

TRANSKEI AIRWAYS CORPORATION

BALANCE SHEET as at 31/12/91

	CURRENT YEAR R	PREVIOUS YEAR R
CAPITAL EMPLOYED		
SHARE CAPITAL	16,047,304	16,047,304
ACCUMULATED LOSS	16,866,486	1,542,852
SHAREHOLDERS' EQUITY	(819,182)	14,504,452
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	(819,182)	14,504,452
	=====	=====
EMPLOYMENT OF CAPITAL		
FIXED ASSETS	2,233,250	2,416,037
CURRENT ASSETS	3,740,893	2,945,443
Stock	1,156,180	1,182,909
Trade Debtors	929,652	622,375
Other Debtors	1,167,672	886,260
Cash and Bank Balance	260,459	109,745
Short Term Loans	226,930	144,154
CURRENT LIABILITIES	6,793,328	6,846,117
Trade Creditors	1,220,977	736,594
Other Creditors	5,071,120	5,075,051
Bank Overdraft	501,231	1,034,472
NET CURRENT LIABILITIES	3,052,435	3,900,674
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	(819,185)	(1,484,637)
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TRANSKEI AIRWAYS CORPORATION

NOTES TO THE BALANCE SHEET as at 31/12/91

	Cost	Accumulated Depreciation	Bookvalue Current	Bookvalue Previous
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	Cost	Accumulated Depreciation	Bookvalue Current	Bookvalue Previous
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FIXED ASSETS

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Fixed Assets - Aircraft	5,045,713	3,279,364	1,766,349	1,920,609
Fixed Assets - Land & Building	230,665	0	230,665	230,665
Fixed Assets - Plant & Equipment	184,164	104,668	79,496	92,096
Fixed Assets - Aircraft Tools	26,838	11,381	15,457	17,482
Fixed Assets - Loose Tools	4,777	4,772	5	374
Fixed Assets - Office Furn & Equip.	141,249	70,059	71,190	79,806
Fixed Assets - Motor Vehicles	167,406	97,318	70,088	75,005
	<u>5,800,812</u>	<u>3,567,562</u>	<u>2,233,250</u>	<u>2,416,037</u>

STOCK

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720 Aircraft Stock on Hand	1,098,634	1,125,363
721 Tickets Stock	54,110	54,110
722 Bar Stock UTA	3,436	3,436
	<u>1,156,180</u>	<u>1,182,909</u>

TRADE DEBTORS

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661 Trade Debtors - Gen & Charter	515,026	155,896
662 Foreign Debtors	247,622	185,411
663 S.A.A. Debtors	167,004	281,068
	<u>929,652</u>	<u>622,375</u>

OTHER DEBTORS

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664 Sundry Debtors	104,065	0
666 VAT	81,826	0
667 Deposits	8,305	6,705
669 Petty Cash Clearing - J.Smuts	100	0
816 Control Acc - S.A.A. - JHE	274,196	113,432
817 Control Acc - S.A.A. - E.L.	2,212	0
822 Control Acc Salaries	526	0
825 Control Acc P.A.Y.E.		81

TRANSKEI AIRWAYS CORPORATION

NOTES TO THE BALANCE SHEET as at 31/12/91

	CURRENT YEAR R	PREVIOUS YEAR R
830 Thei Travel T'kt Returns	386,870	402,751
833 BSP Control	116,722	224,405
834 B.S.P. Credit Card Control	179,916	124,533
836 BSP Clearing	811	811
894 Clearing Acc: Melsetta	1,882	0
896 Clearing Acc: G.S.A	644	0
897 Clearing Acc: Bop Air Recovery	1,510	4,562
898 Clearing Acc: General	8,087	8,980
	<u>1,167,672</u>	<u>886,260</u>

CASH AND BANK BALANCE

670 Petty Cash - Admin.	500	500
671 Petty Cash - R.D.M.	300	300
672 Petty Cash - Engineers	600	600
673 Petty Cash - Jan Smuts	720	400
675 Petty Cash - Louis Botha	200	200
676 Floats	350	350
679 Bank of Transkei: Salaries Acc	3,293	0
681 Standard No 2	1,215	5,215
682 Bank of Transkei	206,443	55,342
687 Investment in Subsidiary - Thei Travel	46,838	46,838
	<u>260,459</u>	<u>109,745</u>

SHORT TERM LOANS

690 Staff Loans & Advances	685	1,997
697 Loan Account - Transkei Travel	226,245	142,157
	<u>226,930</u>	<u>144,154</u>

TRADE CREDITORS

811 Trade Creditors	1,015,100	461,506
812 Foreign Creditors	14,135	25,472
813 Property Creditors TDC	0	21,307
814 Creditors : Provisions	88,056	228,309
815 Control Acc : VAT	103,686	0
	<u>1,220,977</u>	<u>736,594</u>

TRANSKEI AIRWAYS CORPORATION

NOTES TO THE BALANCE SHEET as at 31/12/91

	CURRENT YEAR R	PREVIOUS YEAR R
OTHER CREDITORS =====		
818 Control Acc - Group Life	3,014	0
819 Control Acc - PA/PHI	2,646	0
820 Control Acc: Standard Clearing Account	6,892	8,619
821 Control Acc: Medical Aid Subs.	805	0
823 Control Acc Pensions	26,201	0
824 Control Acc Med. Aid	9,786	0
825 Control Acc P.A.Y.E.	42,012	
826 Control Acc Staff Insurance	5,051	1,780
827 Tickets Paid in Advance	448,542	284,407
829 Barnib Clearing Account	19,547	3,205
831 Control: East West Travel	374	0
837 Control Acc: Union Fees	162	0
840 Provision For Major Eng. Overhauls	3,951,287	3,456,780
841 Provision For Audit Fees	79,845	79,845
842 Provision for Leave Pay	270,678	176,298
843 Provision for Traffic Royalties	54,000	44,592
844 Provision For Annual Bonuses	4,414	52,456
845 Provision for Safari	15,690	0
850 Accrued Expenses	62,938	963,786
665 Prepayments	14,639	3,283
668 R/D \Credit Card Control	52,597	0
	----- 5,071,120 -----	----- 5,075,051 -----
BANK OVERDRAFT =====		
680 Standard No 1	440,063	961,825
683 Ticket Debtors / Cash in Transit	61,168	72,647
	----- 501,231 -----	----- 1,034,472 -----

TRANSKEI AIRWAYS CORPORATION

INCOME STATEMENT 31/12/91

	Budget Current Period	Actual Current Period	Variance
TURNOVER			
230 Revenue: Passenger Income	1037670	520641	(517030)
231 Revenue: Charter Income	20167	18190	(1977)
232 Revenue: Excess Baggage	4000	0	(4000)
233 Revenue: Freight	13750	31641	17891
234 Revenue: Mail	7750	6752	(998)
236 Revenue: Bar Sales	1375	301	(1074)
	<u>1084712</u>	<u>577525</u>	<u>(507187)</u>
SUNDRY INCOME			
172 Revenue: Interest Received	0	132	132
173 Revenue: Sundry	0	40	40
176 Commissions Received	2500	9315	6815
177 Revenue: Property Rent Received	120	120	0
178 Hangar Outwork Charges	0	12728	12728
179 Revenue: Handling	0	1200	1200
	<u>2620</u>	<u>23535</u>	<u>20915</u>
TOTAL INCOME	<u>1087332</u>	<u>601060</u>	<u>(486272)</u>
DIRECT OPERATING EXPENSES			
271 Aircraft Fuel	332666	17169	(315497)
272 Aircraft Handling	39801	38912	(889)
273 Aircraft Catering	20478	5381	(15097)
274 Aircrew Pilots S&T	19186	15264	(3922)
275 Aircraft Landing Fees	34326	(7975)	(42301)
276 Passenger Expenses - Departure Tax	1750	2699	949
277 Aircraft Repairs & Maintenance	170833	3064	(167769)
278 Commission Paid	88399	47502	(40897)
279 Traffic Royalty	16249	6000	(10249)
280 Aircraft Major Engine Overhauls	0	145000	145000
281 Safari-Bookings	12552	5230	(7322)
282 Aircraft Communications	500	0	(500)
283 Cabin Crew S&T	6554	5442	(1112)
284 Aircraft Charter: SA Air Tours/Regional Air	0	1671000	1671000
	<u>743294</u>	<u>1954688</u>	<u>1211394</u>
CONTRIBUTION	<u>344038</u>	<u>(1353628)</u>	<u>(1697666)</u>

TRANSKEI AIRWAYS CORPORATION

INCOME STATEMENT 31/12/91

	Budget Current Period	Actual Current Period	Variance
INDIRECT OPERATING EXPENSES			
300 Aircrew Salaries	79746	55660	(24086)
301 Cabin Crew Salaries	28342	(166)	(28508)
302 Aircrew Corporation Cont.	13269	7916	(5353)
303 Cabin Crew Corporation Cont.	3489	1497	(1992)
304 Aircrew Training	667	22000	21333
305 Aircrew Uniforms	733	0	(733)
306 Cabin Crew Training	417	0	(417)
307 Cabin Crew Uniforms	900	0	(900)
308 Aircrew Entertainment	167	1	(166)
309 Aircrew Overseas Visits	833	0	(833)
320 Aircraft Depreciation	17500	17140	(360)
321 Plant & Equipment Depreciation	1917	1666	(251)
322 Aircraft Hire	125000	(346779)	(471779)
323 Aircraft Insurance & Licenses	25000	30398	5398
324 Aircraft Hangarage	0	15994	15994
326 Plant & Equipment Rep.&Maint.	2500	2610	110
327 Inflight Sundries	1667	180	(1487)
329 Plant & Equip:Hire Charges	417	0	(417)
340 Engineering Salaries	12189	10390	(1799)
341 Engineering Corporation Contribution	2127	1430	(697)
344 Protective Clothing - All	375	0	(375)
346 Operations Overseas Visits	833	0	(833)
	-----	-----	-----
	318088	(180063)	(498151)
	-----	-----	-----
GROSS LOSS	(25950)	1173565	1199515
ADMINISTRATION EXPENSES			
360 Traffic Salaries	50272	46534	(3738)
361 Traffic Corporation Contribution	6476	7418	942
362 Traffic S & T	1292	3919	2627
363 Traffic Training	83	0	(83)
365 Traffic Uniforms	1125	0	(1125)
369 Housing Allowance	0	693	693
370 Marketing : Salaries	6651	6435	(216)

TRANSKEI AIRWAYS CORPORATION

INCOME STATEMENT 31/12/91

	Budget Current Period	Actual Current Period	Variance
371 Marketing			
Corp. Contributions	1128	1014	(114)
372 G.S.A Marketing	0	10500	10500
373 Operations: Salaries	19750	19069	(681)
374 Operations S & T	83	800	717
375 Operations: Entertainment	200	355	155
376 Operations: Corporation Contribution	2949	2164	(785)
398 Marketing	667	463	(204)
400 Administrative Salaries	30159	32433	2274
401 Administrative Corporation Contribution	4398	(5352)	(9750)
402 Administrative S&T	1583	1801	218
403 Administrative Overseas Visits	833	0	(833)
404 Administrative Uniforms	1208	0	(1208)
405 Administrative Allowances	0	600	600
407 Advertising & Promotions	5000	995	(4005)
408 Audit Fees	1000	0	(1000)
409 Bad Debts Written Off	3333	0	(3333)
410 Bank Charges	1250	2975	1725
411 Security	208	0	(208)
412 Refreshments & Cleaning	1208	760	(448)
413 Data Processing	917	0	(917)
414 Computer Costs	3750	50	(3700)
415 Depreciation	4583	2842	(1741)
416 Gifts & Donations	167	27	(140)
417 Administrative Entertainment	833	0	(833)
418 Insurances-Non Operating	2667	0	(2667)
419 Insurances-Repairs X/S's	417	0	(417)
420 Rentals - Office Equipment	1667	1176	(491)
421 Legal Fees	500	0	(500)
422 Subscriptions	1667	2175	508
423 Motor Vehicle Costs Fuel & Oil	4917	2928	(1989)
424 Motor Vehicle Costs - Rep. & Maint.	6000	7106	1106
425 Motor Vehicle Costs - Insurances & Lic.	167	0	(167)
426 Postages	208	3	(206)

TRANSKEI AIRWAYS CORPORATION

INCOME STATEMENT 31/12/91

	Budget Current Period	Actual Current Period	Variance
427 Printing & Stationery	4167	462	(3705)
428 Rates & Taxes	417	0	(417)
429 Rentals - Staff			
Housing	875	802	(73)
430 Rentals - Offices	1333	8167	6834
431 Lights & Water	1025	0	(1025)
432 Fixed Property-Rep. & Maint.	1250	0	(1250)
433 Office Equip.- Rep & Maint.	542	30	(512)
434 Revenue Accounting	9500	9357	(143)
435 Staff Recruitments	583	0	(583)
436 Levies:Admin Board - East Rand	167	0	(167)
437 Telephones	8583	14913	6330
438 Telex	583	669	86
439 Penalties	83	0	(83)
440 Disbursements	208	163	(45)
441 UIF	125	(276)	(401)
442 Workmens Compensation	125	0	(125)
443 Interest Paid	833	7496	6663
444 General Expenses	167	0	(167)
446 Exchange Rate Diff. - Deficit	208	0	(208)
447 Staff Reallocation	833	0	(833)
449 Admin. Training	250	0	(250)
450 Management Fees	42	0	(42)
452 Pension Trustees	142	0	(142)
454 Technical Publications	250	0	(250)
455 BSP Expenses	1275	5701	4426
460 Directors Emoluments	1667	0	(1667)
461 Directors Overseas Visits	417	0	(417)
463 Directors S&T	833	359	(474)
464 Fax Charges	375	234	(141)
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	197378	208664	11286
	-----	-----	-----
NET LOSS	171428	1382229	1210801
	-----	-----	-----
480 Income Subsidy	0	845459	845459
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ACCUMULATED LOSS end of year	171428	536770	365342
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INCOME STATEMENT 31/12/91

	Budget Year to date	Actual Year to Date	Variance	Actual Last year
TURNOVER				
230 Revenue: Passenger Income	9339030	5531163	(3807867)	6856379
231 Revenue: Charter Income	181503	216855	35352	266707
232 Revenue: Excess Baggage	36000	18855	(17145)	25330
233 Revenue: Freight	123750	156144	32394	198923
234 Revenue: Mail	69750	84807	15057	113882
235 Revenue: Commission Received	0	2687	2687	0
236 Revenue: Bar Sales	12375	6826	(5550)	11350
	-----	-----	-----	-----
	9762408	6017337	(3745071)	7472571
SUNDRY INCOME				
171 Revenue: Exchange Rate Difference	0	3930	3930	552
172 Revenue: Interest Received	0	4174	4174	8149
173 Revenue: Sundry	0	29285	29285	7499
174 Revenue: Hangar Rent Received	0	0	0	76393
175 Revenue: Profit on Fixed Asset	0	0	0	(25575)
176 Commissions Received	22500	64534	42034	86854
177 Revenue: Property Rent Received	1080	1080	0	1360
178 Hangar Outwork Charges	0	61277	61277	107565
179 Revenue: Handling	0	19402	19402	23220
	-----	-----	-----	-----
	23580	183682	160102	286017
TOTAL INCOME				
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	9785988	6201019	(3584969)	7758588
DIRECT OPERATING EXPENSES				
271 Aircraft Fuel	2993994	747110	(2246884)	2107984
272 Aircraft Handling	358209	405473	47264	545031
273 Aircraft Catering	184302	139540	(44762)	191134
274 Aircrew Pilots S&T	172674	134609	(38065)	192753
275 Aircraft Landing Fees	308934	165050	(143884)	333613
276 Passenger Expenses - Departure Tax	15750	63133	47383	57603
277 Aircraft Repairs & Maintenance	1537497	557544	(979953)	2410699
278 Commission Paid	795591	578289	(217302)	722377
279 Traffic Royalty	146241	54000	(92241)	67841

TRANSKEI AIRWAYS CORPORATION

INCOME STATEMENT 31/12/91

	Budget Year to date	Actual Year to Date	Variance	Actual Last year
280 Aircraft Major Engine Overhauls	0	1330059	1330059	2268698
281 Safari-Bookings	112968	84559	(28409)	203711
282 Aircraft Communications	4500	3297	(1203)	5662
283 Cabin Crew S&T	58986	86493	27507	83533
284 Aircraft Charter:SA Air Tours/Regional Air	0	2111795	2111795	0
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	6689646	6460951	(228695)	9190639
	-----	-----	-----	-----
CONTRIBUTION	3096342	(259932)	(3356274)	(1432051)
INDIRECT OPERATING EXPENSES				
300 Aircrew Salaries	717714	511917	(205797)	786122
301 Cabin Crew Salaries	255078	82012	(173066)	205912
302 Aircrew Corporation Cont.	119421	85481	(33940)	129108
303 Cabin Crew Corporation Cont.	31401	12867	(18534)	23512
304 Aircrew Training	6003	22595	16592	4675
305 Aircrew Uniforms	6597	1826	(4771)	3752
306 Cabin Crew Training	3753	7400	3647	190
307 Cabin Crew Uniforms	8100	4313	(3787)	2223
308 Aircrew Entertainment	1503	2	(1501)	1544
309 Aircrew Overseas Visits	7497	0	(7497)	0
310 Aircrew Medic	0	1167	1167	264
320 Aircraft Depreciation	157500	154260	(3240)	205674
321 Plant & Equipment Depreciation.	17253	14994	(2259)	20457
322 Aircraft Hire	1125000	872932	(252068)	1087605
323 Aircraft Insurance & Licenses	225000	297276	72276	252439
324 Aircraft Hangarage	0	29064	29064	135386
325 Computer Maintenance Schedule	0	164	164	0
326 Plant & Equipment Rep.&Maint.	22500	3977	(18523)	9755
327 Inflight Sundries	15003	1202	(13801)	7981
329 Plant & Equip:Hire Charges	3753	1022	(2731)	0
340 Engineering Salaries	109701	90941	(18760)	492688
341 Engineering Corporation Contribution	19143	12634	(6509)	36330
342 Engineering S&T	0	10	10	16
344 Protective Clothing - All	3375	22	(3353)	3004
345 Engineering Entertainment	0	0	0	600

TRANSKEI AIRWAYS CORPORATION

INCOME STATEMENT 31/12/91

	Budget Year to date	Actual Year to Date	Variance	Actual Last year
346 Operations Overseas Visits	7497	1255	(6242)	1000
359 Traffic-Entertainment	0	12	12	744
	<u>2862792</u>	<u>2209345</u>	<u>(653447)</u>	<u>3410981</u>
GROSS LOSS	(233550)	2469277	2702827	4843032
ADMINISTRATION EXPENSES				
360 Traffic Salaries	452448	480403	27955	593083
361 Traffic Corporation Contribution	58284	64231	5947	66170
362 Traffic S & T	11628	28016	16388	18631
363 Traffic Training	747	605	(142)	870
365 Traffic Uniforms	10125	0	(10125)	56
368 Allowances :Clothing	0	0	0	215
369 Housing Allowance	0	6234	6234	3724
370 Marketing : Salaries	59859	54527	(5332)	74886
371 Marketing Corp. Contributions	10152	8498	(1654)	10048
372 G.S.A Marketing	0	36750	36750	0
373 Operations: Salaries	177750	167178	(10572)	136904
374 Operations S & T	747	6890	6143	1610
375 Operations:Entertainm ent	1800	1243	(557)	500
376 Operations:Corporatio n Contribution	26541	18867	(7674)	12183
398 Marketing	6003	10962	4959	12760
400 Administrative Salaries	271431	251291	(20140)	311284
401 Administrative Corporation Contribution	39582	(38818)	(78400)	(50388)
402 Administrative S&T	14247	11266	(2981)	27863
403 Administrative Overseas Visits	7497	0	(7497)	0
404 Administrative Uniforms	10872	5000	(5872)	174
405 Administrative Allowances	0	1400	1400	2400
406 Professional Fees	0	0	0	383
407 Advertising & Promotions	45000	80399	35399	104591
408 Audit Fees	9000	0	(9000)	13800
409 Bad Debts Written Off	29997	0	(29997)	15824
410 Bank Charges	11250	20409	9159	21075
411 Security	1872	2259	387	2600
412 Refreshments & Cleaning	10872	7621	(3251)	10560
413 Data Processing	8253	3420	(4833)	8391

INCOME STATEMENT 31/12/91

	Budget Year to date	Actual Year to Date	Variance	Actual Last year
414 Computer Costs	33750	3804	(29946)	9817
415 Depreciation	41247	25578	(15669)	32258
416 Gifts & Donations	1503	637	(866)	2471
417 Administrative Entertainment	7497	1342	(6155)	3513
418 Insurances-Non Operating	24003	33155	9152	74293
419 Insurances-Repairs X/S's	3753	0	(3753)	0
420 Rentals - Office Equipment	15003	12189	(2814)	18685
421 Legal Fees	4500	9046	4546	3934
422 Subscriptions	15003	8204	(6799)	9416
423 Motor Vehicle Costs Fuel & Oil	44253	26855	(17398)	45509
424 Motor Vehicle Costs - Rep. & Maint.	54000	46849	(7151)	103103
425 Motor Vehicle Costs - Insurances & Lic.	1503	345	(1158)	18593
426 Postages	1872	832	(1040)	1530
427 Printing & Stationery	37503	19494	(18009)	42551
428 Rates & Taxes	3753	5319	1566	0
429 Rentals - Staff Housing	7875	6418	(1457)	9331
430 Rentals - Offices	11997	58417	46420	97491
431 Lights & Water	9225	2809	(6416)	5844
432 Fixed Property-Rep. & Maint.	11250	8433	(2817)	16103
433 Office Equip.- Rep & Maint.	4878	4534	(344)	7591
434 Revenue Accounting	85500	112627	27127	109177
435 Staff Recruitments	5247	0	(5247)	491
436 Levies:Admin Board - East Rand	1503	0	(1503)	0
437 Telephones	77247	109584	32337	109623
438 Telex	5247	3427	(1820)	3891
439 Penalties	747	70	(677)	24
440 Disbursements	1872	647	(1225)	4451
441 UIF	1125	756	(369)	2783
442 Workmens Compensation	1125	0	(1125)	438
443 Interest Paid	7497	69076	61579	39324
444 General Expenses	1503	0	(1503)	0
446 Exchange Rate Diff. - Deficit	1872	0	(1872)	381
447 Staff Reallocation	7497	0	(7497)	6493
448 Stock Exchange Rate Diff.	0	210	210	1226
449 Admin. Training	2250	795	(1455)	563
450 Management Fees	378	0	(378)	0
452 Pension Trustees	1278	0	(1278)	423

TRANSKEI AIRWAYS CORPORATION

INCOME STATEMENT 31/12/91

	Budget Year to date	Actual Year to Date	Variance	Actual Last year
454 Technical Publications	2250	1871	(380)	3529
455 BSP Expenses	11475	32255	20780	47580
460 Directors Emoluments	15003	600	(14403)	13587
461 Directors Overseas Visits	3753	420	(3333)	5122
463 Directors S&T	7497	9627	2130	9389
464 Fax Charges	3375	1596	(1779)	2353
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	1776402	1924108	147706	2363854
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NET LOSS	1542852	4393385	2850533	7206886
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480 Income Subsidy	0	5057341	5057341	5677800
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NET INCOME	(1542852)	663956	2206808	(1529086)
481 Prior Year Adjustment	0	0	0	2860725
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RETAINED PROFIT for the year	(1542852)	663956	2206808	(4389811)
ACCUMULATED LOSS beginning of year	0	17530442	17530442	13142129
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ACCUMULATED LOSS end of year	1542852	16866486	15323634	17531940
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