. Diamond trust bank -- periodicals
2. Bankz and banking -- Kenya -- periodicals

CONTENTS

Company Information	3
Notice of Annual General Meeting	4
Chairman's Statement	5
Report of the Directors	7
Report of the Auditors	8
Consolidated Profit and Loss Account	9
Balance Sheet of the Group	10
Balance Sheet of the Company	11
Consolidated Cash Flow Statement	12
Notes to the Accounts	13
Financial Highlights	19
Details of Subsidiary and Associated Companies	20

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DIAMOND TRUST BANK KENYA LIMITED

*D*iamond Trust has played a key role in nation building, providing

finance and assisting in developing investment

opportunities in various important sectors of the

country's economy. Diamond Trust has helped

the development of Kenya's Agricultural and Agro-based

Industries, Tourism Industry, Manufacturing Industry, Clearing,

Forwarding and Transport Industry, Building and Construction Industry

and also Trade and Commerce Sectors. We look to the future with

optimism and confidence to our continued role of making enhanced

contributio

