

Report of the Independent Auditor to the Members of Unilever Ghana Limited



Report On The Financial Statements

We have audited the accompanying financial statements of Unilever Ghana Limited set out on pages 16 to 48. These financial statements comprise the statement of financial position as at 31 December 2012, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and with the requirements of the Companies Act, 1963 (Act 179) and for such internal control, as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Unilever Ghana Limited as at 31 December 2012 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179).

Report on other legal requirements

The Companies Act, 1963 (Act 179) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books; and
- iii) the Company's balance sheet (statement of financial position) and profit and loss account (part of the statement of comprehensive income) are in agreement with the books of account.

Michael Asiedu-Antwi

Chartered Accountants
26 March 2013
Accra, Ghana
Michael Asiedu-Antwi (ICAG/P/1138)



Statement of comprehensive income for the year ended 31 December

(All amounts are expressed in thousands of Ghana cedis)



Unilever

	Notes	2012	2011
Revenue	3	282,138	239,005
Cost of sales	4	(216,461)	(176,332)
		-----	-----
Gross profit		65,677	62,673
Distribution expenses	5	(17,037)	(15,542)
Administrative expenses	6	(23,879)	(15,008)
Other income	7	-	4,665
Profit on disposal of investment		-	4,339
Restructuring costs	23a&b	(246)	(3,089)
		-----	-----
Operating profit:		24,515	38,038
Finance income	8	671	1,016
Finance costs	8	(4,428)	(1,173)
		-----	-----
Profit before income tax		20,758	37,881
Income tax expense	10c	(4,676)	(7,465)
		-----	-----
Net profit after tax for the year		16,082	30,416
		=====	=====
Net profit after tax for the year		16,082	30,416
Other comprehensive income :			
Actuarial losses on pensions before tax	12c	(4,276)	(6,393)
Income tax relating to other comprehensive income	12c	1,069	1,598
		-----	-----
Total comprehensive income for the year		12,875	25,621
		=====	=====
Earnings per share for profit attributable to the equity holders of the company			
Basic and diluted earnings per share	30	0.2573	0.4867



Unilever

Statement of financial position as at 31 December

(All amounts are expressed in thousands of Ghana cedis)

	Notes	2012	2011
Non-current assets			
Property, plant and equipment	11a&b	40,973	30,554
Intangible assets	11d	10,964	1
Investment in subsidiaries	13	10	10
Pension assets for funded scheme in surplus	12d	3,915	8,409
		55,862	38,974
Current assets			
Inventories	14	32,576	31,735
Assets of disposal group held for sale		-	282
Trade and other receivables	19	42,272	33,424
Current income tax	10a	3,336	1,233
Cash at bank	22	19,666	21,298
		97,850	87,972
Current liabilities			
Trade and other payables	20	(103,880)	(68,285)
Dividend payable	15	(2,764)	(1,977)
Provisions	23a&b	(598)	(1,209)
Bank overdrafts	22	(8,087)	-
		(115,329)	(71,471)
Net current (liabilities) /assets		(17,480)	16,501
Total assets less current liabilities		38,382	55,475
Non-current liabilities			
Deferred income tax	10a	4,166	3,444
Post employment benefits obligation-unfunded	12d	2,448	3,138
		6,614	6,582
Shareholders' fund			
Stated capital	16	1,200	1,200
Capital surplus account	17	204	204
Income surplus account	31	30,283	47,408
Share deals account	18	81	81
		31,768	48,893
Shareholders' equity		31,768	48,893
Total equity and non-current liabilities		38,382	55,475

The financial statements on pages 16 - 48 were approved by the Board of Directors on 21st February, 2013 and were signed on its behalf by:


 Managing Director
 David Mureithi


 Finance Director
 Victoria K. Kiggundu

Statement of cash flows for the year ended 31 December

(All amounts are expressed in thousands of Ghana cedis)

	Notes	2012	2011
Cash flows from operating activities			
Cash generated from operations	21	53,445	20,074
Interest paid	8	(4,428)	(1,173)
Interest received	8	671	1,016
Tax paid	10a	(4,988)	(5,885)
		-----	-----
Net cash generated from operating activities		(44,700)	14,032
		-----	-----
Cash flows from investing activities			
Purchases of property, plant and equipment	11a&b	(13,201)	(14,843)
Purchases of Intangible assets	11d	(12,005)	-
Proceeds from disposal of property, plant and equipment	11c	-	49
Dividend received	7	-	3,572
Net proceeds from sale of investment	24	-	14,686
		-----	-----
Net cash (used in) / generated from investing activities		(25,206)	3,464
		-----	-----
Cash flows from financing activities			
Dividend paid	15	(29,213)	(17,549)
		-----	-----
Net cash used in financing activities		(29,213)	(17,549)
		-----	-----
Decrease in cash and cash equivalents		(9,719)	(53)
Cash and cash equivalents at beginning of year		21,298	21,351
		-----	-----
Cash and cash equivalents at end of year	22	11,579	21,298
		=====	=====

Statement of changes in equity as at 31 December

(All amounts are expressed in thousands of Ghana cedis)

Year ended 31 December 2012

	Notes	Stated capital	Capital surplus account	Income surplus account	Share deals account	Total equity
Balance at 1 January 2012		1,200	204	47,408	81	48,893
Comprehensive income						
Profit for the year		-	-	16,082	-	16,082
Other comprehensive income						
Actuarial losses on pensions after tax	12c	-	-	(3,207)	-	(3,207)
Total comprehensive income for the year		-	-	12,875	-	12,875
Final dividend to equity holders 2011	15	-	-	(30,000)	-	(30,000)
Balance at 31 December 2012		1,200	204	30,283	81	31,768
Year ended 31 December 2011						
Balance at 1 January 2011		1,200	329	39,730	81	41,340
Release of provision		-	(125)	-	-	(125)
Comprehensive income						
Profit for the year		-	-	30,416	-	30,416
Other comprehensive income						
Actuarial gains on pensions after tax	12c	-	-	(4,795)	-	(4,795)
Total comprehensive income for the year		-	-	25,621	-	25,621
Final dividend to equity holders 2010	15	-	-	(17,943)	-	(17,943)
Balance at 31 December 2011		1,200	204	47,408	81	48,893