

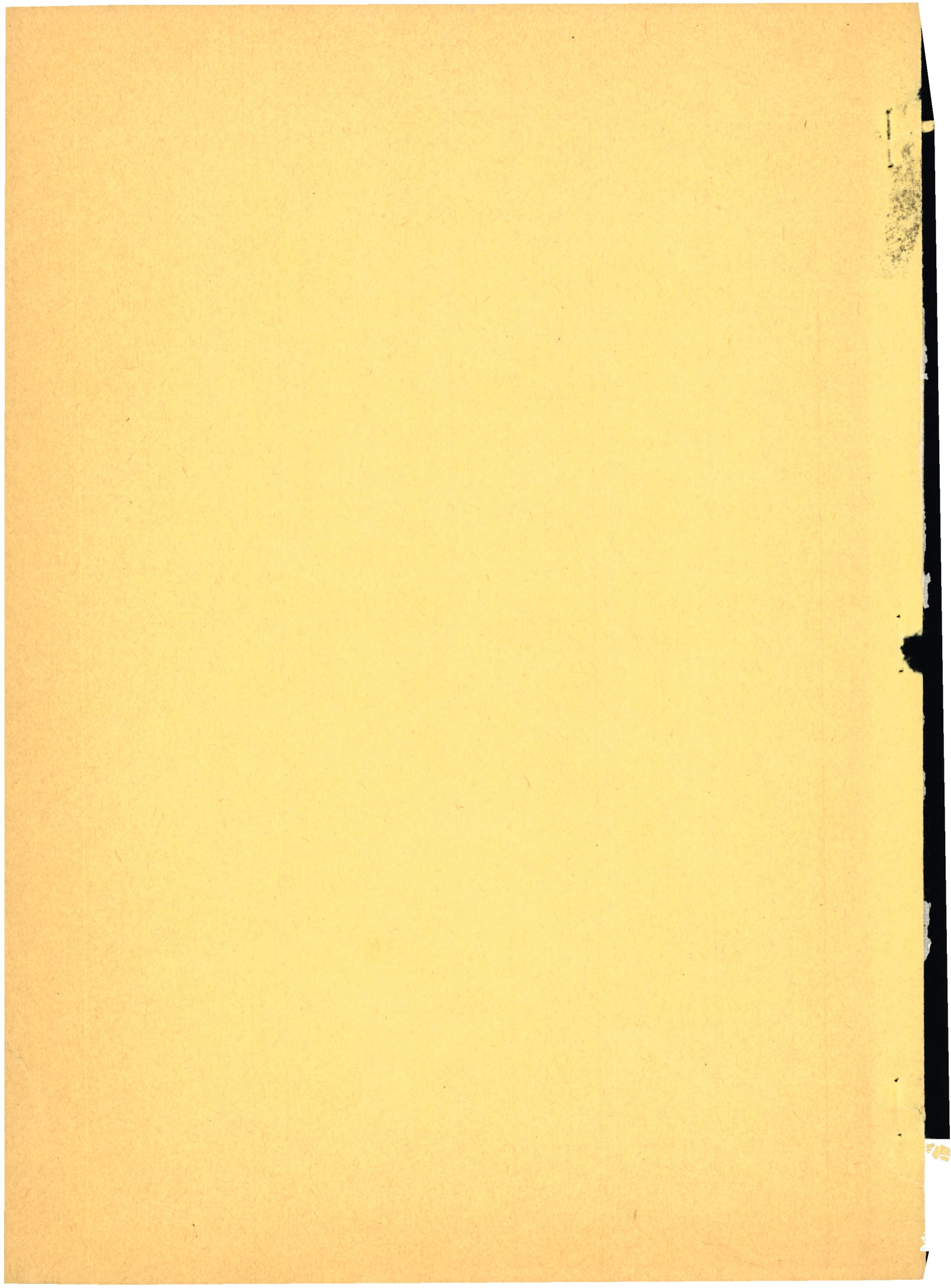
**KENATCO TAXIS  
LIMITED**



**P.O. BOX 52684  
NAIROBI**

**BALANCE SHEET  
AND ACCOUNTS  
AT 30TH JUNE 1987**







REPORT OF THE AUDITOR-GENERAL (CORPORATIONS) ON THE ACCOUNTS  
OF KENATCO TAXIS LIMITED FOR THE NINE MONTHS' PERIOD ENDED  
30TH JUNE, 1987

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KENYA NATIONAL ASSEMBLY

Accession: 10012908

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KENATCO TAXIS LIMITED

REPORT AND ACCOUNTS  
FOR NINE MONTHS ENDED 30 JUNE 1987

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REPORT OF THE DIRECTORS

The Directors have pleasure in submitting their Report and the Audited Financial statements for the nine months period ended 30 June 1987, which show the state of the company's affairs.

1. PRINCIPAL ACTIVITIES

The Company operates a fleet of taxis in Nairobi and Mombasa.

2. RESULTS

An operating profit of Shs.1.302 million before taxation was realised for the nine months ended 30 June 1987.

3. DIVIDENDS

A dividend of Shs.1.00 per share is recommended for approval by the shareholders.

4. DIRECTORS

The Directors who served during the period were:

J P N Simba (Chairman  
Industrial & Commercial Development Corporation (ICDC)

E N Wainaina

Permanent Secretary to Ministry of Commercial & Industry

5. AUDITORS

The Auditors Oigo Omwenga & Co have acted on behalf of the Auditor-General (Corporations) in accordance with the Exchequer and Audit (Amendment) Act, 1985 (Cap. 412). Oigo Omwenga & Co have expressed their willingness to continue as the authorised auditors subject to reappointment by the Auditor-General (Corporations).

BY ORDER OF THE BOARD  
ICDC MANAGEMENT SERVICES DIVISION



SECRETARY



REPORT OF THE AUDITOR-GENERAL (CORPORATIONS) ON THE ACCOUNTS  
OF KENATCO TAXIS LIMITED FOR THE NINE MONTHS' PERIOD ENDED  
30TH JUNE, 1987

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The Accounts of KENATCO Taxis Limited for the nine months' period ended 30th June, 1987 have been audited on my behalf by the Company's authorized auditors in accordance with the provision of Section 29 (2) (b) of the Exchequer and Audit (Amendment) Act, 1985, (Cap 412). The authorized auditors have duly reported to me the results of their audit and on the basis of their report, I am satisfied that all the information and explanations which were required for the purpose of the audit were obtained. Proper books of account have been kept and the Accounts, which have been prepared on the historical cost convention basis, are in agreement therewith and comply with the Companies' Act. In my opinion the Accounts, when read together with the notes thereof, give a true and fair view of the state of affairs of Kenatco Taxis Limited as at 30th June, 1987 and of its profit and source and application of funds for the nine months' period ended on that date.

  
A. J. OKOTH  
AUDITOR-GENERAL (CORPORATIONS)

29th Janaury, 1988



KENATCO TAXIS LIMITED

PROFIT AND LOSS ACCOUNT FOR  
NINE MONTHS ENDED 30 JUNE 1987

	<u>NOTES</u>	<u>K.SHS</u>
TURNOVER		13,143,154 =====
OPERATING PROFIT BEFORE TAX	2	1,302,613
TAX	3	586,176 -----
PROFIT AFTER TAX		716,437
DIVIDENDS	6	(250,000) -----
PROFIT RETAINED FOR THE PERIOD	8	466,437 =====

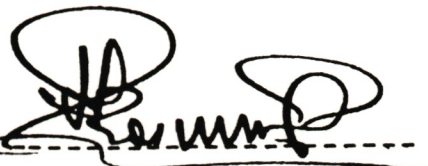


KENATCO TAXIS LIMITED

BALANCE SHEET  
AT 30 JUNE 1987

	<u>NOTES</u>	<u>KSHS</u>
<u>CAPITAL EMPLOYED</u>		
SHARE CAPITAL	7	5,000,000
RETAINED PROFIT	8	466,437
LONG TERM LOANS	9	<u>3,250,000</u>
		8,716,437 =====
 <u>REPRESENTED BY</u>		
FIXED ASSETS	5	8,205,500
CURRENT ASSETS		
Stock	10	478,457
Debtors	11	1,320,407
Bank balances and cash		<u>1,695,473</u>
		3,494,337 -----
 CURRENT LIABILITIES		
Creditors	12	1,147,224
Loans repayable within twelve months	9	1,000,000
Dividends	6	250,000
Tax	3	<u>586,176</u>
		2,983,400 -----
NET CURRENT ASSETS		510,937 -----
		8,716,437 =====

DIRECTOR



DIRECTOR



The accounts were approved by the board of directors on December 23 1987

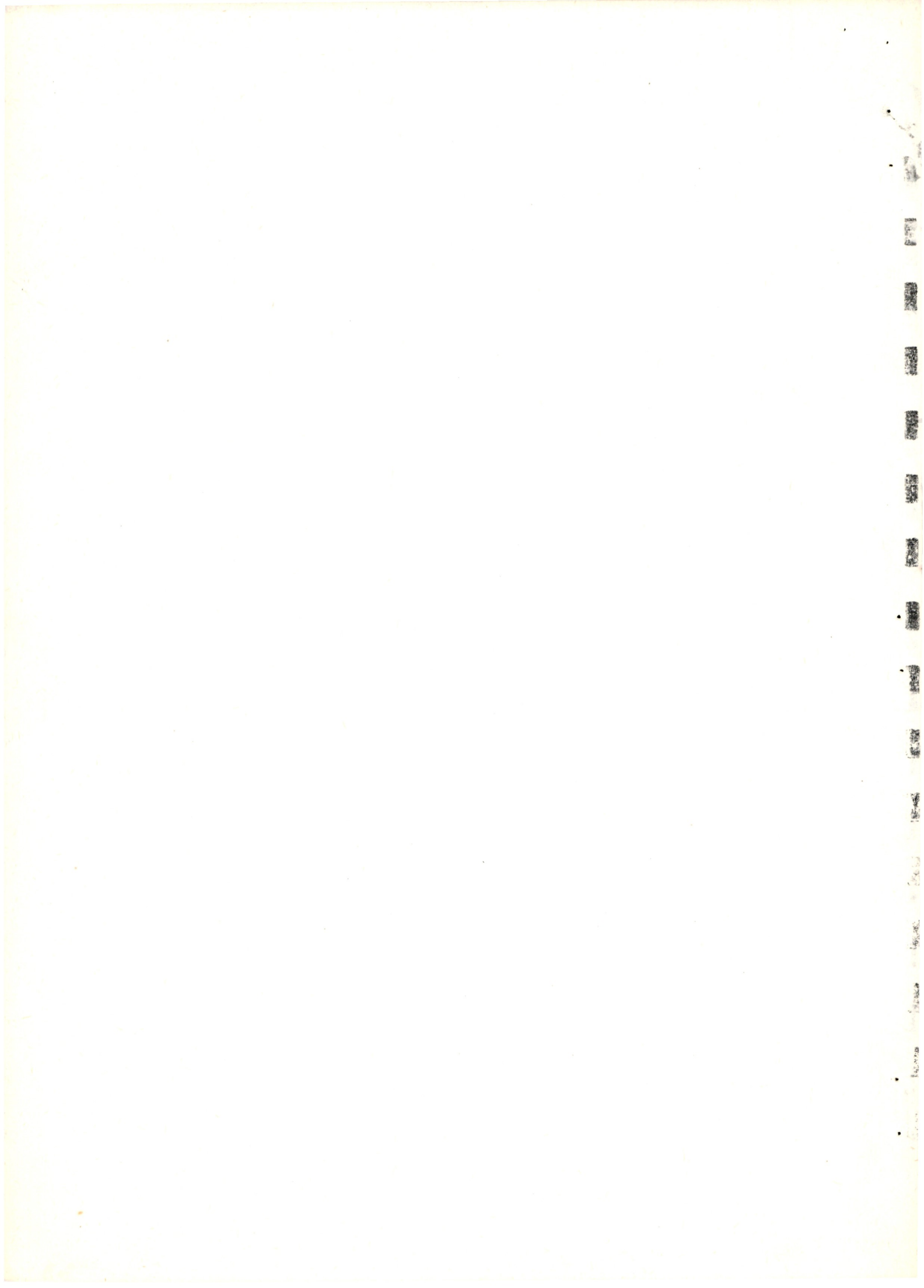


KENATCO TAXIS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
FOR THE NINE MONTHS ENDED 30 JUNE 1987

	<u>1987</u>
SOURCE OF FUNDS	KSHS
Operating profit before tax	1,302,613
Adjustment for items not involving movement of funds:	
Depreciation	<u>1,837,500</u>
FUNDS GENERATED FROM OPERATIONS	3,140,113
FUNDS FROM OTHER SOURCES	
Shares issued	5,000,000
Loans received	<u>5,000,000</u>
	<u>13,140,113</u>
APPLICATION OF FUNDS	
Purchase of fixed assets	(10,043,000)
Loans repaid	<u>(750,000)</u>
	<u>(10,793,000)</u>
INCREASE IN WORKING CAPITAL	<u>2,347,113</u>
ANALYSIS OF CHANGE IN WORKING CAPITAL	
Stock	478,457
Debtors	1,320,407
Creditors	(1,147,224)
Movement in net liquid funds	<u>1,695,473</u>
	<u>2,347,113</u>
	=====





NOTES TO THE ACCOUNTS  
FOR THE NINE MONTHS ENDED 30 JUNE 1987

1. SIGNIFICANT ACCOUNT POLICIES

(a) Accounting Convention

The accounts are prepared under the historical cost convention.

(b) Turnover

Turnover comprises the amounts receivable for services rendered.

(c) Fixed Assets and Depreciation

Fixed assets are stated at cost less depreciation. Depreciation is calculated on a straight line basis, at annual rates estimated to write off the assets over their expected useful lives.

The annual rates used for this purpose are:-

Motor vehicles	25%
Workshop equipment	12.5%
Furniture, fittings and office equipment	12.5%

(d) Stock

Stock is stated at the lower of cost and net realisable value.

(e) Deferred Tax

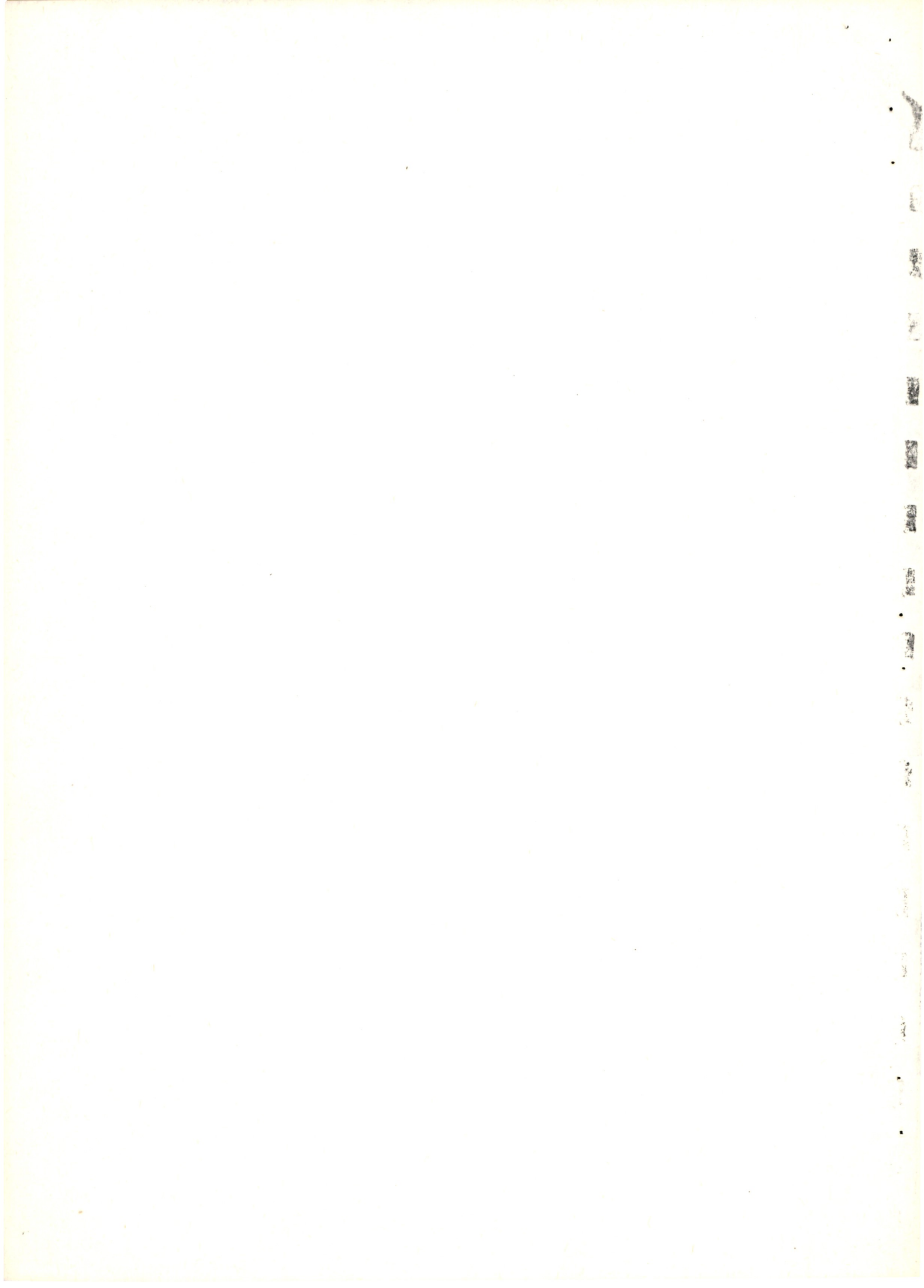
Provision for deferred tax is made when income, expenditure or depreciation falls into different periods for accounting and for tax purposes. Provision is calculated at rates of tax current at the balance sheet date. Provision is made only when directors consider that a tax benefit or charge is likely to crystallise in the foreseeable future.

2. OPERATING PROFIT BEFORE TAX

Operating profit before tax is stated after charging:

Depreciation	KShs. 1,837,500
Interest payable	571,945
Auditors remuneration	<u>80,000</u>
	2,489,445
	=====





NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE NINE MONTHS 30 JUNE 1987

	<u>KSHS</u>
3. <u>TAX</u>	
At 45% on the profit for the year as adjusted for tax purposes	586,176
Deferred Tax	-
Total	<u>586,176</u> =====

4. DEFERRED TAX

There are no timing differences which could give rise to deferred tax.

5. FIXED ASSETS

	<u>MOTOR VEHICLES</u>	<u>FURNITURE, FITTINGS &amp; OFFICE EQUIP.</u>	<u>WORK- SHOP EQUIP. &amp; LOOSE TOOLS</u>	<u>TOTAL</u>
	KSHS	KSHS	KSHS	KSHS
Cost at 2 October 1986	9,600,000	200,000	200,000	10,000,000
Additions	-	43,000	-	43,000
	9,600,000	243,000	200,000	10,043,000
Depreciation	1,800,000	18,750	18,750	1,837,500
Net book value 30.6.87	7,800,000	224,250	181,250	8,205,500
	=====			

6. DIVIDENDS

Dividend is provided at the rate of 5% on ordinary share capital

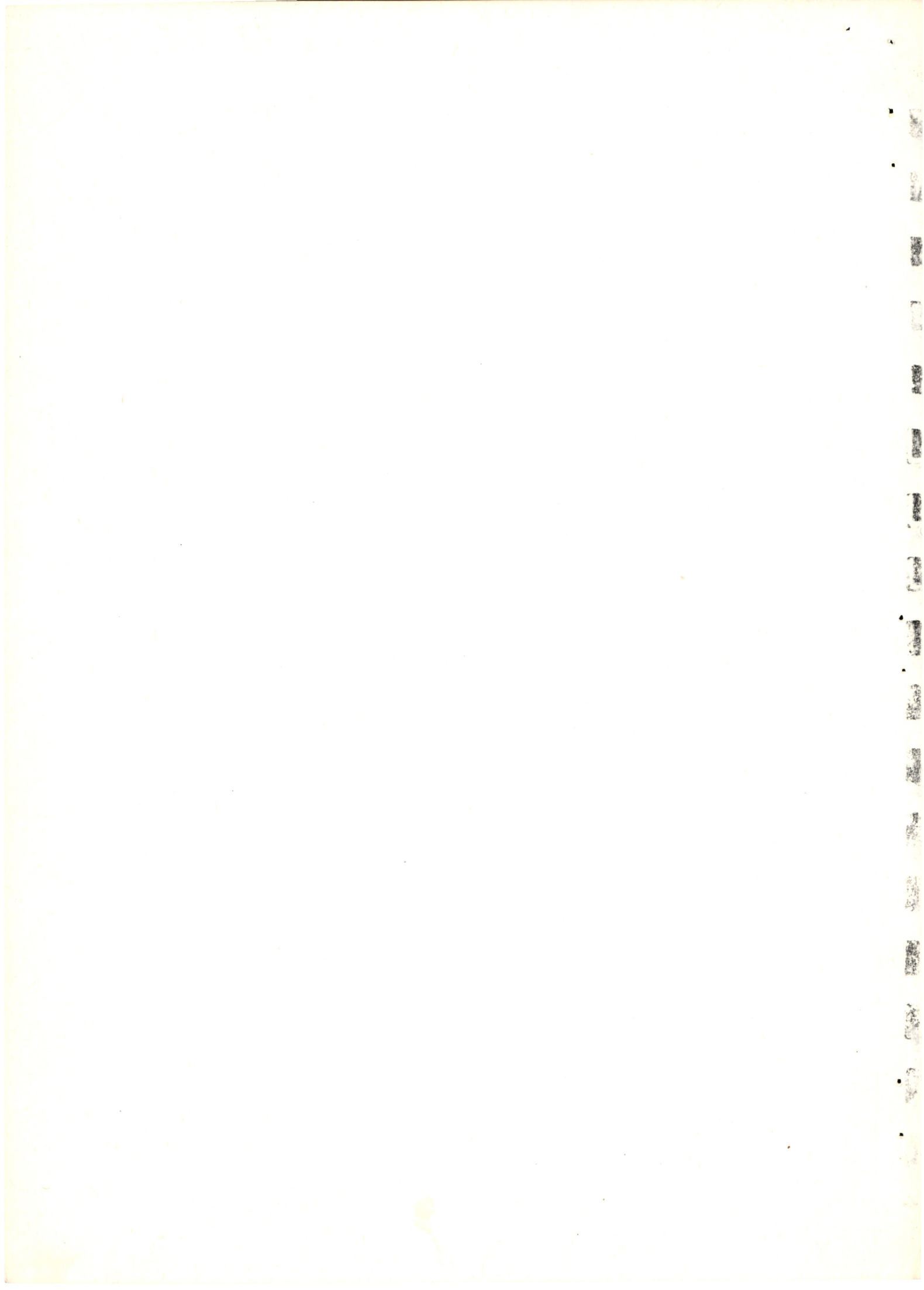
7. SHARE CAPITAL

	<u>KSHS</u>
<u>Authorised</u>	
250,000 Ordinary Shares of Shs.20/-each	5,000,000 =====
<u>Issued and fully paid</u>	
250,000 Ordinary shares of Shs. 20/= each	5,000,000 =====



NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE NINE MONTHS ENDED 30 JUNE 1987

	<u>KSHS.</u>
8. <u>RETAINED PROFIT</u>	
Retained Profit for the period	466,437
9. <u>LONG TERM LOAN</u>	
I C D C - Unsecured, repayable quarterly to 30 September 1990	4,250,000
Interest at 2% above bank rate.	
<u>Less:</u> Loan repayments due within next twelve months included under current liabilities	<u>1,000,000</u>
	3,250,000
	=====
10. <u>STOCK</u>	
Spares accessories and Consumable stores.	478,457
	=====
11. <u>DEBTORS</u>	
Trade debtors	1,105,913
Other debtors and prepaid expenses	<u>214,494</u>
	1,329,407
	=====
12. <u>CREDITORS</u>	
Trade creditors	703,459
Other Creditors and accrued expenses	<u>443,765</u>
	1,147,224
	=====
13. The Company was incorporated on 7th February, 1986 under the Companies Act, and started its operations on 2nd October 1986	
14. <u>CURRENCY</u>	
These accounts are presented in Kenya Shillings (Shs.)	





DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE NINE MONTHS ENDED 30 JUNE 1987

	<u>KSHS</u>
Turnover	13,143,154 =====
<u>Operating Expenses</u>	
Crew Wages	2,023,693
Fuel and Oils	1,797,948
Repairs and Renewals	1,463,870
Tyres and Tubes	316,615
Crew Travel	70,944
Uniforms	106,731
Ferry and Toll charges	10,515
Towing charges	17,283
Licences and Insurances	380,887
Rent and Rates	680,714
Depreciation	1,818,750
Car Cleaning	15,225
Workshop Sundries	44,693
	<u>8,747,868</u>
Gross Operating Profit	4,395,286 =====
<u>Administration Expenses</u>	
Salaries and Wages	1,448,122
Administration Travelling	28,027
Insurance	2,900
Advertising	21,433
Rent and Rates	113,617
Electricity	4,149
Postage and Telephone	151,153
Printing and Stationery	244,213
Depreciation	18,750
Trade Licences	7,475
Computer Bureau Charges	22,500
Office Cleaning	52,981
Repairs and maintenance	16,761
Staff Welfare	10,324
	<u>2,142,405</u> =====

DETAILED PROFIT AND LOSS ACCOUNT (CONTINUED)  
FOR THE NINE MONTHS ENDED 30 JUNE 1987

KSHS

Professional Expenses

Management Fees	218,000
Secretarial Fees	65,919
Audit Fees	<u>80,000</u>
	363,919
	=====

Financial Charges

Loan Interest	571,945
Bank charges	<u>14,404</u>
	586,349
	=====

Total Administration and Financial expenses 3,092,673

OPERATING PROFIT 1,302,613  
=====



