ICDC INVESTMENT COMPANY LIMITED

FUNGUA UCHUMI
ICDC

ANNUAL REPORT AND ACCOUNTS 1991/1992

ICDC INVESTMENT COMPANY LIMITED

ANNUAL REPORT AND ACCOUNTS
for the year ended 30 June, 1992
RIPOTI NA HESABU
za mwaka uliomalizikia 30 Juni, 1992

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ICDC INVESTMENT COMPANY LIMITED

Corporate Information
Maelezo juu ya Kampuni

Directors:	Mr. C.S. Mbindyo, E.B.S. (Chairman and Managing Director), representing Industrial and Commercial Development Corporation, Mrs. M. Mwangola, Hon. F.M. Thuo, M.P., Mr. J.P.N. Simba, The Permanent Secretary, Ministry of Commerce, Mr. S.O. Ayodo, E.G.H., Mrs. N.J. Ngigi.
Secretary and Registered Office:	Mr. F.G. Gaciri, Uchumi House, P.O. Box 45519, NAIROBI.
Bankers:	National Bank of Kenya Limited, National Bank Building, Harambee Avenue, P.O. Box 41862, NAIROBI. Kenya Commercial Bank Limited, Kencom House, Moi Avenue, P.O. Box 30081, NAIROBI.
Auditors:	Messrs Nyaga Associates & Company, Certified Public Accountants of Kenya, Development House, P.O. Box 41868, NAIROBI.
Stock Brokers:	Messrs Francis Thuo & Partners Limited, International House, P.O. Box 46524, NAIROBI.
Advocates:	Messrs Ndung'u Njoroge and Kwach, Bruce House, P.O. Box 41546, NAIROBI.

ICDC
INVESTMENT COMPANY
LIMITED

Board of Directors

Halmashauri ya Wakurugenzi

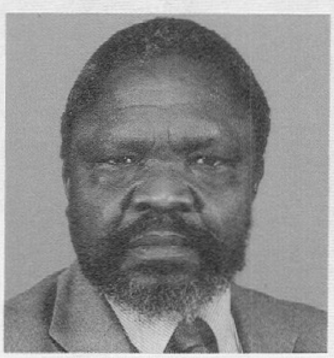
Mr. C.S. Mbindyo, E.B.S.
(Chairman and Managing Director)

Mrs. M. Mwangola

Hon. F.M. Thuo, M.P.

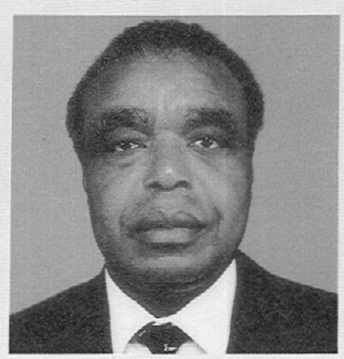
Mr. J.P.N. Simba

Mr. M.A.Obudo
(Alternate to the Permanent Secretary, Ministry of Commerce)



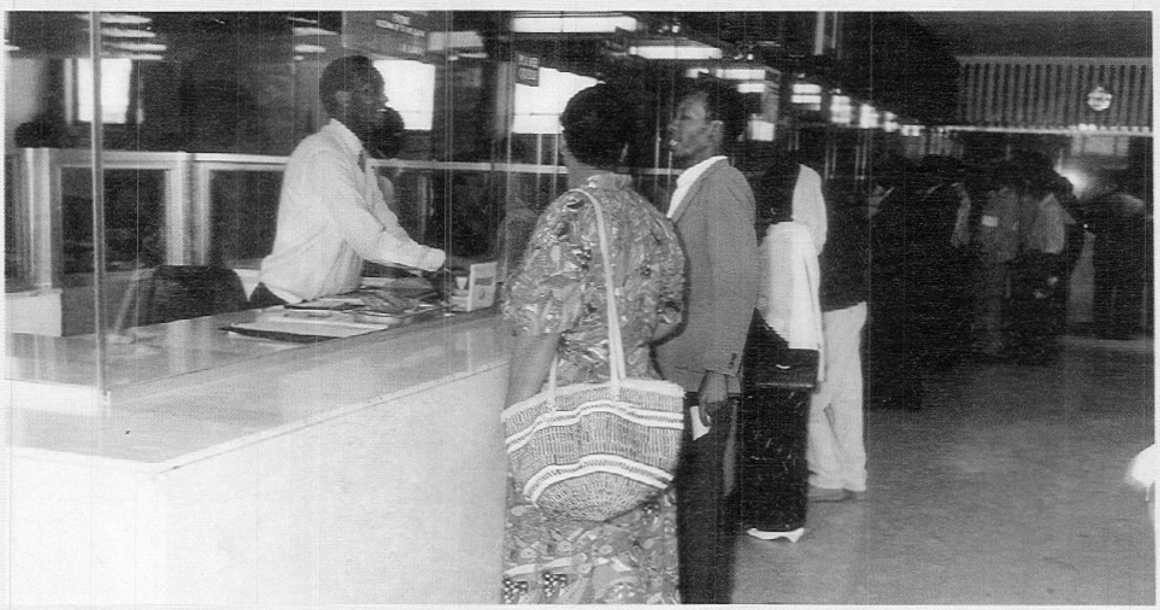
Mr. S.O. Ayodo, E.G.H.

Mrs. N.J. Ngigi



Mr. F.G. Gaciri
Company Secretary

Customers selecting some of the groceries sold at the Uchumi Supermarkets Limited, Aga Khan Walk, Nairobi.



Customers being attended to at the Banking hall of Barclays Bank of Kenya Limited, Moi Avenue Branch, Nairobi.

ICDC INVESTMENT COMPANY LIMITED

The back view of the Minet ICDC House, Nyerere Road, off Ngong Road, Nairobi.

ICDC
INVESTMENT COMPANY
LIMITED

Notice of Annual
General Meeting
To All Shareholders

NOTICE IS HEREBY GIVEN that the 25th Annual General Meeting of the Company will be held on Saturday 19th December, 1992 at the Amphitheatre of Kenyatta International Conference Centre, Nairobi at 11.00 a.m. for the purpose of transacting the following business:

Ordinary Business

1. The Secretary to read the notice convening the meeting

2. To confirm the minutes of the 24th Annual General Meeting held on Saturday 21st December, 1991.

3. To receive and to consider the Audited Accounts for the financial year ended 30th June, 1992 together with the Directors and Auditors reports thereon.

4. To confirm the payment of the Interim Dividend of Shilling 1.00 per share and declare a Final Dividend of Shilling 1.00 per share in respect of the year ended 30th June, 1992.

5. To approve the Directors' remuneration for the year ended 30th June, 1992.

6. To elect Directors in accordance with the Company's Articles of Association.

7. To authorise the Directors to fix the remuneration of the Auditors for the year ended 30th June, 1992.

8. To transact any other ordinary business.

9. **Special Business**
To consider and if thought fit pass the following ordinary RESOLUTION:
That pursuant to Article 127 of the Company's Articles of Association, the Directors

Ilani ya Mkutano
Wa Mwaka
Kwa Wenyehisa Wote

ILANI INATOLEWA KWAMBA, Mkutano Mkuu wa ishirini na tano wa Kampuni hii utafanywa Jumamosi tarehe 19 Desemba, 1992 katika ukumbi wa Jumba Kuu la Mikutano la Kenyatta, Nairobi saa tano kamili asubuhi kwa madhumuni ya kutekeleza shughuli zifuatazo:—

Shughuli za Kawaida

1. Kusoma ilani iliyoitisha mkutano.

2. Kuthibitisha kumbukumbu za mkutano wa mwaka wa ishirini na nne uliofanywa Jumamosi tarehe 21 Desemba, 1991.

3. Kupokea na kufikiria Hesabu zilizokaguliwa za mwaka uliomalizikia tarehe 30 Juni, 1992 na Ripoti za Wakurugenzi na Wakaguzi wa Hesabu.

4. Kuthibitisha malipo ya Mgao wa Muda wa Shs. 1.00 kwa kila hisa na kuamua malipo ya Mgao wa Mwisho wa Shs. 1.00 kwa kila hisa kwa mwaka uliomalizika tarehe 30 Juni, 1992.

5. Kutoa kibali kuhusu ujira wa Wakurugenzi wa mwaka uliomalizikia tarehe 30 Juni, 1992.

6. Kuwachagua Wakurugenzi kwa mujibu wa kanuni za Kampuni hii.

7. Kuidhinisha Wakurugenzi waweke kipimo kwa ada ya Wakaguzi wa Hesabu ya mwaka uliomalizikia tarehe 30 Juni, 1992.

8. Kujadili mambo mengine yoyote yanayohusu shughuli za Kampuni na yasiyohitaji ilani maalum.

9. **Biashara Maalum**
Kufikiria na ikiwazwa kuwa sawa, kupitisha AZIMIO lifuatalo:—
Kama kulingana na kifungu cha sheria za

ICDC
INVESTMENT COMPANY
LIMITED

Notice of Annual General Meeting To All Shareholders *(Continued)*

RESOLVED to recommend to the members that the sum of Kenya Shillings 3,750,000.00 being part of the amount standing to the credit of Profit and Loss Account of the Company be and is hereby capitalised and that the same be applied in making payment in full at par for 750,000 ordinary shares of Kenya Shillings 5.00 each in the capital of the Company such shares to be alloted and distributed as fully paid up among the members who are registered as holders of shares at the closing of the Register on 31st March, 1993 such that One fully paid new share is issued for every Twenty existing shares held by such members respectively and fractions thereof being disregarded and that the new shares shall rank pari passu with the existing shares with the exception only that they will not qualify for the payment of Final Dividend recommended by the Directors at their meeting of 18th September, 1992 and declared at this meeting and finally that the Directors be and are hereby authorised to deal with the fractions left thereof as they deem fit.

By Order of the Board

F.G. Gaciri
Company Secretary

NB: A member entitled to attend and vote at this meeting is entitled to appoint a proxy who need not be a member of the company.

Ilani ya Mkutano Wa Mwaka Kwa Wenyehisa Wote *(Inaendelea)*

kampuni hii nambari 127, Wakurugenzi WAMEAZIMIA kupendekeza kwa wanachama kwamba shilingi 3,750,000.00 zikiwa baadhi ya pesa zilizoko katika hesabu ya kampuni hii zitolewe na kufanya malipo kamili kwa hisa 750,000 za kawaida za shilingi 5.00 kwa kila moja katika rasilmali ya kampuni na hisa hizo kupewa na kugawanywa kama zikiwa zimelipiwa kamili, kwa wanahisa ambao watakuwa katika orodha ya wanahisa wakati kutakapofungwa tarehe 31 Machi, 1993 ambapo hisa Moja mpya ambayo imelipwa kamili itatolewa kwa kila hisa Ishirini zilizoko na wanahisa, na hisa hizo mpya zitalingana sawa sawa na hisa zilizoko bali hazitafaulu kwenye Mgao wa Mwisho uliopendekezwa na Wakurugenzi katika mkutano wao wa tarehe 18 Septemba, 1992 na mwishowe Wakurugenzi walipewa idhini ya kukata shauri juu ya sehemu za hisa zitakazosalia vile watakavyoona vema.

Kwa Amri ya Halmashauri ya Wakurugenzi.

F.G. Gaciri
Katibu

Kumbusho:
Mwanachama anayestahili kuhudhuria na kupiga kura kwenye mkutano huu ana haki kumteua mwakilishi kuhudhuria na kupiga kura kwa niaba yake. Mwakilishi huyo si lazima awe mwanachama wa kampuni hii.

ICDC INVESTMENT COMPANY LIMITED

Chairman's Statement for the year ended 30th June, 1992

Mr. C.S. Mbindyo, E.B.S.
(Chairman and Managing Director)

It is my great pleasure to make a statement on the operations of your company for the year under review.

Results

The company made a Gross Income of KShs. 48.5 million as compared to KShs. 45.6 million for the previous year, an increase of 6.3%. This increase is mainly attributed to increase in dividend income.

The Net Profit for the year, however, decreased by 5.8% from KShs. 33.15 million to KShs. 31.23 million largely due to some provisions for Bad and Doubtful Debts and Equity. The aforesaid provisions are in respect of one company, namely Tiger Shoe Company Limited and were considered necessary after the company was placed under receivership during the year.

Dividends

As shareholders are aware by now, your company maintains a stable dividend policy. In line with this policy, your Board of Directors earlier declared an Interim Dividend of KShs. 1.00 per share (20%) and is currently recommending a Final Dividend of KShs. 1.00 per share (20%) bringing the total dividend for the year to 40% which I consider to be one of the highest within the sector. Once again this places your company amid the blue chips investments on the Nairobi Stock Exchange.

Bonus Issue

I am glad to report that in view of the good results made during the year under review, your Board of Directors have proposed to recommend to the shareholders at the Annual General Meeting subject to the consent and approval of the relevant authorities a BONUS ISSUE OF ONE NEW ORDINARY

Taarifa ya Mwenyekiti ya mwaka uliomalizikia tarehe 30 Juni, 1992

Ni furaha yangu kuu kutoa taarifa juu ya utendaji kazi wa kampuni yenu mwaka huu.

Matokeo

Kampuni iliweza kupata Faida ya Jumla ya Shilingi milioni 48.5 ukilinganisha na Shilingi milioni 45.6 mwaka uliopita, ongezeko la asilimia 6.3. Ongezeko hili limesababishwa hasa na ongezeko la mapato ya migao.

Faida Halisi mwaka huu, ilipungua kwa asilimia 5.8 kutoka shilingi milion 33.15 hadi shilingi milioni 31.23, na hii ilisababishwa na masharti yaliowekwa kwenye madeni yasiyo hakiki.

Masharti hayo ya awali yanahusiana na kampuni moja, kwa jina la Tiger Shoe Company Limited na yalifikiriwa kuwa ni muhimu baada ya kampuni hiyo kufilisika mwaka huu.

Migao

Kama vile wanahisa wanavyofahamu kwamba kampuni yenu hudumisha kwa uthabiti msimamo wake wa migao. Kufuatana na msimamo huu, Wakurugenzi wenu walitangaza na kulipa Mgao wa Kwanza wa shilingi 1.00 kwa kila hisa (yaani asilimia 20) na hivi sasa wana azimia Mgao wa Mwisho wa shilingi 1.00 kwa kila hisa (yaani asilimia 20) na kufanya jumla ya mgao mwaka huu kuwa asilimia 40 ambao natumai kuwa ndio mkubwa zaidi katika sehemu hii. Kwa mara nyengine tena hii inaweka kampuni yenu baadhi ya wachumishaji mali bora katika Soko la Hisa la Nairobi.

Toleo la Bakshishi

Nina furaha kuwaarifu kwamba, kutokana na matokeo mazuri yaliyofanywa na kampuni yenu mwaka huu, Wakurugenzi wenu wameazimia kuwashauri wanahisa katika Mkutano wa Mwaka, ikiwa ruhusa itapatikana kutoka kwa wahusika;

ICDC INVESTMENT COMPANY LIMITED

Chairman's Statement *(Continued)*

SHARE FOR EVERY TWENTY ORDINARY SHARES held on the Members Register as at 31st March, 1993 in the Issued and paid up Share Capital of KShs. 75,000,000.00. Such new bonus shares shall not rank for the Final Dividend in respect of the year ended 30th June, 1992 but shall rank pari passu in all other respects, with existing Ordinary Shares of the company.

Investments

In their efforts of looking for good investment opportunities both through the Nairobi Stock Exchange and in the unquoted market, your Directors purchased additional equity investments amounting to KShs. 47 million as compared to KShs. 27 million last year, an increase of KShs. 20 million (74%). These investments were mainly effected in profitable dividend paying companies where the company has had some existing share-holding and hence a sure way of dividend income from them in the future.

It is the policy of the company to invest in profitable companies and to spread such investments as widely as possible in various sectors of the economy and true to form, the investments were spread in such sectors as the agricultural, commercial, financial and industrial sectors of the economy.

In line with this company policy, I am glad to report that during the year under review, your company acquired about 65% of the issued and paid up share capital of the Kenya National Properties Limited (KNP), a real property investment with a capability of moderate but consistent dividend yield.

Your Board of Directors will continue with their efforts in looking for good investment opportunities both through the Nairobi Stock Exchange and in the unquoted market.

Future Prospects

At a global level, the year under review has generally reflected a poor economic situation. In the local situation, the onset of a prolonged dry period and depressed commodity prices have led to very tight liquidity, reduced purchasing power and non-availability of foreign exchange. These conditions are likely to persist during a greater part of the 1992/

Taarifa ya Mwenyekiti *(Inaendelea)*

TOLEO LA BAKSHISHI LA HISA MOJA MPYA YA KAWAIDA KWA KILA HISA ISHIRINI ZA KAWAIDA zilizoko katika orodha ya wanachama na rasilmali iliyotolewa na kulipiwa ya shilingi 75,000,000.00, hisa hizo za bakshishi hazitahesabiwa kwenye Mgao wa Mwisho wa mwaka uliomalizikia tarehe 30 Juni, 1992 lakini baadaye zitakuwa sawa sawa, na hisa za kawaida zilizoko katika kampuni.

Uchumishaji wa Mali

Katika juhudi zao za kutafuta uchumishaji mali bora zaidi kupitia Soko la Hisa la Nairobi na katika makampuni maalum, Wakurugenzi wenu walinunua mali iliochumishwa adilifu kiasi cha shilingi milioni 47 ukilinganisha na shilingi milioni 27 mwaka jana, ongezeko la shilingi milioni 20(asilimia 74). Uchumishaji mali huu uliingizwa hasa katika makampuni yanayofanya faida na kulipa migao, ambapo kampuni yenu imekuwa na hisa hapo awali, na kwa hivyo hakikisho la mapato ya migao mbeleni.

Mwongozo wa kampuni hii ni uchumishaji mali katika kampuni zinazofanya faida na kutawanya uchumishaji mali hizo mahali pengi iwezekanavyo katika sehemu tofauti na ukweli ni kwamba, uchumishaji mali ulisambazwa katika sehemu tofauti kama kilimo, biashara, hali ya fedha na viwandani.

Kufuatia mwongozo huo wa kampuni hii, nina furaha kuwajulisheni kwamba, mwaka huu kampuni yenu ilijipatia kiasi cha asilimia 65 za hisa za Kenya National Properties Limited (KNP) kampuni inayoshughulika na uchumishaji mali asili ambayo ina uwezo wa kulipa migao wastani lakini thabiti.

Wakurugenzi wenu wataendelea na jitihada zao za kutafuta njia nzuri za uchumishaji mali kupitia kwa Soko la Hisa la Nairobi na hata makampuni maalum.

Matumaini ya Baadaye

Dunia nzima mwaka huu, hali ya uchumi ilionyesha dalili ya kuzorota. Katika hali yetu nchini, vipindi virefu vya ukame, na hali duni ya bei za bidhaa zimeleta hali ngumu ya upataji wa pesa taslimu, upungufu wa uwezo wa kununua bidhaa na kutopatikana kwa pesa za kigeni. Hali hii inaweza kuendelea kwa kipindi kirefu cha mwaka wa 1992/

Chairman's Statement *(Continued)*

93 financial year making it a very difficult year.

Given the foregoing, your company is likely to operate within a fairly difficult economic climate in the coming year. I would, however, like to assure all the shareholders that your Board and Management have risen up to those economic challenges and will ride the crests of these economic waves well enough to ensure reasonable returns on your investments.

As you are all aware, and as indicated in the Chairman's Statement last year, the Government had earlier announced major privatisation proposals of some of its investments in the quoted as well as the unquoted market. Indeed the Government interest in your company through the Industrial and Commercial Development Corporation was among those earmarked for privatisation. The modalities of privatisation exercise are still being worked out. Your Board will continue to carefully appraise all prospective investments coming into the market and especially those to be presented by the privatisation programme with a view to taking up any good investments that are likely to arise.

Acknowledgements

My co–directors, Management and Staff have once again worked hard and with dedication which is evident in the successful results I have just highlighted. I wish to take this opportunity to thank them all for their dedication. I also wish to take this opportunity to accord special thanks to the Industrial and Commercial Development Corporation and also all our business associates whose continued support contributed to the success of the company during the year under review.

Charles Stephen Mbindyo, E.B.S.
Chairman **18th September, 1992**

Taarifa ya Mwenyekiti *(Inaendelea)*

93 na kuufanya mwaka mgumu zaidi.

Tukifahamu hali hiyo, kampuni yenu haikosi kutenda kazi zake katika hali ya uchumi mgumu kiasi mwaka ujao. Ningependa kuwahakikishia wanahisa wote kwamba, Wakurugenzi na Wasimamizi wenu wako imara na watapambana na mawimbi ya uchumi na kuwezesha mapato katika uchumishaji mali yenu.

Kama vile nyote mnavyoelewa, na hata vile ilivyoelezwa katika Taarifa ya Mwenyekiti mwaka jana, kwamba Serikali hapo awali ilitangaza mpango mkubwa wa kuweka baadhi ya mali yake iliochumishwa katika kampuni za kawaida na kampuni maalumu, faraghani. Ni kweli kabisa, sehemu ya Serikali katika kampuni yenu kupitia kwa Industrial and Commercial Development Corporation ilikuwa moja wapo zinazokusudiwa kuwekwa faraghani. Shughuli za kufaraghanisha bado zinaendelea kufanywa. Wakurugenzi wenu wataendelea kuzingatia kwa makini mielekeo juu ya uchumishaji mali itakayokuja na hasa ile itakayoletwa na azimio la faragha, na kuchukuwa uchumishaji mali yoyote nzuri itakayopatikana.

Shukrani

Wakurugenzi wenzangu, Wasimamizi na Wafanya kazi, wamefanya kazi kwa bidii mara nyengine na kujitolea kabisa hata inaonekana wazi kutokana na matokeo mazuri niliyotaja hapo awali.

Ningependa nichukue nafasi hii kuwashukuru wote kwa kujitolea kwao. Ningependa pia kuchukuwa nafasi hii kutoa asante isio na kifani kwa Industrial and Commercial Development Corporation na pia kwa wenzetu wote katika biashara ambao himaya yao imeweza kuleta mafanikio ya kampuni mwaka huu

Charles Stephen Mbindyo, E.B.S.
Mwenyekiti **18 Septemba, 1992**

ICDC INVESTMENT COMPANY LIMITED

Report of the Directors to the Members

The Directors have pleasure in submitting their Report and Audited Accounts for the year ended 30th June, 1992.

Results

	Shs.	Shs.
Net Profit for the year before tax	33,546,069.55	
From which is deducted tax amounting to	2,316,490.95	
Leaving Profit after taxation of		31,229,578.70
To which is added: Retained Profit brought forward	104,227,524.55	
Add (Deduct): Adjustments in respect of prior years	2,750,209.75	106,977,734.30
Resulting in Profit available for distribution		138,207,313.00
Dividends		
Directors' recommend:—		
(a) Interim Dividend of Shs. 1.00 per share	12,562,514.00	
(b) Final Dividend of Shs. 1.00 per share	15,000,000.00	27,562,514.00
Leaving Profit Retained to be carried forward of		110,644,799.00

Ripoti ya Wakurugenzi kwa Wanachama

Wakurugenzi wana furaha kwa kutoa Ripoti yao pamoja na Hesabu zilizokaguliwa kwa mwaka uliomalizikia tarehe 30 Juni, 1992.

Matokeo

	Shs.	Shs.
Faida Halisi ya mwakani kabla kodi	33,546,069.65	
Kutokana na hapo tumeondoa kodi ya kiasi cha	2,316,490.95	
Ikibakisha Faida baada ya kodi		31,229,578.70
Ambayo ina ongezwa mabaki ya faida ya miaka iliyopita	104,227,524.55	
Ongeza (Ondoa): Marekebisho ya miaka iliyopita	2,750,209.75	106,977,734.30
Na kufanya jumla ya Faida za kugawanya za		138,207,313.00
Migao ya Faida		
Wakurugenzi wapendekeza:		
(a) Mgao wa Kwanza wa Shilingi 1.00 kwa kila hisa	12,562,514.00	
(b) Mgao wa Mwisho wa Shilingi 1.00 kwa kila hisa	15,000,000.00	27,562,514.00
Na kubakisha Faida zilizowekwa za		110,644,799.00

Report of the Directors to the Members *(Continued)*

Directorate

In accordance with article 88 of the Company's Memorandum and Articles of Association, Mr. S.O. Ayodo, E.G.H. and Mrs. M. Mwangola retire by rotation and all being eligible, offer themselves for re–election.

Auditors

Messrs Nyaga Associates and Company continue in office in accordance with the Section 159 (2) of the Companies Act (Cap. 486).

By Order of the Board

F.G. Gaciri
Company Secretary
18th September, 1992

Ripoti ya Wakurugenzi kwa Wanachama *(Inaendelea)*

Wakurugenzi

Kwa mujibu wa masharti ya kanuni za Kampuni, Bw. S.O. Ayodo, E.G.H. na Bi. M. Mwangola wanastaafu kwa zamu na kwa kuwa wote wanastahili, wanajitolea kwa kuchaguliwa tena.

Wakaguzi wa Hesabu

Wakaguzi wa hesabu, Mabwana Nyaga Associates and Company, wataendelea na kazi yao kwa kufuata masharti ya Sehemu 159(2) ya Sheria za Kampuni (Sura 486).

Kwa Amri ya Halmashauri ya Wakurugenzi

F.G. Gaciri
Katibu
18 Septemba, 1992

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INVESTMENT COMPANY
LIMITED

Auditors' Report to the Members

The accounts set out on pages 14 and 15 are in agreement with the books which in our opinion have been properly kept. We obtained the information and explanations we required.

In our opinion, the accounts read in conjunction with notes 1 to 14 on pages 16 to 20 comply with the Companies Act (Cap. 486) and give a true and fair view of the state of affairs of the company as at 30th June, 1992 and profit and source and application of funds for the year ended on that date.

Nyaga Associates & Company
Certified Public Accountants of Kenya,
Development House,
P.O. Box 41868,
NAIROBI.

18th September, 1992

Ripoti ya Wakaguzi wa Hesabu kwa Wanachama

Hesabu zilizoonyeshwa katika ukurasa wa 14 na 15 zinaafikiana na vitabu, ambavyo kwa maoni yetu vimewekwa kwa njia sahihi. Tulipata habari pamoja na maelezo tuliyotaka. Kwa maoni yetu hesabu zilizoonyeshwa pamoja na maelezo penye kurasa 16 hadi 20 zinalingana na Sheria za Kampuni (Sura 486) na zinaonyesha habari ya kweli na ya haki ya hali na mambo yalivyokuwa tarehe 30 Juni, 1992 na faida na mapato na matumizi ya fedha za kampuni hii kwa mwaka uliomalizikia tarehe hiyo.

Nyaga Associates & Company
Mahasibu wa Raia Walioidhinishwa Kenya,
Development House,
S.L.P. 41868,
NAIROBI.

18 Septemba, 1992

ICDC
INVESTMENT COMPANY
LIMITED

Balance Sheet
as at 30th June, 1992

Assets Employed	Notes	1992 Shs.	1991 Shs.
Fixed Assets	7	64,506,573.00	46,842,207.80
Investments	8	160,701,565.40	119,082,627.55
Net Current Assets	9	74,456,998.75	109,648,053.30
		299,665,137.15	275,572,888.65
Financed by:			
Share Capital	10	75,000,000.00	75,000,000.00
Reserves	11	224,665,137.15	200,572,888.65
Shareholders' Funds		299,665,137.15	275,572,888.65

The Accounts on pages 14 and 15 were approved by the Board of Directors on 18th September, 1992 and the following were authorised to sign them on their behalf:

C.S. Mbindyo, E.B.S.
Director

Hon. F.M. Thuo, M.P.
Director

Profit and Loss Account
for the year ended 30th June, 1992

	Notes	1992 Shs.	1991 Shs.
Turnover		48,463,947.95	45,576,390.35
Profit for the year	2	33,546,069.65	35,958,099.35
Taxation	3	(2,316,490.95)	(2,805,097.05)
Profit after tax		31,229,578.70	33,153,002.30
Dividends paid and proposed	4	(27,562,514.00)	(27,236,514.00)
Retained Profit for the year		3,667,064.70	5,916,488.30
Profit brought forward		104,227,524.55	98,632,851.35
Prior year adjustments	5	2,750,209.75	(321,815.10)
Profit carried forward		110,644,799.00	104,227,524.55
Earnings per share	6	2.02	2.21

Notes to the Accounts
for the year ended 30th June, 1992

1. **Accounting Policies**

1.1 **Basis of Accounting**

The company prepares its accounts on historical costs basis modified to include the revaluation of specific leasehold premises.

1.2 **Depreciation**

Leasehold premises are amortised by equal instalments over the remaining term of the lease.

1.3 **Dividends**

Only dividends received or declared and receivable are included in the income for the year.

1.4 **Consolidation**

The company has not consolidated the accounts of its subsidiaries as required by Kenya Accounting Standard No. 11 because in the opinion of the directors, the business of the holding company and that of the subsidiaries are so different that they cannot reasonably be treated as a single undertaking.

1.5 **Bad and Doubtful Debts**

Specific provision is made for all known Bad and Doubtful Debts. Bad Debts are written off when all reasonable steps to recover them have been taken without success.

2. **Profit for the year**

	1992	1991
	Shs.	Shs.
This is stated after charging:		
Directors fees	123,239.10	84,000.00
Management fees (Note 14)	2,556,028.60	2,739,812.15
Auditors remuneration		
(including Value Added Tax)	60,180.00	60,500.00
Interest on loan	—	623,078.50
Lease amortisation	10,608.85	10,608.85
And after crediting:		
Investment Income –Quoted	5,116,926.70	1,570,151.35
–Unquoted	31,611,447.20	31,550,783.00
Gain on disposal of investments	940,899.80	–

		1992 Shs.	1991 Shs.
3.	**Taxation**		
	Provision at $37^1/_2$% on the operating profit for the year as adjusted for tax purposes (1991–40%)	2,316,490.95	2,805,097.05
	Balance Sheet		
	Current year's provision	2,316,490.95	2,805,097.05
	Instalment tax paid during the year	(1,079,319.30)	–
		1,237,171.65	2,805,097.05

Tax assessments have been agreed with the Income Tax Department up to and including the year ended 30th June, 1985. However all respective Provisional and Final Tax Returns have been made and the estimated tax (if any) paid up to date.

		1992 Shs.	1991 Shs.
4.	**Dividends paid and proposed**		
	Interim Dividend 20% (1991–20%)	12,562,514.00	12,236,514.00
	Final Dividend 20% (1991–20%)	15,000,000.00	15,000,000.00
		27,562,514.00	27,236,514.00
5.	**Prior year adjustments**	2,750,209.75	(321,815.10)

This represents an over provision (under provision) of Final Dividend payable made in the previous year for 1991 and 1990 respectively.

		1992	1991
6.	**Earnings per share**		
	The calculation of earnings per share is based on the following:		
	Net profit for the year after tax and excluding the gain on disposal of investments	**Shs.** 30,288,678.90	33,153,002.30
	Shares in issue at the Balance Sheet Date	15,000,000	15,000,000

7. **Fixed assets**

Cost or Valuation	Leasehold Premises Consulate Chambers Shs.	Uhuru Highway plot Shs.	Total Shs.
As at 1/7/91:			
Cost	718,750.00	46,325,025.95	47,043,775.95
Surplus on valuation	–	17,674,974.05	17,674,974.05
	718,750.00	64,000,000.00	64,718,750.00
Additions during the year	–	–	–
As at 30/6/92	718,750.00	64,000,000.00	64,718,750.00
Depreciation			
As at 1/7/91	201,568.15	–	201,568.15
Charge for the year	10,608.85	–	10,608.85
As at 30/6/92	212,177.00	–	212,177.00
Net book value			
As at 30/6/92	506,573.00	64,000,000.00	64,506,573.00
As at 30/6/91	517,181.85	46,325,025.95	46,842,207.80

The Uhuru Highway plot was valued by the I.C.D.C. professional valuers for Shs. 64 million as at 27th March, 1992 using an open market basis and the valuation results have been incorporated in these accounts.

8. **Investments**

	1992 Shs.	1991 Shs.
Quoted (at cost)	41,882,251.90	28,626,480.80
Provision for loss	(525,728.75)	(525,728.75)
	41,356,523.15	28,100,752.05
Unquoted (at cost)	130,135,779.00	97,462,459.00
Provision for loss	(14,112,591.00)	(9,480,583.50)
	116,023,188.00	87,981,875.50
Loans to a Subsidiary Company	3,321,854.25	3,000,000.00
	160,701,565.40	119,082,627.55

The market value of the quoted investments is based on the middle market price of the Nairobi Stock Exchange as at 25th June, 1992. This was net Shs. 55,634,361.20 (1991–Shs. 29,490,566.30).

Unquoted investments were valued by the directors on 30th June, 1992 using Net Book Value basis at net Shs. 497,429,251.25 (1991–Shs. 378,068,408.65).

9. **Net Current Assets**

Current Assets	**1992 Shs.**	**1991 Shs.**
Bank balances	40,013,832.50	82,530,487.20
Debtors and prepayments	47,095,055.05	37,200,742.50
Less: Provision for bad and doubtful debts	(7,763,865.10)	(3,722,617.95)
	39,331,189.95	33,478,124.55
Industrial and Commercial Development Corporation	28,977,025.75	36,242,591.10
	108,322,048.20	152,251,202.85
Current Liabilities		
Bank overdraft	–	8,265,283.75
Creditors and accruals	327,513.60	157,073.60
Taxation (Note 3)	1,237,171.65	2,805,097.05
Unclaimed Dividends	4,737,850.20	16,375,695.15
Dividends payable	27,562,514.00	15,000,000.00
	33,865,049.45	42,603,149.55
Net Current Assets	74,456,998.75	109,648,053.30

10. **Share Capital**

Authorised	**1992 Shs**	**1991 Shs.**
20,000,000 Ordinary Shares of Shs. 5.00 each	100,000,000.00	100,000,000.00
Issued and fully paid		
15,000,000 Ordinary Shares of Shs 5.00 each (1991–15,000,000)	75,000,000.00	75,000,000.00

11. **Reserves**

	Surplus arising on revaluation Shs.	Share Premium Shs.	Retained Profit Shs.	Total Shs.
As at 1/7/91	–	96,345,364.10	104,227,524.55	200,572,888.65
Over provision of Final Dividend in 1991	–	–	2,750,209.75	2,750,209.75
Retained Profit for the year–		–	3,667,064.70	3,667,064.70
Surplus on revaluation of Uhuru Highway plot	17,674,974.05	–	–	17,674,974.05
As at 30/6/92	17,674,974.05	96,345,364.10	110,644,799.00	24,665,137.15

12. **Capital Commitments**

	1992 Shs.	1991 Shs.
Authorised by the directors but not contracted— Additional equity in Nairobi Bottlers Limited (150,000 ordinary shares of par Shs. 20/= each) at cost.	11,500,000.00	–
Authorised by the directors and contracted — Equity in General Motors Kenya Limited (72,675‘C’ ordinary shares of par Shs. 20/= each) at cost.	29,070,000.00	–

No provision has been made in these accounts for the above commitments.

13. **Contingent Liabilities**
There were no Contingent Liabilities as at the Balance Sheet Date.

14. **Management Fees**
Management fees is payable to the Industrial and Commercial Development Corporation and is agreed at the greater of Shs. 1,500,000.00 or 6% of the Net Operating Profit for the year before charging such fees. It then incorporates Value Added Tax at 18% of the Management fees payable.

ICDC
INVESTMENT COMPANY
LIMITED

Statement of Source and Application of Funds for the year ended 30th June, 1992

Source of Funds	**1992 Shs.**	**1991 Shs.**
Profit for the year before tax and extraordinary gain	32,605,169.85	35,958,099.35
Extraordinary Gain	940,899.80	–
	33,546,069.65	35,958,099.35
Adjustment for items not involving the movement of funds:		
Gain on disposal of investments	(940,899.80)	–
Lease amortisation	10,608.85	10,608.85
Prior year adjustments	2,750,209.75	(14,315.10)
Provision for loss on investments	4,632,007.50	2,316,003.75
Funds Generated From Operations	39,997,995.95	38,270,396.85
Funds From other Sources		
Disposal of investments	1,912,439.40	–
Issue of shares at a premium	–	55,033,804.00
Total Sources	41,910,435.35	93,304,200.85
Application of Funds		
Preliminary expenses on building construction	–	986,282.10
Rights Issue expenses	–	1,542,390.00
Additions to investments	47,222,484.95	26,789,321.40
Dividends paid	15,000,000.00	23,613,028.00
Tax paid	3,884,416.35	–
Loan repayment—National Bank of Kenya Limited	–	5,000,000.00
	66,106,901.30	57,931,021.50
Increase (Decrease) in Working Capital	(24,196,465.95)	35,373,179.35
Analysis of Changes in Working Capital		
Increase (Decrease) in debtors	(1,412,499.95)	46,080,208.20
Decrease (Increase) in creditors	11,467,404.95	(3,118,867.00)
	10,054,905.00	42,961,341.20
Movement in net liquid funds:		
Increase (Decrease) in bank balances	(34,251,370.95)	(7,588,161.85)
	(24,196,465.95)	35,373,179.30

Investments
as at 30th June, 1992

	Quoted Investments (Gross)	1992 Units	1992 Cost Shs.	1991 Units	1991 Cost Shs.
1.	Barclays Bank of Kenya Limited	105,633	2,973,971.20	69,162	2,922,936.95
2.	Brooke Bond Kenya Limited	3,140	32,203.00	3,140	32,203.00
3.	B.A.T. Kenya Limited	132,587	11,170,422.10	42,029	3,464,696.25
4.	Car & General (Kenya) Limited	–	–	243,322	589,575.90
5.	Consolidated Holdings Limited	–	–	117,252	366,963.70
6.	Credit Finance Corporation Limited	9,600	10,000.00	9,600	10,000.00
7.	C.M.C. Holdings Limited	29,459	398,130.80	29,459	398,130.80
8.	Diamond Trust of Kenya Limited	269,905	4,214,163.80	179,937	4,214,163.80
9.	East African Cables Limited	74,587	478,479.25	74,587	478,479.25
10.	East African Packaging Industries Limited	12,400	104,305.65	10,750	57,781.25
11.	Elliots Bakeries Limited	–	–	10,080	15,000.00
12.	Express Kenya Limited	18,576	91,468.50	18,576	91,468.50
13.	George Williamson (Kenya) Limited	15,338	338,082.20	–	–
14.	Jubilee Insurance Company Limited	50,073	705,877.45	37,555	705,877.45
15.	Kenya Breweries Limited	384,002	6,527,112.70	320,002	6,527,112.70
16.	Kenya Power & Lighting Company Limited	29,802	1,119,294.85	29,802	1,119,294.85
17.	Kenya Finance Corporation Limited	42,500	565,669.00	42,500	565,669.00
18.	Kenya National Mills Limited	4,788	52,481.80	4,788	52,481.80
19.	Kenya Commercial Bank Limited	75,340	2,436,788.40	65,340	2,154,847.40
20.	Motor Mart Group Limited	26,000	1,130,720.00	10,000	310,560.00
21.	National Industrial Credit Limited	41,465	768,477.15	13,340	90,879.75
22.	Nation Printers & Publishers Limited	4,698	18,800.00	4,698	18,800.00
23.	Sasini Tea & Coffee Limited	179,228	6,047,972.60	76,000	2,367,109.00
24.	Standard Chartered Bank Kenya Limited	58,450	1,312,196.65	58,450	1,312,196.65
25.	The East African Portland Cement Company Limited	8,000	89,840.30	8,000	89,840.30
26.	Total Kenya Limited	33,000	770,065.75	6,500	144,683.75
27.	The East African Bag & Cordage Company Limited (In Receivership)	100,133	525,728.75	100,133	525,728.75
			41,882,251.90		28,626,480.80

ICDC
INVESTMENT COMPANY
LIMITED

Investments
as at 30th June, 1992

	Unquoted Investments (Gross)	1992 Units	1992 Cost Shs.	1991 Units	1991 Cost Shs.
1.	African Retail Traders (Kenya) Limited	1,172,600	2,622,381.50	1,172,600	2,622,381.50
2.	Ceramic Industries (E.A.) Limited (In Receivership)	711,600	3,657,011.00	711,600	3,657,011.00
3.	Chloride Exide Kenya Limited	41,157	1,899,990.00	41,157	1,899,990.00
4.	Dawa Pharmaceuticals Limited	250,000	5,000,000.00	250,000	5,000,000.00
5.	East Africa Industries Limited	2,374,120	20,319,230.00	2,374,120	20,319,230.00
6.	East African Fine Spinners Limited	205,000	6,150,000.00	205,000	6,150,000.00
7.	Eveready Batteries Kenya Limited	876	4,030,400.00	878	4,030,400.00
8.	Eslon Plastics of Kenya Limited	146,561	427,120.00	146,561	427,120.00
9.	Jacaranda Hotel (Mombasa) Limited	250,000	5,000,000.00	–	–
10.	Kenya Taitex Mills Limited	220,000	4,400,000.00	220,000	4,400,000.00
11.	Kenya Wine Agencies Limited	12,461,968	12,145,285.00	12,211,968	8,105,285.00
12.	Kisii Bottlers Limited	266,666	5,333,320.00	100,000	2,000,000.00
13.	Kenya National Properties Limited	1,015,000	20,300,000.00	–	–
14.	Minet ICDC Insurance Brokers Limited	19,164	3,302,921.50	19,164	3,302,921.50
15.	Mount Kenya Bottlers Limited	267,024	5,340,480.00	267,024	5,340,480.00
16.	Mather & Platt (Kenya) Limited	7,326	2,020,000.00	7,326	2,020,000.00
17.	Nairobi Bottlers Limited	575,000	11,500,000.00	1,150,000	11,500,000.00
18.	Nas Airport Services Limited	53,600	1,010,025.00	53,600	1,010,025.00
19.	Rift Valley Bottlers Limited	89,547	1,661,435.00	89,547	1,661,435.00
20.	Salt Manufacturers Kenya Limited	72,875	1,460,600.00	72,875	1,460,600.00
21.	Seracoatings Limited (In Receivership)	59,578 1/4	1,191,565.00	59,578 1/4	1,191,565.00
22.	The Raymond Woollen Mills(Kenya) Limited	15,000	100,000.00	15,000	100,000.00
23.	Tiger Shoe Company Limited (In Receivership)	418,334	9,264,015.00	418,334	9,264,015.00
24.	Uchumi Supermarkets Limited	500,000	2,000,000.00	500,000	2,000,000.00
			130,135,779.00		97,462,459.00
	Loans to a Subsidiary Company 22% per annum		3,321,854.25		3,000,000.00
	Total Investments (Gross)		175,339,885.15		129,088,939.80

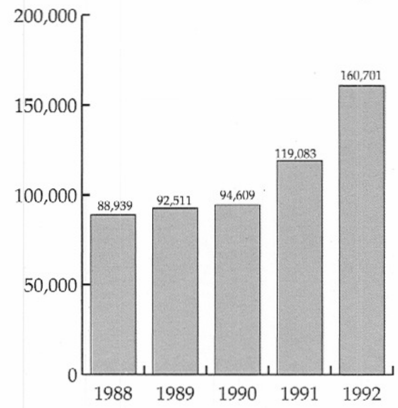
ICDC INVESTMENT COMPANY LIMITED

Ten Years Financial Review (Expressed in Shs. '000)

Results	1992	1991	1990	1989
Revenue (Gross)	**48,464**	**45,576**	**43,129**	**28,336**
Net profit after taxation	31,230	33,153	34,454	21,587
Undistributed Profit brought forward	106,978	98,311	83,550	73,071
	138,208	**131,464**	**118,004**	**94,658**
Dividends Paid and Proposed	27,563	27,236	19,371	10,500
Profit Capitalised	–	–	–	–
	27,563	**27,236**	**19,371**	**10,500**
Unappropriated Profits	**110,645**	**104,228**	**98,633**	**84,158**
Assets Employed				
Fixed Assets	64,507	46,842	45,867	45,527
Investments	160,701	119,083	94,609	92,511
Net Current Assets	74,457	109,648	81,011	6,833
	299,665	**275,573**	**221,487**	**144,871**
Financed By:				
Share Capital	75,000	75,000	55,345	30,000
Reserves	224,665	200,573	161,142	104,871
Shareholders' Funds	299,665	275,573	216,487	134,871
Loan Capital	–	–	5,000	10,000
	299,665	**275,573**	**221,487**	**144,871**
Ratios (Expressed in Shs)				
Earnings per share	2.02	2.21	3.11	3.60
Dividend per share	2.00	2.00	1.75	1.75

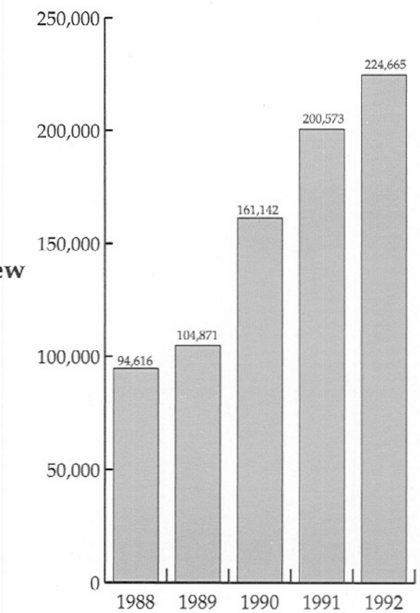
1988	1987	1986	1985	1984	1983
33,184	**32,279**	**22,378**	**20,367**	**19,957**	**8,874**
29,615	31,021	20,037	18,190	17,893	7,585
54,779	41,809	30,877	22,092	18,141	14,988
84,394	**72,830**	**50,914**	**40,282**	**36,034**	**23,573**
10,490	10,477	9,313	9,313	9,313	5,544
–	3,310	–	–	4,435	–
10,490	**13,787**	**9,313**	**9,313**	**13,748**	**5,544**
73,904	**59,043**	**41,601**	**30,969**	**22,286**	**18,029**
27,764	560	570	581	591	602
88,939	80,666	64,137	62,921	62,921	62,921
12,913	28,790	25,521	17,094	9,401	2,198
129,616	**110,016**	**90,228**	**80,596**	**72,913**	**65,721**
30,000	29,936	26,610	26,610	26,610	22,175
94,616	79,580	62,118	51,486	42,803	38,546
124,616	109,516	88,728	78,096	69,413	60,721
5,000	500	1,500	2,500	3,500	5,000
129,616	**110,016**	**90,228**	**80,596**	**72,913**	**65,721**
4.87	4.86	3.76	3.41	3.36	1.71
1.75	1.75	1.75	1.75	1.75	1.25

Five Years Financial Review (Expressed in Shs. '000)

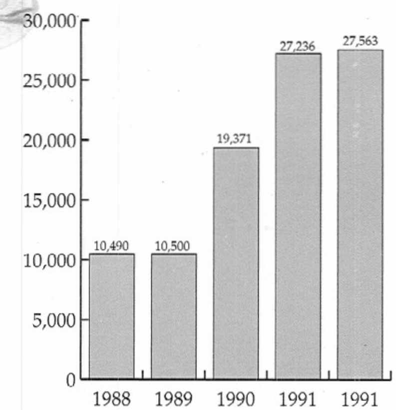


Investments - 5 Years Review

(Expressed in Shs.'000)



Reserves - 5 Years Review



Dividends Paid and Proposed (Gross) - 5 Years Review

ICDC
INVESTMENT COMPANY
LIMITED

Proxy

I/We ....

of..

being member(s) of ICDC Investment Company Limited, hereby appoint

....

of..

or failing him the duly appointed Chairman of the meeting to be my/our proxy, to vote for me/us and on my/our behalf at the 25th Annual General Meeting of the company, to be held on Saturday 19th December, 1922 at 11.00 a.m. or at any adjournment thereof.

As witness my/our hand(s) this ....day of.................................. 1992.

Signature ....

Notes: 1. This proxy is to be delivered to the Secretary's office not later than 11.00a.m., Thursday 17th December, 1992.

2. In the case of a Corporation the proxy must be under the Common Seal or under the hand of an Officer or Attorney duly authorised.

Mwakilishi

Mimi/Sisi ....

wa ....

kwa kuwa mwanachama/wanachama wa ICDC Investment Company Limited
ninamteua/tumemteua ....

wa ....

kama hayuko, Mwenyekiti wa mkutano huu aliyeteuliwa kama ipasavyo awe mwakilishi wangu/wetu, anipigie kura kwa niaba yangu/yetu katika Mkutano Mkuu wa Mwaka wa ishirini na tano wa kampuni hii utakaofanywa mnamo Jumamosi tarehe 19 Desemba, 1992 saa tano kamili au tarehe yoyote nyingine utakaoahirishwa.

Kama ilivyoshuhudiwa kwa sahihi yangu/yetu siku hii ya ....

Mwezi wa 1992

Sahihi ....

Maelezo: 1. Uwakilishi huu upelekwe kwenye afisi ya Katibu wa Kampuni kabla ya saa tano kamili asubuhi, tarehe 17 Desemba, 1992, ukikosekana hautakuwa na haki yoyote.

2. Kwa Shirika, lazima uwakilishi uwe na Muhuri wa Kawaida wa shirika hilo au uwe na sahihi ya Afisa au Mwakilishi aliyeidhinishwa.

ICDC
INVESTMENT COMPANY
LIMITED

FOLD 2
PILI KUNJA HAPA

STAMP

The Company Secretary,
ICDC INVESTMENT COMPANY LIMITED,
Uchumi House,
P.O. Box 45519,
NAIROBI.

FOLD 1
KWANZA KUNJA HAPA

FOLD 3
HALAFU KUNJA HAPA

INSERT FLAP INSIDE
SASA INGIZA KARATASI HII
NDANI YA MKUNJO KAMA BAHASHA.