

**KILIMA HOLDINGS LIMITED**

**UNAUDITED MANAGEMENT ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

## **KILIMA HOLDINGS LIMITED**

The financial information set out in these consolidated management accounts of Kilima Holdings Limited for the year ended 31 December 2011 and the comparative figures for the twelve months ended 31 December 2010 are unaudited. They have been prepared taking into account the requirements of International financial reporting standards (IFRS). They do not contain all the information required for full annual financial statements.

The financial information for the year ended 31 December 2011 set out in these unaudited management accounts does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The company's statutory financial statements for the year ended 31 December 2010 have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain statements under section 498 of the Companies Act 2006.

**KILIMA HOLDINGS LIMITED****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Notes	Year Ended 31.12.11 £	Year Ended 31.12.10 £
<b>CONTINUING OPERATIONS</b>			
Revenue		3,350,536	3,260,308
Administrative expenses		(1,577,602)	(1,713,302)
<b>OPERATING PROFIT BEFORE EXCEPTIONAL ITEMS</b>		<u>1,772,934</u>	<u>1,547,006</u>
Flotation costs		(330,902)	-
<b>OPERATING PROFIT</b>		<u>1,442,032</u>	<u>1,547,006</u>
Finance costs		(101,918)	(125,054)
Finance income		13,227	5,928
<b>PROFIT BEFORE TAX</b>		<u>1,353,341</u>	<u>1,427,880</u>
Taxation		(466,505)	(402,982)
<b>PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>886,836</u></u>	<u><u>1,024,898</u></u>
Profit attributable to: Owners of the parent		<u><u>886,836</u></u>	<u><u>1,024,898</u></u>
Total comprehensive income attributable to: Owners of the parent		<u><u>886,836</u></u>	<u><u>1,024,898</u></u>

**KILIMA HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Notes	As at 31.12.11 £	As at 31.12.10 £
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Goodwill	1	999,591	999,591
Intangible assets		41,992	55,996
Property, plant and equipment		430,452	450,900
Trade and other receivables		86,254	51,955
		<u>1,558,289</u>	<u>1,558,442</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables		457,894	386,872
Cash and cash equivalents		872,004	595,777
		<u>1,329,898</u>	<u>982,649</u>
<b>TOTAL ASSETS</b>		<u><u>2,888,187</u></u>	<u><u>2,541,091</u></u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	2	95	100
Share-based payments reserve		63,440	-
Capital redemption reserve		5	-
Retained earnings		(13,989)	558,675
<b>TOTAL EQUITY</b>		<u>49,551</u>	<u>558,775</u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	3	1,229,725	632,139
Deferred tax		9,600	11,400
		<u>1,239,325</u>	<u>643,539</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		661,482	434,986
Financial liabilities - borrowings			
Interest bearing loans and borrowings	3	469,524	495,499
Tax payable		468,305	408,292
		<u>1,599,311</u>	<u>1,338,777</u>
<b>TOTAL LIABILITIES</b>		<u>2,838,636</u>	<u>1,982,316</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>2,888,187</u></u>	<u><u>2,541,091</u></u>

**KILIMA HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Share capital £	Share-based payments reserve £	Capital redemption reserve £	Retained earnings £	Total equity £
<b>Balance at 1 January 2010</b>	100	-	-	264,977	265,077
Profit and total comprehensive income	-	-	-	1,024,898	1,024,898
Dividends	-	-	-	(731,200)	(731,200)
<b>Balance at 31 December 2010</b>	<u>100</u>	<u>-</u>	<u>-</u>	<u>558,675</u>	<u>558,775</u>
Profit and total comprehensive income	-	-	-	886,836	886,836
Reserve credit for equity-settled share-based payment	-	63,440	-	-	63,440
Dividends	-	-	-	(555,000)	(555,000)
Purchase of own shares	(5)	-	5	(904,500)	(904,500)
<b>Balance at 31 December 2011</b>	<u>95</u>	<u>63,440</u>	<u>5</u>	<u>(13,989)</u>	<u>49,551</u>

**KILIMA HOLDINGS LIMITED****CONSOLIDATED STATEMENT OF CASH FLOWS**

	Year Ended 31.12.11 £	Year Ended 31.12.10 £
<b>Operating activities</b>		
Profit before income tax	1,353,341	1,427,880
Depreciation and amortisation charges	34,452	42,239
Share-based payments charge	63,440	-
Finance costs	101,918	125,054
Finance income	(13,227)	(5,928)
	<hr/>	<hr/>
<b>Operating cash inflow before changes in working capital</b>	1,539,924	1,589,245
(Increase)/Decrease in trade and other receivables	(105,321)	(26,728)
(Decrease)/Increase in trade and other payables	226,496	68,412
	<hr/>	<hr/>
<b>Cash generated from operations</b>	1,661,099	1,630,929
Interest paid	(101,918)	(108,134)
Tax paid	(408,292)	(339,668)
	<hr/>	<hr/>
Net cash from operating activities	1,150,889	1,183,127
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-	(379)
Interest received	13,227	5,928
	<hr/>	<hr/>
Net cash from investing activities	13,227	5,549
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
New loans in the period	1,700,000	-
Loan repayments in the period	(1,128,389)	(467,496)
Share buyback	(5)	-
Share buyback	(904,495)	-
Equity dividends paid	(555,000)	(731,200)
	<hr/>	<hr/>
Net cash used in financing activities	(887,889)	(1,198,696)
	<hr/>	<hr/>
<b>Increase (decrease) in cash and cash equivalents</b>	276,227	(10,020)
<b>Cash and cash equivalents at beginning of period</b>	595,777	605,797
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<b>Cash and cash equivalents at end of period</b>	872,004	595,777
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## KILIMA HOLDINGS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

#### 1. GOODWILL

##### Group

	£
<b>COST</b>	
At 1 January 2010, 31 December 2010 and 31 December 2011	999,591
	<u>999,591</u>
<b>NET BOOK VALUE</b>	
At 31 December 2010	999,591
	<u>999,591</u>
At 31 December 2011	<u>999,591</u>

The carrying amount of goodwill relates entirely to one cash generating unit, which arose on the purchase of Belvoir Property Management (UK) Limited and reflects the difference between the fair value of consideration transferred and the fair value of assets and liabilities purchased. Goodwill is assessed for impairment by comparing the carrying value to value in use calculations. Values have been estimated using cash flow projections based on detailed budgets and four year forecasts. The budgets/forecasts are based on historical data and the past experience of the directors in this sector as well as the future plans of the business. The discount rate applied was 13% (2010 - 10%), which the directors deem to be the weighted average cost of capital. The directors do not consider goodwill to be impaired. The directors believe that no reasonably possible change assumptions will cause the value in use to fall below the carrying value and hence impair the goodwill.

#### 2. CALLED UP SHARE CAPITAL

##### Authorised:

Number:	Class:	Nominal value:	31.12.11	31.12.10
			£	£
100	Ordinary shares	£1	<u>100</u>	<u>100</u>

##### Allotted issued and fully paid:

Number:	Class:	Nominal value:	31.12.11	31.12.10
			£	£
95 (2010: 100)	Ordinary shares	£1	<u>95</u>	<u>100</u>

In the year to 31 December 2011 a shareholder of the company made his shareholding available for purchase. As a result of this the company acquired 5 £1 Ordinary shares, representing 5% of all issued share capital, for consideration totalling £900,000 plus costs totalling £4,495.

**KILIMA HOLDINGS LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION - continued**

**3. FINANCIAL LIABILITIES - BORROWINGS**

**Group**

	31.12.11	31.12.10
	£	£
Current:		
Bank loans	469,524	495,499
	<u>469,524</u>	<u>495,499</u>
Non-current:		
Bank loans	1,229,725	632,139
	<u>1,229,725</u>	<u>632,139</u>

Terms and debt repayment schedule:

**Group**

	31.12.11	31.12.10
	£	£
<b>In less than one year:</b>		
Bank borrowings	469,524	495,499
<b>In more than one year but less than two years:</b>		
Bank borrowings	470,793	538,294
<b>In more than two years but less than five years:</b>		
Bank borrowings	807,450	109,486
<b>In more than five years:</b>		
Bank borrowings	-	-
	<u>1,747,767</u>	<u>1,143,279</u>
Deferred arrangement costs	(48,518)	(15,641)
	<u>1,699,249</u>	<u>1,127,638</u>

The bank loans and overdrafts are secured with fixed and floating charges over the group assets. The loans are being repaid over varying periods between 4 and 14 years, in equal instalments. Interest is charged monthly on the outstanding amount of the loans, at rates which track 2.3% - 2.5% above Bank of England base rate and 4.5% above LIBOR. The bank loans are shown net of associated loan arrangement costs which are being amortised over the term of the loans. In the event of a change of control, sale or flotation, the bank have the right to demand full repayment of the loans.