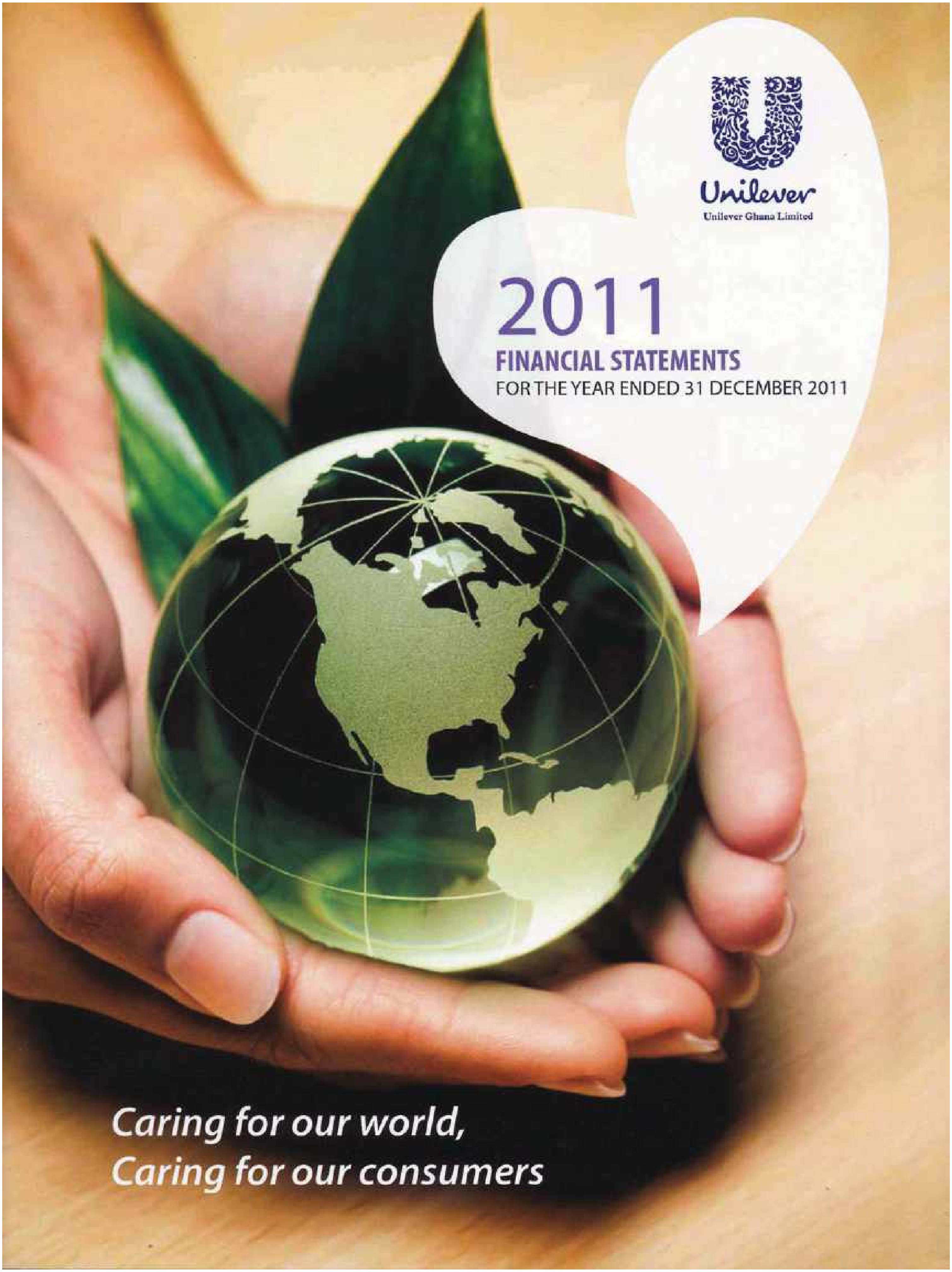


Unilever Ghana Limited

2011
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

Caring for our world,
Caring for our consumers

Brands that make life richer. Caring for everyday.

At Unilever we care for the little moments of life. Brushing teeth, Showering, cooking meals, caring for the baby, cleaning the house, doing the dishes and the laundry.

To us the moments that make everyday life richer is what inspires us to care about our consumers.

2011 Annual Report and Financial Statements

Contents	Pages

Our mission

We work to create a better future every day. We help people feel good, look good and get more out of life with brands and services that are good for them and good for others.

We will inspire people to take small, everyday actions that can add up to a big difference for the world.

We will develop new ways of doing business with the aim of doubling the size of our company while reducing our environmental impact.

Board of Directors

Seated L-R

Ishmael Evans Yamson (Chairman) | Ms Aurore Lokko (Non-Executive Director) | David M. Muriithi (Managing Director)

Standing L-R

Sampson A. Dontoh (Human Resource Director) | Prof. Franklyn A. Manu (Non-Executive Director) | Mrs. Victoria Kayaga Kiggundu (Finance Director) | Akofa Ato (Customer Development Director) | Mrs. Juliana O. Torpey (Company Secretary) | Charles A. Coffie (Non-Executive Director) | Joseph H. A. Hyde (Non-Executive Director) | Ms. Maidie E. Arkutu (Marketing Director)

Financial Highlights

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

	Company			Group		
	2011	2010	% Change	2011	2010	% Change
Revenue	**239,005**	179,257	33.3	**240,670**	181,153	32.9
Operating profit	**33,298**	22,317	49.2	**44,208**	23,905	84.9
Profit before income tax from continuing	**33,141**	22,888	44.8	**45,200**	25,087	80.2
Non-controlling interest	-	-	-	**8,171**	3,705	120.6
Profit after tax for the year attributable to owners of the parent	**30,115**	17,947	67.8	**27,400**	19,109	43.4

Cash flows from operating activities	**20,074**	16,955	18.4	**35,174**	21,320	65.0
Shareholders' funds	**48,893**	41,340	18.3	**58,974**	54,136	8.9
Capital expenditure	**14,843**	5,905	151.4	**15,194**	6,294	141.4

Earnings per share (GH¢)	**0.4818**	0.2872	67.8	**0.4384**	0.3057	43.4
Proposed dividend per share (GH¢)	**0.4800**	0.2871	67.2	**0.4800**	0.2871	67.2
Net assets per share (GH¢)	**0.7823**	0.6614	18.3	**1.2278**	1.2261	0.1

PBT margin (%)	**13.9**	12.8		**18.8**	13.8	
Net profit margin (%)	**12.6**	10.0		**14.8**	12.6	

Notice of Meeting

Notice is hereby given that the next Annual General Meeting of the Members of Unilever Ghana Limited will be held at the National Theatre, Accra on Wednesday 9th May 2012 at 11.00 a.m. for the following purposes:

AGENDA

1. To receive the report of the Directors, the financial position as at 31st December, 2011 together with the Accounts for the year ended on that date and the report of the Auditors thereon.
2. To declare a Dividend.
3. To re-elect Directors retiring by rotation.
4. To approve Directors' fees.
5. To authorize the Directors to fix the remuneration of the Auditors.

A Member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a Member. A form of proxy is attached and if it is to be valid for the purposes of the Meeting it must be completed and deposited at the Registered Office of the Registrars of the Company, Merchant Bank Ghana Limited, not less than 48 hours before the Meeting.

Dated this 20th day of February 2012.

By Order of the Board

Torpey

J.O. Torpey (Mrs)
Secretary

Registered Office, Unilever Ghana Limited, Tema Factory, Plot No. Ind/A/2/3A-4, P O Box 721, Tema

Dividend Warrants

If the payment of the dividend recommended is approved, the warrants will be posted on the 8th day of June 2012 to holders of shares whose names are registered in the Register of Members at the close of day on the 25th day of April, 2012.

Board of Directors & Secretary

I.E. Yamson, Chairman; D.M. Mureithi, Managing Director; C A Cofie, S. A. Dontoh; J. N-A Hyde; V. Kayaga Kiggundu (Mrs); A. Lokko (Ms); F.A. Manu, A. Ata, Maidie E. Arkutu (Ms) and J.O. Torpey (Mrs), Secretary.

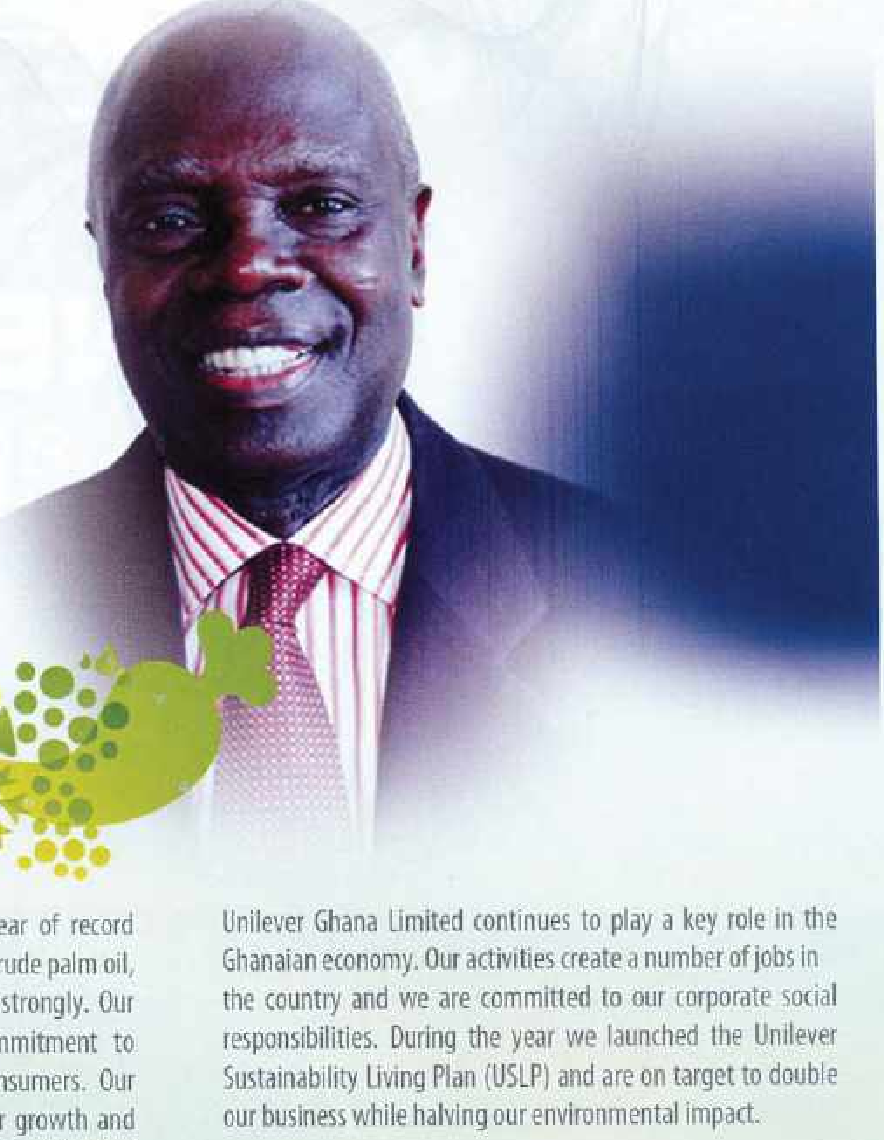
Board Audit Committee

Aurore Lokko (Ms); J. N-A Hyde, Victoria Kayaga Kiggundu (Mrs) and F. A. Manu.

Registrars Office: Merchant Bank Ghana Ltd, Registrars Department, 57 Examination Loop, North Ridge, P. O. Box 401, Accra, Ghana


INSTANTLY WHITER TEETH IN JUST ONE BRUSH*
Closeup WHITE NOW
*Based on a clinical study of 78 subjects. Instant whitening effect is temporary due to optical effect.
fdi
closeup
the closer, the better

Chairman's Review



Introduction

I am delighted to report that 2011 was a year of record revenue and profits. Against the rising price of crude palm oil, Unilever Ghana Limited continued to perform strongly. Our performance in 2011 demonstrates our commitment to delivering value to our shareholders and consumers. Our consumer business remains the bedrock of our growth and profitability and our categories continue to grow. We were able to maintain our market leadership in our key categories during the year despite fierce competition from local and imported products.

Our Revenue saw a 33% growth with operating profit growing by 85% over 2010. Based on our strong performance and in line with delivering value to the shareholder, the Board is proposing an annual dividend of GH¢0.48 per share, which is a 67% increase over the 2010 levels. The recommendation is in line with our practice of consistent payment of dividends.

Unilever Ghana Limited continues to play a key role in the Ghanaian economy. Our activities create a number of jobs in the country and we are committed to our corporate social responsibilities. During the year we launched the Unilever Sustainability Living Plan (USLP) and are on target to double our business while halving our environmental impact.

Political and Economic Review – 2011

Ghana remained a stable democracy with strong democratic institutions. The political temperature has started to rise because of the December 2012 Presidential and Parliamentary elections. The stakes are high however we expect that Ghana's democracy will remain intact and preserved.

On the economic front, the year 2011 will be remembered for the pressure that the implementation of the Single Spine Salary Scheme exerted on the Government's expenditure budget. That the Government was able to maintain fiscal discipline despite this pressure is to be commended.

Chairman's Review (Continued)

Real Gross Domestic Product grew at 13.6% during the year inclusive of the crude oil production. Without the crude oil effect GDP growth was at 7%. The economy remained relatively stable in the year with year-on-year inflation at 8.58% and an average of 8.73%.

The Bank of Ghana policy rate ended the year at 12.5%, with the 91 days treasury bill rate at 9.1%. This reflected positively on the base rates of the commercial banks, which averaged 22.8% for the year. The cedi however depreciated against the US dollar, euro and pound by 9.3%, 7.8% and 9% respectively during the year.

The upward reviews of fuel prices and energy tariffs during the year exerted upward cost pressures on businesses, even though inflation remained within single digits.

The year 2011 saw the first full year of oil production in Ghana. This has increased investment and economic activities in the country, particularly in the Western Region. Gas production has not started but the gas infrastructure should be in place by the end of 2012.

The stability and positive developments in the economy have attracted new competitive investors into the FMCG sector of the economy.

Board Changes

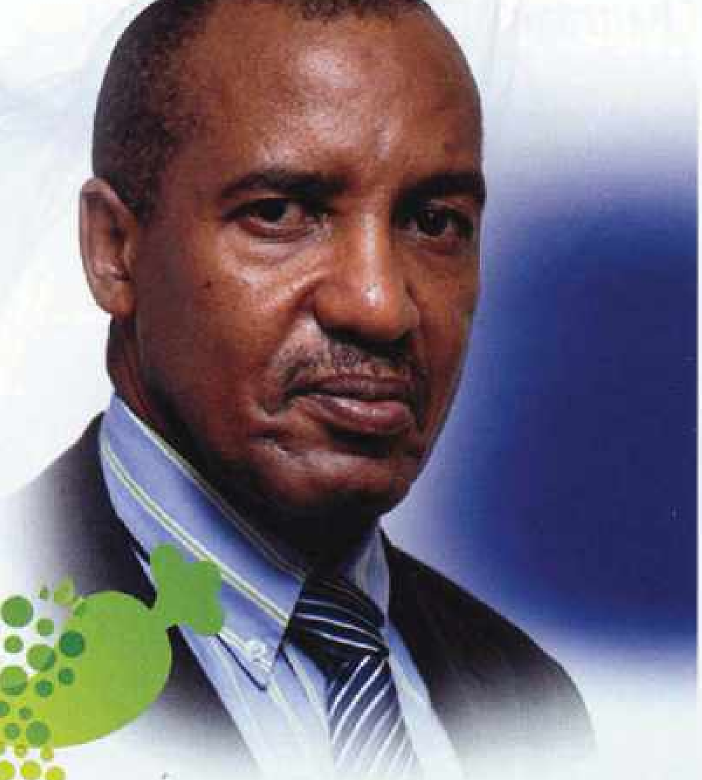
There has been no change to the board since the last Annual General Meeting.

Outlook for 2012

The year 2012 appears to be a challenging year for businesses following the removal of fuel subsidy and the pressure on the government wage bill. However the prospects for our business are bright as we will focus on our strategies to create more value for you our shareholders and for our partners.

In conclusion, 2011 was a year of great performance. We have demonstrated that we have the right strategy and right business model to deliver consistent and sustained value for our shareholders. We enter 2012 in good shape and with a strong growth momentum.

Managing Director's Review



Introduction

The 2011 financial year was indeed a very good year for our business and our best year over the past five years. The strategic choices we have made over the past years have enabled the business to deliver this strong results. We are therfore on course to double the size of our business by 2015. This performance was ultimately driven by our focus, in line with our strategic thrusts, on increasing the availability of our products and strengthening our brands. We grew significantly both in volume and value.

The competition in the market place remains intense as the economy continues to grow and present more opportunities for investors. There is increased competition for consumers' disposable income not just from our direct competitors but from other sectors of the economy such as telecommunications; however, our continuous investment in strengthening our Key Distributor Model remains a key competitive advantage. We are able to reach many more consumers directly thus ensuring our products are available at competitive prices everywhere. Our targeted focus on the shopper and retail trade significantly increased during the year to enable our brands to continue to stand out at the point of purchase, which is critical in winning with our consumers and shoppers.

The business has been strongly positioned to be a faster and more agile organization in order to meet the growing needs of millions of our consumers. Our focus in improving manufacturing efficiencies to enable us continue to sell at competitive prices has helped us to protect margins and further strengthen business profitability.

In keeping to our policy of paying competitive dividends, we propose a dividend per share of GH¢0.48 to be paid from profits for the year. The profit included one-off gains made from the sale of our investments in Benso Oil Palm Plantations (BOPP). The recommended dividend represents a 67% increase over what was paid out in 2010.

Operating Review

Highlights

The 2011 business results have been impressive. The Group's Turnover was GH¢ 241m compared to GH¢ 181m for 2010

Managing Director's Review (Continued)

representing a total turnover growth of 33%. The increase in volume and sales was across our key categories and brands and was strongly reflected in our market shares which showed us dominating the market in most of these key categories. This growth was driven by the introduction of new brands and products such as Fanico, BF, Lifebuoy and Sunlight Powder onto the Ghanaian market and the introduction of new variants for our heritage brands (Geisha Gemiguard and Lifebuoy) to meet the increasing health and wellbeing needs of our consumers.

Group operating profit for the period rose to GH¢44.2m, up from GH¢23.9m in 2010, an increase of over 85%. This achievement in operating profit was driven by selling higher volumes and further factory investments to increase efficiencies and savings in our operations. We continue to raise the bar on the operating margin improved from 13.2% in 2010 to 18.4% in 2011.

Home and Personal Care Category

Our Home and Personal Care categories (HPC) grew by 37% in the year driven by growth in both our Laundry and Personal Care category. They both continue to contribute significantly to our overall business performance. This growth was evenly spread across both our well-established brands like Key Soap, Pepsodent, Lifebuoy and Geisha and in our newly-introduced products like BF, Fanico, Sunlight Powder and Dish wash. This strong growth was fuelled by heavy marketing investments to further strengthen our brand positions amidst the growing competition in all our key categories. Some of these activities are the "2X Brushing campaign" run for Pepsodent and Close Up in our Oral category, the launch of Lifebuoy soap and Geisha Germi guard as premium health soaps in our Skin Cleansing category and in supporting the introduction of BF and Fanico in our wrapped bars segment. Such enhanced product offerings to our consumers will continue and be accelerated in the coming year.

Foods Category

Our Foods category grew by 30%, also driven by continuous marketing investments behind our key brands Blue Band, which grew by 54%, and Lipton which grew by 20%. This strong top line growth is the result of trade and marketing activities which were run in the year namely the "Lipton Ramadan promotion for Lipton and the "Spread for Bread" campaign activation for Blue Band run in some educational institutions and through TV and Radio campaigns.

Plantations

Benso Oil Palm Plantation (BOPP) was sold in the first quarter of the year. The rationale was to enable management concentrate on the fast moving consumer goods business where we have the expertise to compete effectively. Profits from this sale was GH¢4.3m.

Twiffo Oil Palm Plantation, our last remaining plantation business, also made a strong contribution to our results .This was driven by the growth in volume of output and high Crude Palm Oil prices on the world market which rose on average by 31% compared to 2010.

Capital Investments

We continue to invest in our production facilities to ensure we remain strongly positioned to meet the growing demand for our products and to do that more efficiently and in an environmentally responsible way. During the year under review, an amount of GH¢8.6m was invested in our manufacturing capabilities in both our Foods and HPC factories. Two of such significant investments were made in expanding our Spreads and soap factories to meet growing demands to make them more efficient. These investments we believe have further strengthened the efficiency of our operations for the future.

Restructuring Expenses/Release

Restructuring cost of GH¢3.1m against GH¢3.5m for 2010 was spent as part of our efforts in transforming the business to increase operational speed whilst reducing organizational complexity. Ultimately, a flatter organization will promote speed in the execution of our strategies in our markets which remains extremely competitive.

Net Financial Cost

Financing cost was GH¢1.2m compared to GH¢0.3m for 2010. This is mainly attributable to the adverse impact of foreign currency translations.

Managing Director's Review (Continued)

Taxation

Tax for the year was GH¢8.5m, compared to GH¢4.9m for 2010, this was driven by high profit from operations.

Profit after Tax

Profit after tax for the period was GH¢ 35.6m, a much higher figure than the GH¢22.8m for 2010. Higher growth in revenue, operational efficiencies and profits from Benso Oil Palm Plantation are the reasons for this impressive delivery.

Cash Flow

Cash generated from operations was strong at GH ¢35.2m compared to GH ¢21.3m for 2010. We ended the year with a strong cash position of GH¢ 35.3m compared to GH¢ 25.9m for 2010. Improvements in cash generated from operations and the proceeds from the sale of BOPP account for this high cash balance.

Our People and Business Partners

At the heart of our performance are the valuable contributions from both our employees and business partners – Key Distributors, Consumers and Suppliers. We will continue to value and invest in this relationship on behalf of our shareholders for the mutual benefit of all. We also continue to embed a high performance culture to sustain the delivery of such brilliant results for our shareholders.

Contribution to Society

Our Social Responsibility in 2011 was driven by our policy to drive sustainable living amongst all our stakeholders. We launched Unilever's Sustainable Living Plan (USLP) here in Ghana in collaboration with all our partners and stakeholders to mark World Environment Day which is observed on June 4 annually.

Our sustainable living plan is simply informed by the scientific finding that the current rate of consumption and utilisation of the world's natural resources requires thrice what is available to sustain us. Given that we have and can only have one earth, it is pertinent that deliberate action is taken to drive behaviour and attitude change towards a more circumspect consumption and utilisation of our natural resources for our sustenance and that of posterity. To this end, the USLP seeks to influence positive behaviour change to achieve the following goals by 2020:

1. Help more than 1 billion people to take action to improve their health and well-being
2. Halve the environmental footprints of our products
3. Source 100% of our agricultural raw materials sustainably

In the year under review, we invested in creating awareness of the principles of the USLP and also bringing these principles to life. We focused on enhancing livelihoods through the delivery of products and services in health, hygiene and water. On the environment, we underscored the need for urgent action to reverse the deteriorating trend by partnering relevant government ministries and agencies, civil society organisations, non-governmental organisations, academia and private institutions in workshops aimed at defining the deliberate actions we will together take to turn that desire into reality. We invested in the following services through our brands and the Unilever Ghana Foundation:

Improving Health & Well-Being

- A Health Summit under the auspices of the Ministry of Health and its agencies
- Lifebuoy "Hand Washing with Soap" campaign
- Provision of Lifebuoy 'Hygiene Station' for basic schools across the country
- Pepsodent "Brush Twice a Day Campaign"
- Oral Hygiene Education in basic schools across the country
- Blueband Growth Challenge
- Uniloo, a potable mobile toilet facility currently being piloted in the Ash town community of Kumasi. This is a project initiated by Unilever PLC to support our effort to improve hygiene in our communities

Enhancing Livelihoods

- Support to the World Food Program's (WFP) 'Walk the World' event including the donation of $5,000 to help them feed school children in deprived communities in the three (3) northern regions
- Entrepreneurial Skills workshop for 120 women in small & medium enterprises at Tamale and Bolgatanga to help them grow their businesses sustainably to improve their

Managing Director's Review (Continued)

living standards of their families and dependants

- Excellence Awards for the Best Female graduates from the public universities and polytechnics to drive gender diversity in national development
- Ghana Education Service's Science, Technology and Innovation clinic for girls from public Senior High Schools

Our approach to achieving the above was partnerships and collaborations with key stakeholders in the areas we chose to focus on. We did this because we realised that reducing the impact of our activities throughout our value chain alone will not yield the positive difference we seek to make to the world. We will therefore work in partnership with our consumers, suppliers, trade partners, the Media and other relevant stakeholders as mentioned above to make sustainable living a national way of life.

We once again sponsored the Ghana Journalists' Association's 2010 Journalist of the Year Award as our contribution to facilitating professional journalism to drive national growth and development. The winner received a professional enhancement package including a trip to the U.S.A for academic as well as practical experience at some of the world's best academic institutions and media organisations.
The cost of our social investment for the year amounted to Gh¢ 2.1m.

2012 Outlook

We will continue with the strategies and enablers that have delivered such strong results by raising the bar on our performance culture agenda in order to deliver high shareholder value.

Corporate Governance

Introduction

Unilever recognises the importance of good corporate governance as a means of sustaining viability of the business in the long term, and further believes that the attainment of business objectives is directly aligned to good corporate behaviour. In line with this, and alongside the need to meet its responsibility to its shareholders and other stake holders, the company strives to meet expectations of the community in which it operates.

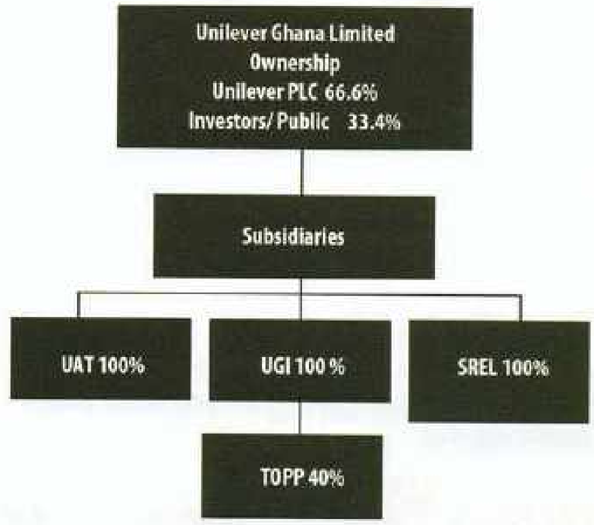
In the conduct of its business Unilever has sought to comply with all statutory requirements, adopted, tried and proven best practices to protect the environment and its employees, invested in the community in which it operates, and strive to enhance shareholder value in the process. Unilever adopts both medium and long term growth strategies, and allocates resources in order to guarantee the creation of wealth. It utilises modern technology and continuously innovates in order to satisfy changing consumer and customer needs, and in so doing, stay ahead of the competition. Unilever promotes and recognises excellence through its employee development programmes.

The company has put in place sound operational control systems in order to safeguard the interests of shareholders and stakeholders. As indicated in the Statement of Responsibility of Directors and Notes to the Accounts, the business adopts standard accounting practices to facilitate transparency in the disclosure of information and to give assurance to the reliability of the financial statements.

Board of Directors

The responsibility of good corporate governance is placed on the Board of Directors and the Management Team. The Board of Directors are highly qualified and experienced in their professional areas of expertise. The Board is currently comprised of five (5) full time executive and five (5) non-executive directors one of whom is the Chairman of the Board. The non-executive directors are the principal external presence in the governance of Unilever Ghana Limited and provide a strong independent element. The Board meets at least four (4) times a year to deliberate on, Corporate strategy and implementation, approval of Annual Report and Accounts and recommendation of dividends, amongst other things.

Legal Structure of Unilever



All directors with the exception of the Managing Director submit themselves for re-election at Annual General Meetings in accordance with the regulations of the Company and the Ghana Stock Exchange. To ensure effective control and monitoring of the company's business, the Board has an Audit Committee.

The Audit Committee

The Audit Committee is made up of four directors of whom three are non-executive. It is chaired by a non-executive director who has a strong background and experience in business, finance and audit. The committee meets to review the financial performance of the company, the adequacy of the internal audit plan, progress against current audit report recommendations, the adequacy of internal control systems and the degree of business compliance with laid down internal policies, laws, code of business principles and any other relevant regulatory framework. The Committee also reviews findings of the external auditors.

Corporate Governance (Cont'd)

The Executive Committee

There is also an executive committee which oversees the day to day operational/management issues affecting the business.

The Executive Committee meets regularly to review the performance of the company and assess progress against the annual plan. It also reviews programmes, strategies, key issues and assigns responsibilities and resources for the achievement of set goals.

Consequently, the committee has oversight responsibility for innovation programmes, supply chain, financing strategies and human resource development programmes.

The Executive Committee is also charged with the responsibility of identifying and assessing the risk profile within which the company operates, with a view to eliminating or minimising the impact of such risks to the achievement of set company objectives.

Internal Controls

Unilever has a robust internal control system, which is well documented and regularly reviewed. The system incorporates internal control procedures, which are designed to provide reasonable assurance that assets are safeguarded and that the risks facing the business are being managed to eliminate or minimise their impact. The Board of Unilever Ghana has put in place a clear organisational structure, and Board authorities are delegated to middle and lower level management in line with delegated responsibilities as defined by the said structure.

Unilever's corporate internal audit function plays a key role in providing an objective assessment of the adequacy and effectiveness of the internal control systems in the business.

Code of Business Principles.

Unilever has a documented code of business principles to guide all employees and business partners in the discharge of their duties. This code sets the standard of professionalism and integrity required for business operations which among other things cover the following areas: compliance with the law, conflicts of interest, acquisition of company shares, public activities, product assurance, environmental management, accuracy and reliability of financial reporting, bribery, etc, and procedures for handling instances of non-compliance.

Report of the Audit Committee

Membership of Audit Committee of the Board

The Unilever Ghana Audit committee is comprised of three non executive Directors and the Finance Director for Unilever Ghana Limited. The Committee is chaired by Ms A. Lokko, a non executive Director with a background in accounting, finance and audit. The Unilever Audit Manager is always in attendance and from time to time the external auditors, Pricewaterhouse Coopers (PwC), are also invited to make presentations to the Committee.

Role of the Audit Committee

The Audit Committee meets to review:

- The financial performance of the company;
- The adequacy of the plan of internal audit;
- Current audit reports; statutory and internal audit;
- The adequacy of internal controls;
- The degree of compliance to laid down policies, laws, code of ethics and business practices of the company; and
- Compliance with the Sarbanes Oxley Act on Operational Control Assessment.

Summary of the Audit Committee's activities in 2011

In 2011, the Unilever Ghana Audit Committee met four times on 21st January 2011, 14th April 2011, 15th July 2011 and 19th October 2011.

Review of the financial performance of the Company

At the 21st January 2011 meeting, the committee reviewed the financial performance of the company for the financial year ended December 2010 and the audited accounts for the 2010 financial year.

The Committee was updated on the company's performance in 2011 during the 14th April 2011, 15th July 2011 and 19th October 2011 meetings.

Internal Audit

The Committee reviewed the internal audit plan for 2011 and was regularly updated on the status of base Operational Control Assessment (OCA) and the audits carried out by the team. The main highlight was the completion of the OCA process which involved identifying and challenging the company's processes as well as assessing the design adequacy and operational effectiveness of the controls in place

External Audit

At the 21st January, 2011 meeting, PWC reported on their audit of the Company's financial statements for the year ended 31st December 2010 and also presented their findings and recommendations.

At the 19th October 2011 meeting, PwC presented their 2011 audit plan which covered among other things the objectives of the audit, identification of business and audit risks, audit scope, developments in accounting standards and the timelines for the audit.

Report of Directors

The Directors have the pleasure in submitting to the Members the consolidated comprehensive Income Statement of the Group for the year ended 31st December 2011 and the Statement of the Financial position of the Group as at that date.

The net profit for the year attributable to Members of the Company for the year is GH¢27.40m as against GH¢19.11m for 2010.

The Directors have decided to recommend to Members the payment of a dividend of GH¢0.48 per share.

The directors to retire by rotation in accordance with the Regulations of the Company are Mr. J N-A Hyde, Ms Aurore Lokko and Mr C A Cofie all of whom offer themselves for re-election.

In accordance with the Companies Act, 1963, Act 179, the Directors report that on 31st December 2011:

(a) Swanzy Real Estate Limited was a subsidiary of the Company. The Swanzy Real Estate Limited did not trade during the 2011 financial year.

(b) The Company was beneficially entitled to equity shares conferring the right to exercise more than 25% of the votes exercisable at General Meetings of United Africa Trust Limited, a company incorporated in Ghana. United Africa Trust Limited did not operate during the 2011 financial year.

(c) The Company was beneficially entitled to equity shares conferring the right to exercise more than 25% of the votes exercisable at general meetings of Twifo Oil Palm Plantations Limited, a company incorporated in Ghana. The Company's shares in Twifo Oil Palm Plantations Limited is currently held by Unilever Ghana Investments Limited, a company incorporated in Ghana in March 2010.

The ultimate parent company is Unilever PLC, a company incorporated in England. Other related parties, Unilever Overseas Holdings Limited, UAC International Limited and CWA Holdings Limited, companies wholly owned by Unilever PLC have significant shareholdings in Unilever Ghana Limited.

PricewaterhouseCoopers (PwC) continue in office as Auditors of the Company.

BY ORDER OF THE BOARD

Chairman
20th February, 2012

Managing Director

Statement of Directors' Responsibilities

The directors are responsible for the preparation of consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the statement of comprehensive income and statement of cash flows for that period.

In preparing these consolidated financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards (IFRS).

The directors are responsible for ensuring that the Group keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the group. The directors are also responsible for safeguarding the assets if the Group and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Chairman	Managing Director	Finance Director
I E Yamson	**David Mureithi**	**V. Kayaga Kiggundu (Mrs)**

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 (the company) and its subsidiaries (together, the group), as set out on pages 18 to 54. These financial statements comprise the consolidated statement of financial position as at 31 December 2011 and the consolidated statement of comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, together with the statement of financial position of the company standing alone as at 31 December 2011 and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the company 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 Code, 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 opinion.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company and the group as at 31 December 2011 and of the financial performance and cash flows of the company and the group for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Code, 1963 (Act 179).

REPORT ON OTHER LEGAL REQUIREMENTS

The Companies Code, 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 consolidated balance sheet (statement of financial position of the group) and consolidated profit and loss account (included in the statement of comprehensive income of the group) are in agreement with the books of account.

PricewaterhouseCoopers

Chartered Accountants
20th March, 2012
Accra, Ghana
Michael Asiedu-Antwi (101032)

pwc

Statement of comprehensive income for the year ended 31 December

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

Company 2011	Company 2010	Continuing Operations	Notes	Group 2011	Group 2010
239,005	179,257	Revenue	3	240,670	181,153
(176,332)	(132,716)	Cost of sales	4	(163,079)	(129,937)
62,673	46,541	**Gross profit**		77,591	51,216
(15,542)	(12,124)	Distribution expenses	5	(15,542)	(12,124)
(15,409)	(11,235)	Administrative expenses	6	(16,257)	(12,029)
4,665	2,661	Other income	7	1,505	368
(3,089)	(3,526)	Restructuring costs	28c	(3,089)	(3,526)
33,298	22,317	**Operating profit:**		44,208	23,905
1,016	831	Finance income	8	2,166	1,445
(1,173)	(260)	Finance costs	8	(1,174)	(263)
33,141	22,888	**Profit before income tax from continuing operations**		45,200	25,087
(7,365)	(4,941)	Income tax expense	11c	(8,455)	(4,941)
25,776	17,947	**Profit from continuing operations**		36,745	20,146
-	-	Profit for the year from discontinued operations	29a	-	2,668
4,339	-	Profit / (loss) on disposal of investment	29c	(1,174)	-
30,115	17,947	**Profit after tax for the year**		35,571	22,814
		Attributable to :			
-	-	Non-controlling interest		8,171	3,705
30,115	17,947	Owners of the parent		27,400	19,109
30,115	17,947	**Net profit after tax for the year**		35,571	22,814
		Other comprehensive income :			
(5,992)	1,571	Actuarial (losses)/ gains on pensions before tax	13c	(5,992)	1,571
1,498	(393)	Income tax relating to other comprehensive income	13c	1,498	(393)
25,621	19,125	**Total comprehensive income for the year**		31,077	23,992
		Attributable to :			
-	-	Non-controlling interest		8,171	3,705
25,621	19,125	Owners of the parent		22,906	19,109
		Earnings per share for profit attributable to the equity holders of the company			
0.4818	0.2872	Basic and diluted earnings per share from continuing operations	36	0.4384	0.3057
-	-	Basic and diluted earnings per share from discontinuing operations		-	0.0427

Statement of financial position as at 31 December

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

Company 2011	Company 2010		Notes	Group 2011	Group 2010
		Non-current assets			
30,554	17,794	Property, plant and equipment	12a,b,d&e	34,074	21,139
1	19	Intangible assets	12g	1	19
-	-	Biological assets	27	10,636	10,131
-	-	Goodwill	14	1,163	4,210
10	12,909	Investment in subsidiaries	15		-
8,409	11,322	Pension assets for funded scheme in surplus	13d	8,409	11,322
38,974	42,044			54,283	46,821
		Current assets			
31,735	14,702	Inventories	16	33,339	16,658
33,424	22,464	Trade and other receivables	22	34,616	25,638
1,233	370	Current income tax	11a	323	522
21,298	21,437	Cash at bank	26	35,344	25,982
282	447	Assets of disposal group classified as held for sale	10	282	24,003
87,972	59,420			103,904	92,803
		Current liabilities			
(68,285)	(52,215)	Trade and other payables	23	(71,421)	(53,230)
(1,977)	(1,583)	Dividend payable	18a	(1,977)	(1,583)
(1,209)	(944)	Provisions	28a&b	(1,469)	(1,339)
-	(86)	Bank overdrafts	24	-	(86)
-	-	Liabilities of disposal group classified as held for sale	29b	-	(1,487)
(71,471)	(54,828)			(74,867)	(57,725)
16,501	4,592	**Net current assets**		29,037	35,078
55,475	46,636	**Total assets less current liabilities**		83,320	81,899
		Non-current liabilities			
3,138	2,697	Post employment benefits obligation-unfunded	13d	3,138	2,697
3,444	2,599	Deferred income tax	11a	3,444	2,571
6,582	5,296			6,582	5,268
		Shareholders' fund			
1,200	1,200	Stated capital	19	1,200	1,200
204	329	Capital surplus account	20a	204	329
47,408	39,730	Income surplus account		57,489	52,526
81	81	Share deals account	20b	81	81
48,893	41,340	**Shareholders' equity**		58,974	54,136
-	-	Non-controlling interest	21	17,764	22,495
48,893	41,340	**Total shareholders' equity**		76,738	76,631
55,475	46,636	**Total equity and non-current liabilities**		83,320	81,899

The financial statements on pages 18-54 were approved by the Board of Directors on 20th February, 2012 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 unless otherwise stated)

Company 2011	Company 2010		Notes	Group 2011	Group 2010
		Cash flows from operating activities			
20,074	16,955	Cash generated from operations	25	35,174	21,320
(1,173)	(260)	Interest paid	8	(1,174)	(263)
1,016	831	Interest received	8	2,166	1,445
(5,885)	(3,157)	Tax paid	11a	(5,885)	(3,157)
14,032	14,369	**Net cash generated from operating activities**		30,281	19,345
		Cash flows from investing activities			
(14,843)	(5,905)	Purchases of property, plant and equipment	12a,b,d&e	(15,194)	(6,294)
-	-	Additions to biological assets	27	(343)	(481)
49	5,599	Proceeds from disposal of property, plant and equipment	12c&f	51	5,602
-	-	Proceeds from disposal of biological assets		144	-
3,572	2,066	Dividend received	7	1,092	-
14,686	-	Net proceeds from sale of investment		14,686	-
3,464	1,760	**Net cash generated from / (used in) investing activities**		436	(1,173)
		Cash flows from financing activities			
(17,549)	(12,874)	Dividend paid to equity holders of the company	18a	(17,549)	(12,874)
-	-	Dividend paid to non-controlling interest	18b	(3,720)	(1,409)
-	(10)	Investment in subsidiary		-	-
(17,549)	(12,884)	**Net cash used in financing activities**		(21,269)	(14,283)
(53)	3,245	Net increase in cash and cash equivalents		9,448	3,889
21,351	18,106	Cash and cash equivalents at beginning of year		25,896	22,007
21,298	21,351	**Cash and cash equivalents at end of year**	26	35,344	25,896

Statement of changes in equity as at 31 December

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

Company

Year ended 31 December 2011	Notes	Stated capital	Capital surplus account	Income surplus account	Share deals account	Shareholders equity	Non-controlling interest	Total equity
Balance at 1 January 2011		1,200	329	39,730	81	41,340	-	41,340
Comprehensive income								
Profit for the year		-	-	30,115	-	30,115	-	30,115
Release of provision		-	(125)	-	-	(125)		(125)
Other comprehensive income								
Actuarial losses on pensions after tax	13c	-	-	(4,494)	-	(4,494)	-	(4,494)
Total comprehensive income for the period		1,200	204	65,351	81	66,836	-	66,836
Transactions with equity owners								
Final dividend to equity holders 2010	18a	-	-	(17,943)	-	(17,943)		(17,943)
Balance at 31 December 2011		**1,200**	**204**	**47,408**	**81**	48,893	-	48,893

Year ended 31 December 2010	Notes	Stated capital	Capital surplus account	Income surplus account	Share deals account	Shareholders equity	Non-controlling interest	Total equity
Balance at 1 January 2010		1,200	329	33,905	81	35,515	-	35,515
Comprehensive income								
Profit for the year		-	-	17,947	-	17,947	-	17,947
Other comprehensive income								
Actuarial gains on pensions after tax	13c	-	-	1,178	-	1,178	-	1,178
Total comprehensive income for the period		-	-	53,030	-	54,640	-	54,640
Transactions with equity owners								
Final dividend to equity holders 2009	18a	-	-	(13,300)	-	(13,300)		(13,300)
Balance at 31 December 2010		**1,200**	**329**	**39,730**	**81**	41,340	-	41,340

Group

Year ended 31 December 2011	Notes	Stated capital	Capital surplus account	Income surplus account	Share deals account	Shareholders equity	Non-controlling interest	Total equity
Balance at 1 January 2011		1,200	329	52,526	81	54,136	22,495	76,631
Comprehensive income								
Release of provision		-	(125)	-	-	(125)	(9,182)	(9,307)
Profit for the year		-	-	27,400	-	27,400	8,171	35,571
Other comprehensive income								
Actuarial losses on pensions after tax	13c	-	-	(4,494)	-	(4,494)		(4,494)
Total comprehensive income for the period		1,200	204	75,432	81	76,917	21,484	98,401
Transactions with equity owners								
Final dividend to equity holders 2010	18a	-	-	(17,943)	-	(17,943)	(3,720)	(21,663)
Balance at 31 December 2011		**1,200**	**204**	**57,489**	**81**	58,974	17,764	76,738

Year ended 31 December 2010	Notes	Stated capital	Capital surplus account	Income surplus account	Share deals account	Shareholders equity	Non-controlling interest	Total equity
Balance at 1 January 2010		1,200	329	45,539	81	47,149	20,199	67,348
Comprehensive income								
Profit for the year		-	-	19,109	-	19,109	3,705	22,814
Other comprehensive income								
Actuarial gains on pensions after tax	13c	-	-	1,178	-	1,178	-	1,178
Total comprehensive income for the period		1,200	329	65,826	81	67,436	23,904	91,340
Transactions with equity owners								
Final dividend to equity holders 2009	18a	-	-	(13,300)	-	(13,300)	(1,409)	(14,709)
Balance at 31 December 2010		**1,200**	**329**	**52,526**	81	54,136	22,495	76,631

1. Accounting policies

General information

Unilever Ghana Limited (the company) is a public company domiciled in Ghana. The company's country of incorporation is Ghana. The address of the company's registered office is Tema Factory, P.O. Box 721, Tema, Ghana. The consolidated financial statements of the company as at and for the year ended 31 December 2011 comprise the company and its subsidiaries (together referred to as the Group). The Group is primarily involved in the manufacture of consumer products, the growing of oil palm and the processing of palm fruits to produce palm oil and palm kernel. The company is listed on the Ghana Stock Exchange.

a. Basis of preparation

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have beenn consistently applied to all the years presented, unless otherwise stated. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and under the historical cost convention as modified by the revaluation of land and buildings. The preparation of financial statements under IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement and complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in "note 1s" below.

b. Changes in accounting policy and disclosures

(i) New and amended standards adopted by the group

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2011.

Standard/Interpretation	Title
IAS 1	Presentation of financial statements
IAS 24	Related party disclosures
IFRS 7	Financial instruments: Disclosures

IAS 1, Presentation of financial statements

The amendment to IAS 1, 'Presentation of financial statements' is part of the 2010 Annual Improvements and clarifies that an entity shall present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements. The application of this amendment has no significant impact as the Group and Company were already disclosing the analysis of other comprehensive income on the statement of changes in equity.

IAS 24, Related party disclosures

The amendment to IAS 24, 'Related party disclosures' clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The amended definition means that some entities will be required to make additional disclosures, e.g., an entity that is controlled by an individual that is part of the key management personnel of another entity is now required to disclose transactions with that second entity. Related party disclosures have increased following adoption of this amendment.

IFRS 7, Financial instruments: Disclosures

"The amendments to IFRS 7, 'Financial Instruments-Disclosures' are part of the 2010 Annual Improvements and emphasises the interaction between quantitative and qualitative disclosures about the nature and extent of risks associated with financial instruments. The amendment has also removed the requirement to disclose the following; Maximum exposure to credit risk if the carrying amount best represents the

Notes (Continued)

maximum exposure to credit risk; Fair value of collaterals; and Renegotiated assets that would otherwise be past due but not impaired. The application of the above amendment has simplified financial risk disclosures made by the Group and Company.
Other amendments and interpretations to standards became mandatory for the year beginning 1 January 2011 but had no significant effect on the financial statements of the Group and the Company.

(ii) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group and the Company.

The Group's and parent entity's assessment of the impact of these new standards and interpretations is set out below"

Standard/Interpretation	Title	Applicable for financial years beginning on /after
IAS 1	Presentation of financial statements	1-Jul-12
IAS 19	Employee benefits	1-Jan-13
IFRS 9	Financial instruments	1-Jan-13
IFRS 10	Consolidated financial statements	1-Jan-13
IFRS 12	Disclosure of interests in other entities	1-Jan-13
IFRS 13	Fair value measurement	1-Jan-13

IAS 1, Presentation of financial statements

"The amendment changes the disclosure of items presented in other comprehensive income (OCI) in the statement of comprehensive income. Entities will be required to separate items presented in other comprehensive income ("OCI") into two groups, based on whether or not they may be recycled to profit or loss in the future. Items that will not be recycled will be presented separately from items that may be recycled in the future. Entities that choose to present OCI items before tax will be required to show the amount of tax related to the two groups separately. The title used by IAS 1 for the statement of comprehensive income has changed to 'statement of profit or loss and other comprehensive income', though IAS 1 still permits entities to use other titles."

IAS 19, 'Employee benefits

The impact on the Group and Company will be as follows: to eliminate the corridor approach and recognise all actuarial gains and losses in other comprehensive income as they occur, to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability/(asset). The Group and Company has yet to assess the full impact of the amendments.

IFRS 9, Financial instruments

IFRS 9, was issued in November 2009 and October 2010 and replaces those parts of IAS 39 relating to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.
For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than in profit or loss, unless this creates an accounting mismatch. The Group and Company is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2013.

IFRS 10, 'Consolidated financial statements'

"This is a new standard that replaces the consolidation requirements in SIC-12 Consolidation—Special Purpose Entities and IAS 27 Consolidated and Separate Financial Statements. Standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company and provides additional guidance to assist in the determination of control where this is difficult to assess. The revised definition of control

Notes (Continued)

focuses on the need to have both power and variable returns before control is present. The Group will need to consider the new guidance.

IFRS 12, Disclosure of Interests in other entities

IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including interests in subsidiaries, associates, joint arrangements, special purpose entities and other off balance sheet vehicles. The Group is yet to assess IFRS 12s full impact

IFRS 13, Fair value measurement

"IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across all IFRSs. The requirements, which are largely aligned between IFRS and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. The Group is yet to assess IFRS 13s full impact.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group or Company.

c. Consolidation

(i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income. Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group."

(ii) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests that does not result in loss of control as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity."

(iii) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously

Notes (Continued)

recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

d. Property, plant and equipment

Land and buildings comprise mainly factories, retail outlets and offices. Land and buildings are shown at fair value, based on three years valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Property, plant and equipment are shown at cost less depreciation. Buildings comprise mainly factories and offices. Depreciation is calculated on a straight-line basis to write off the cost of each asset, or its revalued amounts, to their residual values over their estimated useful lives as follows:

Buildings		2.5%
Plant and machinery		7.0%
Furniture and equipment		25.0%
Computers		20.0%
Motor Vehicles	- Heavy equipment	16.7%
	- Cars and lorries	25.0%

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in other income.
All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred."

e. Goodwill

Goodwill represents excess of (a) over (b) below: (a) the aggregate of: (i) the consideration transferred measured in accordance with IFRS 3 R, which generally requires acquisition-date fair value
(ii) the amount of any non-controlling interest in the acquiree measured in accordance with IFRS 3R ; and(iii) in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree. (b) the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with this IFRS. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.
Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

f. Intangible assets

The Group recognizes any specifically identifiable intangible asset separately from goodwill, initially measuring the intangible assets on acquisition. Separately purchased intangible assets are initially measured at cost. Intangible assets mainly comprise of patented and non-patented technology, know-how and software. These are capitalized and amortized on a straight line basis in the income statement over the expected useful lives, or the period of legal rights if shorter, none of which exceed the period of ten years. Periods in excess of five years are used only where directors are satisfied that the life of the asset will clearly exceed that period.

Notes (Continued)

g. Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to be used – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

h. Leases

Leases, where a significant portion of risk and rewards are retained by the lessor, are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight line basis over the period of the lease. Leases mainly comprise vehicle leasing which covers a period of four (4) years.

i. Non-current assets held for sale

Non-current assets (or disposal Groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell. Following the Group's decision to exit from the real estate business, upward adjustment of carrying amounts to open market valuation is no longer done. However, in instances where the open market valuation is lower than the carrying amount, the resultant impairment is recognized immediately.

Assets are classified as 'held for sale ' when a decision is made to sell the asset, the assets are available for sale immediately or the assets are being actively marketed and a sale has been or is expected to be concluded within twelve months of the reporting date."

j. Biological assets

Biological assets are measured on initial recognition and at each reporting date at fair value less estimated point-of-sale costs. Any gains or losses arising on initial recognition of biological assets and from subsequent changes in fair value less estimated point-of-sale costs are recognised in the profit or loss in the year in which they arise. The fair value of the palm trees is determined based on market prices of the Fresh Fruit Bunch (FFB). The fair value is determined based on the net present values of expected future cash flows, discounted at current market-determined pre-tax rates. All costs of planting, upkeep and maintenance of biological assets are recognised in the income statement under cost of production in the period in which they are incurred.

k. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the standard costing method, adjusted for price variance. Where actual costs differ from standard costs, variances arising are recognised in the income statement or deferred to stocks until utilised. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion.

l. Trade receivables

Trade receivables are amounts due from customers for merchandise sold in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

m. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

Notes (Continued)

n. Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position..

o. Income tax

Income tax comprises current income tax and deferred income tax .

Current income tax

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred income taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Tax rates enacted or substantively enacted at the statement of financial position date are used to determine deferred income tax.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis."

p. Provisions

Provisions are recognised when a legal or constructive obligation as a result of a past transaction exists at the reporting date, it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be reliably estimated.

q. Long-term employee benefits

Pension obligations

The Group operates a funded defined benefit and defined contribution schemes. The pension plans are funded by contributions from both employees and the relevant Group companies, taking account of the recommendations of independent qualified actuaries. For defined benefit plans, pension costs are assessed under the going concern approach using the projected unit credit method. Allowance is made for future increases in pensionable pay as well as pension increases. The Group's contributions to defined contribution pension plans are charged to the income statement in the period to which the contributions relate. A defined contribution plan is a pension under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employees service in the current and prior period. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, a defined benefit plan defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates on government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions in excess of the greater of 10% of the value of plan assets or 10% of the defined benefit obligation are charged or credited to income over the employees' expected average remaining working lives .

Notes (Continued)

Past-service costs are recognised immediately in profit or loss, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the Group and Company pays contributions to publicly or privately administered plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due.

Other post-employment obligations

The group also provides ex-gratia pensions for ex-employees of Unilever Ghana Limited who retired, or were close to retirement age prior to the formation of the funded defined benefit scheme. The entitlement to these benefits was based on the employee remaining in service up to retirement age, having completed a minimum service period. The resultant deferred obligation is recognised at valuation advised by independent qualified actuaries.

Actuarial gains/losses

Actuarial gains or losses are charged to equity in other comprehensive income in the period in which they arise.

r. Revenue recognition

Revenue is recognised upon dispatch of products and acceptance by the customer. Sales are shown net of discounts, value added tax and after eliminating sales within the Group.

Revenue is recognised when the risks and rewards of the underlying products have been substantially transferred to the customer. Other revenues earned by the Group are recognised on the following bases:

Rental income - on accrual basis.

Interest income - on accrual basis.

Dividend income - when the Group's right to receive payment is established.

s. Foreign currency transactions

Items included in the financial statements of group companies are measured using the currency of the primary economic environment in which each entity operates (its functional currency). The financial statements are presented in Ghana cedis. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Those arising on trading transactions are taken to operating profit; those arising on cash, financial assets and financial liabilities are classified as finance income or cost.

t. Dividend distribution

Dividends payable to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders. Proposed dividends are shown as a separate component of equity until declared.

u. Segmental reporting

Our reporting segments are based on product divisions, namely Foods, Home care and Personal care. For the purpose of the group the plantations business has been classified under the Foods division. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision - maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive committee that makes strategic decisions.All transactions between business segments are conducted on an arm's length basis, with intra-segment revenue and costs being eliminated in head office. Income and expenses directly associated with each segment are included in determining business segment performance.

Notes (Continued)

v. Financial Liabilities

Financial liabilities comprise trade and other payables, borrowings and other non-current liabilities (excluding provisions). Non-derivative financial liabilities are measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

w. Financial assets

1. Classification

The group classifies its financial assets mostly as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The group's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the statement of financial position (notes k and m).

2. Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

3. Offsetting financial instruments

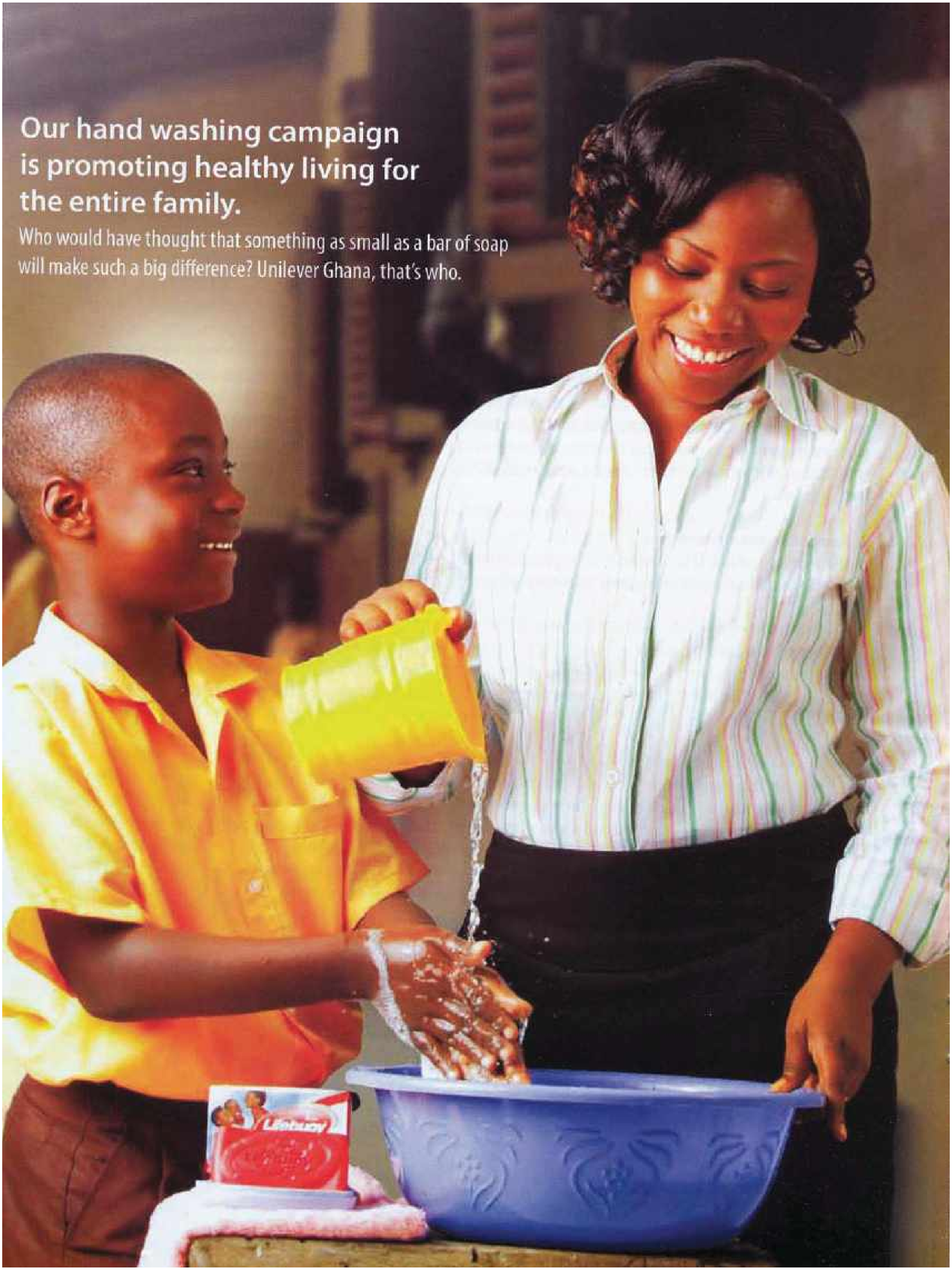
Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

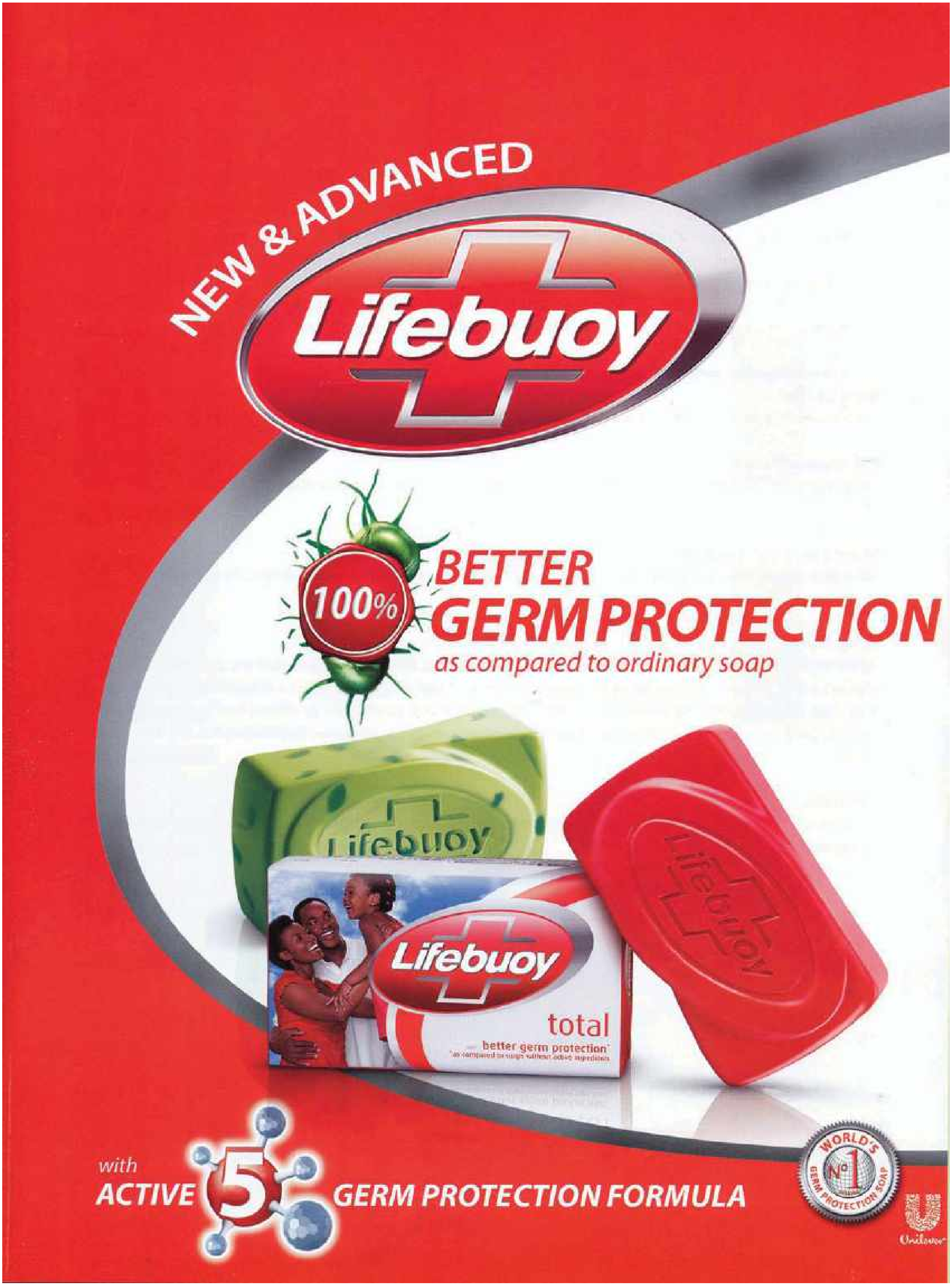
4. Impairment of financial assets

Assets carried at amortised cost

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The criteria that the group uses to determine that there is objective evidence of an impairment loss include:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
- adverse changes in the payment status of borrowers in the portfolio; and
- national or local economic conditions that correlate with defaults on the assets in the portfolio.


Our hand washing campaign is promoting healthy living for the entire family.
Who would have thought that something as small as a bar of soap will make such a big difference? Unilever Ghana, that's who.
Lifebuoy


NEW & ADVANCED
Lifebuoy
100%
BETTER
GERM PROTECTION
as compared to ordinary soap
Lifebuoy
total
better germ protection
with
ACTIVE 5 GERM PROTECTION FORMULA
WORLD'S
Nº1
GERM PROTECTION SOAP
Unilever

Notes (Continued)

x. Stated capital

Ordinary shares are classified as 'stated capital' in equity.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received is included in equity.

2. Critical accounting estimates and assumptions

Biological assets

Critical assumptions are made by directors in determining the fair values of biological assets. The key assumptions are set out in note 27.

Post-employment benefits

Critical assumptions are made by the actuary in determining the present value of post-employment benefit obligations. The assumptions are set out in note 13.

Property, plant and equipment

Critical estimates are made by directors in determining depreciation rates for property, plant and equipment. The rates used are set out in policies 1e.

Income taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters are different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Receivables

Critical estimates are made by the directors in determining the recoverable amount of impaired receivables. The carrying amount of impaired receivables is set out in note 22.

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

3. Revenue

Revenue is recognised upon dispatch of products and acceptance by the customer. Revenue comprises the value of goods and services invoiced to third parties less VAT, discounts, commissions and returns.

Company 2011	Company 2010		Group 2011	Group 2010
		By type:		
239,005	179,257	Sale of goods	240,670	181,153
		By customer:		
216,435	164,971	Third parties	218,216	167,248
22,570	14,286	Related parties (note 32)	22,454	13,905
239,005	179,257		240,670	181,153

4. Cost of sales

Cost of goods sold comprises raw materials, conversion costs and materials sourcing expenses

Company 2011	Company 2010		Group 2011	Group 2010
164,796	121,888	Raw materials & conversion costs	148,022	116,386
-	-	Gain arising from changes in fair value of biological assets less estimated point-of-sale cost (note 27)	188	142
1,804	1,239	Depreciation (note 12a-e)	1,952	1,567
2,923	2,534	Material sourcing expenses	2,923	2,534
6,809	7,055	Staff costs (note 9a)	9,994	9,308
176,332	132,716		163,079	129,937

5. Distribution expenses

Company 2011	Company 2010		Group 2011	Group 2010
4,815	3,659	Freight & distribution management cost	4,815	3,659
10,727	8,465	Advertising and promotion	10,727	8,465
15,542	12,124		15,542	12,124

6. Administrative expenses

Company 2011	Company 2010		Group 2011	Group 2010
187	243	Depreciation (note 12a-e)	213	274
18	18	Amortisation of intangible assets (note 12g)	18	18
2,700	2,676	Staff costs (note 9b)	2,728	2,733
104	97	Auditors' remuneration	139	123
294	104	Voluntary contribution	294	109
588	508	Operating lease expense	588	508
11,518	7,589	Other	12,277	8,264
15,409	11,235		16,257	12,029

Included in 'other' is a central charge (business group fees) of GH¢2,132 (2010:GH¢2,378).

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

7. Other income

Company 2011	Company 2010		Group 2011	Group 2010
3,572	2,066	Dividends	1,092	-
1,093	595	Sundry income	295	368
-	-	Profit on sale of biological assets	118	-
4,665	2,661		1,505	368

8. Net finance costs

2011	2010		2011	2010
(1,173)	(260)	Interest on overdraft and overdue debts	(1,174)	(263)
1,016	831	Interest income	2,166	1,445
(157)	571		992	1,182

9. Staff costs

Staff costs are charged to cost of sales and administrative expenses as below.

9a. Cost of sales

2011	2010		2011	2010
6,151	6,432	Remuneration to employees	8,956	8,348
237	219	Defined contribution scheme charge	367	334
421	404	Social security	671	626
6,809	7,055		9,994	9,308

9b. Administrative expenses

2011	2010		2011	2010
5,310	4,359	Remuneration to employees	5,335	4,413
85	93	Defined contribution scheme charge	86	94
(3,079)	(2,125)	Defined benefit scheme gains (note 13b)	(3,079)	(2,125)
384	349	Social security	386	351
2,700	2,676		2,728	2,733

10. Assets of disposal group classified as held for sale

2011	2010		2011	2010
447	447	Fair value at 1 January	24,003	447
-	-	Non- current assets of discontinued operation (note 29)	(4,652)	4,652
-	-	Biological assets of discontinued operation (note 29)	(11,699)	11,699
(165)	-	Other current assets of a disposal group (note 29)	(7,370)	7,205
282	447		282	24,003

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

11a. Tax

Company Income tax	Balance at 1 January	Charge / (credit) to statement Of comprehensive Income	Payments during the year	Charge to other comprehensive income	Balance at 31 December
Prior to 2010	(699)	-	-	-	(699)
2010	329	-	-	-	329
2011	-	5,022	(5,885)	-	(863)
	(370)	5,022	(5,885)	-	(1,233)
Capital gains tax					
2010	-	-	-	-	-
2011	-	-	-	-	-
Tax on continuing operations	-	-	-	-	-
Total tax	(370)	5,022	(5,885)	-	(1,233)
	(370)	5,022	(5,885)	-	(1,233)
Deferred tax					
Accelerated depreciation	2,056	527	-	-	2,583
Provisions including restructuring	(2,324)	1,023	-	-	(1,301)
Revaluation of assets	60	-	-	-	60
Employee benefits	2,807	793	-	(1,498)	2,102
Deferred tax on continuing operations	2,599	2,343	-	(1,498)	3,444

Group	Balance at 1 January	Charge / (credit) to statement Of comprehensive Income	Payments during the year	Charge to other comprehensive income	Balance at 31 December
Income tax					
Prior to 2010	(878)	-	-	-	(878)
2010	347	-	-	-	347
2011	-	6,084	(5,885)	-	199
	(531)	6,084	(5,885)	-	(332)
Capital gains tax					
Prior to 2009	9	-	-	-	9
2009	-	-	-	-	-
2010	-	-	-	-	-
	9	-	-	-	9
Tax on continuing operations	(522)	6,084	(5,885)	-	(323)
Total tax	(522)	6,084	(5,885)	-	(323)
Deferred tax				-	
Accelerated depreciation	2,028	527	-	-	2,555
Provisions including restructuring	(2,324)	1,051	-	-	(1,273)
Revaluation of assets	60	-	-	-	60
Employee benefits	2,807	793	-	(1,498)	2,102
Deferred tax on continuing operations	2,571	2,371	-	(1,498)	3,444

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

Company

11b. Tax reconciliation

The tax charged on the profit on continuing operations before income tax differs from the theoretical amount that would arise using the statutory income tax rate. This is explained as follows:

2011	2010		2011	2010
33,141	22,888	**Profit before tax**	45,200	25,087
8,285	5,722	Tax calculated at the statutory income tax rate of 25%	11,300	6,272
-	-	Tax effect of:		
-	-	Plantations profit not subject to tax	(3,670)	(550)
328	454	Disallowable expenses	328	454
(343)	(207)	Profit on exports taxed at a lower rate	(343)	(207)
(893)	(517)	Dividend income	-	(517)
-	39	Adjustments in respect of prior years	852	39
-	471	Capital gains tax	-	471
(12)	(1,021)	Profit on disposal of unusable plant set aside for sale	(12)	(1,021)
7,365	4,941	**Income tax expense**	8,455	4,941
22%	22%	Effective tax rate	19%	20%

11c. Income Tax Expense

2011	2010		2011	2010
5,022	3,486	Current Income tax	6,084	3,486
2,343	1,455	Deferred Income tax	2,371	1,455
7,365	4,941		8,455	4,941

No provision has been made in the financial statements for corporate income tax liability for the subsidiary (TOPP) as the company's profit from agro processing business is zero rated.

12a. Property, plant and equipment - Company

Company Cost of valuation	Land and buildings	Plant, motor vehicles and furniture	Capital work in progress	2011 Total
Balance at 1 January	2,508	23,237	958	26,703
Additions in the year	-	-	14,843	14,843
Capitalisation/Transfers	677	5,837	(6,514)	-
Disposals during the year	-	(276)	(55)	(331)
Balance at 31 December	3,185	28,798	9,232	41,215
Accumulated depreciation				
Balance at 1 January	849	8,060	-	8,909
Charge for the year	61	1,930	-	1,991
Disposals during the year	-	(239)	-	(239)
Balance at 31 December	910	9,751	-	10,661
Net book value at 31 December	2,275	19,047	9,232	30,554

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

12b. Property, plant and equipment - Company

2010

	Land and buildings	Plant, motor vehicles and furniture	Capital work in progress	Total
Cost				
Balance at 1 January	2,465	20,259	1,626	24,350
Additions in the year	-	-	5,905	5,905
Transfers	208	6,350	(6,558)	-
Disposals during the year	(165)	(3,372)	(15)	(3,552)
Balance at 31 December	**2,508**	**23,237**	**958**	**26,703**
Accumulated depreciation				
Balance at 1 January	871	8,510	-	9,381
Charge for the year	56	1,426	-	1,482
Disposals during the year	(78)	(1,876)	-	(1,954)
Balance at 31 December	**849**	**8,060**	-	**8,909**
Net book value at 31 December	**1,659**	15,177	958	17,794

Depreciation has been charged to the statement of comprehensive income as follows:

	2011	2010
Cost of sales (Note 4)	1,804	1,239
Administrative expenses (Note 6)	187	243
	1,991	**1,482**

12c. Profit on disposal of assets - Company

	2011			2010
	Land and buildings	Plant, motor vehicles and furniture	Total	Total
Gross book value	-	276	276	3,536
Accumulated depreciation	-	(239)	(239)	(1,954)
Net book value	-	37	37	1,582
Sales proceeds	-	(49)	(49)	(5,599)
	-	(12)	(12)	**(4,017)**

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

12d. Property, plant and equipment - Group

2011

	Land and buildings	Plant, motor vehicles and furniture	Capital work in progress	Total
Cost				
Balance at 1 January	3,669	28,446	764	32,879
Additions in the year	-	-	15,194	15,194
Capitalisation/Transfers	677	5,838	(6,515)	-
Disposals during the year	-	(360)	(55)	(415)
Balance at 31 December	**4,346**	**33,924**	**9,388**	**47,658**
Accumulated depreciation				
Balance at 1 January	1,157	10,583	-	11,740
Charge for the year	90	2,075	-	2,165
Disposals during the year	-	(321)	-	(321)
Balance at 31 December	**1,247**	**12,337**	-	**13,584**
Net book value at 31 December	**3,099**	**21,587**	**9,388**	**34,074**

12e. Property, plant and equipment - Group

2010

	Land and buildings	Plant, motor vehicles and furniture	Capital work in progress	Total
Cost				
Balance at 1 January	8,181	31,778	2,290	42,249
Additions in the year	-	-	6,294	6,294
Transfers	(4,557)	(7,067)	(461)	(12,085)
Write-offs during the year	210	7,134	(7,344)	-
Disposals during the year	(165)	(3,399)	(15)	(3,579)
Balance at 31 December	**3,669**	**28,446**	**764**	**32,879**
Accumulated depreciation				
Balance at 1 January	2,810	15,981	-	18,791
Charge for the year	85	1,756	-	1,841
Transfers	(1,660)	(5,250)	-	(6,910)
Disposals during the year	(78)	(1,904)	-	(1,982)
Balance at 31 December	1,157	10,583	-	11,740
Net book value at 31 December	2,512	17,863	764	**21,139**

Depreciation has been charged to the income statement as follows:

	2011	2010
Cost of sales (note 4)	1,952	1,567
Administrative expenses (Note 6)	213	274
	2,165	**1,841**

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

12f. Profit on disposal of asserts - Group

	Land and buildings	Plant, motor vehicles and furniture	2011 Total	2010 Total
Gross book value	-	360	360	3,564
Accumulated depreciation	-	(321)	(321)	(1,982)
Net book value	-	39	39	1,582
Sales proceeds	-	(51)	(51)	(5,602)
		(12)	(12)	(4,020)

12g. Intangible assets - Company and Group

	2011	2010
Cost		
Balance at 1 January	71	71
Additions in the year	-	-
Balance at 31 December	71	71
Accumulated amortisation		
Balance at 1 January	52	34
Charge for the year	18	18
Balance at 31 December	70	52
Net book value at 31 December	1	19

Intangible assets represent software that is used in managing employee information.

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

13. Post employment benefits - Company and Group

13a. Assumptions

For both the funded and unfunded retirement benefit schemes, a full and independent actuarial valuation was carried out at the end of the year using the Projected Unit Credit Method in accordance with IAS 19.

The major assumptions used by the actuaries for the two major schemes as at 31 December 2011 were:

	2011	2010
Rate of increase in pensionable salaries (real)	3%	4%
Discount rate (real)	2%	4%
Inflation	11%	11%
Nominal interest rate	13%	14%
Long-term expected rate of return on assets	15%	24%
Interest on member's contribution (real)	2%	3%

The number of employees covered under the funded benefit scheme is 53 (2010: 61) and covers all managers of the company.

13b. Amount charged to the statement of comprehensive income

	2011 Funded	2011 Unfunded	2010 Funded	2010 Unfunded
Current service costs	462	-	414	-
Employee contributions	(32)	-	(41)	-
Employer contributions	(178)	-	(212)	-
Interest on liability	981	772	735	291
Expected return on assets	(4,312)	-	(3,021)	-
	(3,079)	772	(2,125)	291

13c. Actuarial gains / (losses)

	2011 Funded	2011 Unfunded	2010 Funded	2010 Unfunded
Actuarial (losses)/gains for the year	(5,992)	(331)	1,571	(153)
Movement on deferred income tax (note 11a)	1,498	82	(393)	38
Total recognised gains	(4,494)	(248)	1,178	(115)
Attributable to minority shareholders		-	-	-
Attributable to equity shareholders	(4,494)	(248)	1,178	(115)

13d. Net pension liabilities / (assets)

	2011 Funded	2011 Unfunded	2010 Funded	2010 Unfunded
Balance at January 1	(11,322)	2,697	(7,626)	2,237
Accrual for service fees	462	-	414	16
Interest on liability	981	772	735	291
Expected return on assets	(4,312)	-	(3,021)	-
Employer contributions	(178)	-	(212)	-
Employee contributions	(32)	-	(41)	-
Actuarial loss / (gains)	5,992	(331)	(1,571)	153
Balance at December 31	(8,409)	3,138	(11,322)	2,697

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

13e. Assets and liabilities of funded pension scheme as at 31 December

The assets and liabilities of the defined benefit funded pension scheme at the reporting date were:

	2011	2010
Treasury bills	6,848	5,644
Equity holdings	10,258	11,671
Other assets	(1,779)	(1,110)
Cash at bank	906	2,370
Total invested assets	16,233	18,575
Present value of liabilities	(7,824)	(7,253)
Pension assets net of liabilities	8,409	11,322

At 31 December 2011, the pension scheme held 264 shares of Unilever Ghana Limited.

Assumed Healthcare cost trend rates have a significant effect on the amounts recognised in the statement of comprehensive income. A one percentage point change in assumed healthcare cost would have the following effects:

	One percentage point increase	One apercentage point decrease
Effect on service cost	467	418
Effect on interest cost	991	742
Effect on defined benefit obligation	(8,493)	(11,435)

14. Goodwill

Company 2011	Company 2010		Group 2011	Group 2010
-	-	Balance at 1 January	4,210	4210
-	-	Impairment of goodwill related to disposal of investment	(3,047)	-
-	-	Balance at 31 December	1,163	4,210

There was no impairment during the year ended 31 December 2011.

15. Investment in subsidiaries

2011	2010		2011	2010
-	2,553	Twifo Oil Palm Plantations Limited	-	-
-	10,346	Benso Oil Palm Plantations Limited	-	-
10	10	Unilever Ghana Investments Limited	-	-
10	12,909		-	-

Name of subsidiary	Nature of business	% held in 2011 & 2010	Country of incorporation
United Africa Trust Limited	Investment Management	100.00	Ghana
Twifo Oil Palm Plantations Limited	Plantation	40.00	Ghana
Swanzy Real Estate	Real Estate Development	100.00	Ghana
Unilever Ghana Investments Limited	Holding Company	100.00	Ghana

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

15. Investment in subsidiaries (Continued)

In view of the fact that Unilever Ghana Limited has the power to exercise control over the operating and financial policies of Twifo Oil Palm Plantations Limited, through its 100% holding company Unilever Ghana Investments Limited and in accordance with International Financial Reporting Standards, TOPP has been designated as a subsidiary. In accordance with the Companies Code, 1963 (Act 179) Section 127 (3b) the financial statements of the Group does not deal with Swanzy Real Estates Limited because the company did not operate during the year, and the amounts involved are not considered significant.

16. Inventories

Company 2011	Company 2010		Group 2011	Group 2010
13,084	3,580	Raw and packing material	13,084	3,580
545	1,085	Work in process	545	1,085
16,747	8,990	Finished goods	16,747	9,153
1,359	1,047	Non-trade stock	3,104	2,980
-	-	Provision for unrealised profit	(141)	(140)
31,735	14,702		33,339	16,658

Inventories are stated at the lower of cost and net realisable value. During the year, GH¢856 (2010: GH¢240) was charged to the statement of comprehensive income as damaged and obsolete inventories. Provision for unrealised profit relates to the profit element on the closing inventories purchased from subsidiaries.

17. Dividend proposed

Payment of dividend is subject to a withholding tax at the rates of 8% and 7.5% (2010: 8% and 7.5%) for local and foreign shareholders respectively.

18a. Dividend payable

Company 2011	Company 2010		Group 2011	Group 2010
1,583	1,157	Balance at 1 January	1,583	1,157
17,943	13,300	Final dividend declared - 2010	17,943	13,300
(17,549)	(12,874)	Payments during the year	(17,549)	(12,874)
1,977	1,583		1,977	1,583

18b. Dividend paid

Company 2011	Company 2010		Group 2011	Group 2010
17,549	12,874	Dividends paid to shareholders	21,269	14,283
		less:		
-	-	Dividends paid to non-controlling interest	(3,720)	(1,409)
17,549	12,874		17,549	12,874

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

19. Stated capital

Authorised shares	2011 No. of shares of no par value	Proceeds	2011 No. of shares of no par value	Proceeds
	100,000,000		100,000,000	
	=========		=========	
Issued shares				
Issued and fully paid	62,500,000	931	62,500,000	931
Transferred from capital surplus	-	269	-	269
	----------------	------------	----------------	------------
	62,500,000	1,200	62,500,000	1,200
	=========	=======	=========	=======

There is no unpaid liability on any shares and there are no calls or installments unpaid. There are no treasury shares.

20a Capital surplus account

Company 2011	Company 2010		Group 2011	Group 2010
329	329	Balance at 1 January	329	329
(125)	-	Release of surplus in respect of asset disposed off	(125)	-
---------	---------		---------	---------
204	329		204	329
=====	=====		=====	=====

The capital surplus arose as a result of the revaluation of assets including leasehold land, buildings, plantations and plant and machinery .

20b Share deals account

Company 2011	Company 2010		Group 2011	Group 2010
81	81	Balance at 1 January	81	81
=====	=====		=====	=====

The share deals account was created in line with the Companies Code 1963 (Act 179) section 63 requirement that a company shall open an account, to be known as the share deals account and shall credit thereto a sum not less than the amount to be expended on such redemption or purchase by transferring such sum from income surplus, as defined in section 70 of this Code.

21. Non-controlling interest

	2011	2010
Balance at 1 January	22,495	20,199
Add: statement of comprehensive income	8,171	3,705
Less: Final dividend paid (Note 18b)	(3,720)	(1,409)
Less: Release of minority interest in BOPP	(9,182)	-
	------------	------------
Balance at 31 December	17,764	22,495
	======	=====

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

22. Trade and other receivables

Company 2011	Company 2010		Group 2011	Group 2010
1,815	8,846	Trade receivables - 3rd parties	2,850	9,418
18,888	9,365	Receivables - related parties (note 32)	18,282	8,956
265	469	Amounts due from officers	317	526
681	1,851	Payments in advance	692	1,852
11,775	1,933	Other receivables	12,475	4,886
33,424	22,464		34,616	25,638

Full provision has been made for any debtor that is impaired. This amounted to GH¢49 (2010: GH¢177).

23. Trade and other payables

Company 2011	Company 2010		Group 2011	Group 2010
14,526	13,270	Trade payables- 3rd parties	14,862	13,606
24,360	14,639	Payables - related parties (note 32)	22,504	10,654
5,361	4,277	Accrued liabilities	5,428	4,344
24,038	20,029	Other payables	28,627	24,626
68,285	52,215		71,421	53,230

Other payables include business group fees of GH¢14.5 million (2010: GH¢9.6 million).

24. Bank overdrafts

Company 2011	Company 2010		Group 2011	Group 2010
-	(86)	Bank overdrafts	-	(86)
-	(86)		-	(86)

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

25. Cash generated from operations

Company 2011	Company 2010		Group 2011	Group 2010
33,141	22,888	Profit before tax from continuing operations	45,200	25,087
1,991	1,482	Depreciation (note 12a &d)	2,165	1,841
18	18	Amortisation of intangible asset (note 12g)	18	18
(12)	(4,017)	Profit on disposal of property, plant & equipment (note 12c &f)	(12)	(4,020)
-	-	Profit on disposal of biological asset	(118)	-
55	15	Net book values of assets write off	55	15
-	-	Fair value gains on biological assets (note 27)	(188)	(142)
(3,331)	(2,125)	Employment benefit plan	(3,331)	(2,125)
772	461	Unfunded retirement benefit	772	461
(17,033)	8,493	Decrease/(increase) in inventories	(16,681)	8,949
(10,960)	(15,884)	Decrease/(increase) in trade and other receivables	(8,978)	(16,884)
16,294	8,261	(Decrease)/increase in trade and other payables and provisions	18,356	9,302
2,554	-	Non-cash transfer of Investment in TOPP	-	-
(3,572)	(2,066)	Dividends received (note 7)	(1,092)	-
1,173	260	Interest charge (note 8)	1,174	263
(1,016)	(831)	Interest credit (note 8)	(2,166)	(1,445)
20,074	16,955	**Cash generated from operations**	35,174	21,320

26. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise:

Company 2011	Company 2010		Group 2011	Group 2010
21,298	21,437	Cash at bank	35,344	25,982
-	(86)	Bank overdrafts	-	(86)
21,298	21,351		35,344	25,896

Cash at bank includes cheques issued and not cashed of GH¢1,679,000

27. Biological assets - Group

a) Changes in carrying amounts of biological assets comprise:

	Group 2011	Group 2010
Fair value at 1 January	10,131	20,259
Additions during the year	343	481
Reclassification	-	(10,751)
Gains arising from changes in fair value less estimated point-of-sale costs	188	142
Disposal	(26)	-
Fair value at 31 December	10,636	10,131

Palm trees are carried at fair value less estimated point-of-sale costs. The fair value of the palm trees were determined based on the discounted net present values of expected cash flows from those assets, discounted at a market-determined pre-tax rate. The following assumptions were made in determining the fair values of the palm trees:

* Average yielding life of a palm tree is 22years
* Climatic conditions will remain same and no anticipation of any disease attacking the trees
* FFB selling price of $119 per metric tone. The Fresh Fruit bunch price is highly dependant on crude palm oil and palm kennel oil price.
* A discount rate of 18% for Ghana Cedi denominated cost and 11% for dollar denominated revenue were used.
* The exchange rates used are GH¢1.63:1$ respectively.
* None of the biological assets have been used as collateral for bank facilities.
* Palm plantation covers a total of 4,234 hectares with an average of 135 palm trees per hectare.

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

28a. Provisions - 2011

	Company Restructuring	Company Other	Company Total	Group Restructuring	Group Other	Group Total
Balance at 1 January 2011	221	723	944	221	1,118	1,339
Charge during the year	3,089	1,275	4,364	3,089	1,558	4,647
Payments during the year	(2,985)	(1,114)	(4,099)	(2,985)	(1,532)	(4,517)
Balance at 31 December 2011	**325**	**884**	**1,209**	**325**	**1,144**	**1,469**

Restructuring provisions primarily relates to the cost of redundancies and early retirements.

28b. Provisions - 2010

	Company Restructuring	Company Other	Company Total	Group Restructuring	Group Other	Group Total
Balance at 1 January 2010	2,306	502	2,808	2,306	737	3,043
Charge during the year	4,247	971	5,218	4,247	1,131	5,378
Payments during the year	(6,332)	(750)	(7,082)	(6,332)	(750)	(7,082)
Balance at 31 December 2010	**221**	**723**	**944**	**221**	**1,118**	**1,339**

28c. Restructuring costs

	Company 2011	Company 2010	Group 2011	Group 2010
Proceeds for sale of Frytol brand	-	6,282	-	6,282
Frytol assets disposed	-	(1,551)	-	(1,551)
Other costs of Frytol disposal	-	(4,010)	-	(4,010)
Restructuring costs (note 28a,b)	(3,089)	(4,247)	(3,089)	(4,247)
	(3,089)	(3,526)	(3,089)	(3,526)

29a. Discontinued operation

Profit from discontinued operations

	Company 2011	Company 2010	Group 2011	Group 2010
Revenue	-	-	-	19,366
Operating Cost	-	-	-	(16,940)
Operating profit	-	-	-	2,426
Other income			-	-
Finance income			-	254
Finance cost			-	(12)
Profit before tax	-	-	-	2,668
Tax			-	-
Profit after tax of discontinued operations	-		-	2,668

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

29b. Non - current assets held for sale and discontinued operations

The assets and liabilities related to Benso Oil Palm Plantations Limited (BOPP) were presented as held for sale in 2010 following the approval of the Group's management and shareholders on 2nd of February 2010 to sell BOPP. The transaction was successfully completed in March 2011.

Company 2011	Company 2010	Assets of disposal group classified as held for sale	Group 2011	Group 2010
-	-	Property, plant and equipment	-	4,652
-	-	Biological assets	-	11,699
-	-	Inventories	-	1,702
-	-	Trade and other receivables	-	655
-	-	Amounts due from related companies	-	2,310
-	-	Tax	-	7
-	-	Cash and bank balances	-	2,531
-	-	**Total**	-	**23,556**

Company 2011	Company 2010	Liabilities of disposal group classified as held for sale	Group 2011	Group 2010
-	-	Trade and other payables	-	(771)
-	-	Amounts due to related companies	-	(716)
-	-		-	(1,487)

Company 2011	Company 2010	Cash and cash equivalents at the end of the year	Group 2011	Group 2010
-	-	Net cash flow from operating activities	-	3,152
-	-	Net cash flow from investing activities	-	(833)
-	-	Net cash flow from financing activities	-	(1,086)
-	-	Increase in cash and cash equivalents	-	1,233
-	-	Cash and cash equivalents at the beginning of the year	-	1,298
-	-	**Cash and cash equivalents at the end of the year**	-	2,531

29c. Profit or loss on disposal of investment

Company 2011	Company 2010		Group 2011	Group 2010
14,686	-	Net proceeds from sale of investment	14,686	-
(10,347)	-	Cost of investment / share of net assets of subsidiary	(12,813)	-
-	-	Impairment of goodwill related to disposal of investment (Note 14)	(3,047)	-
4,339	-		(1,174)	-

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

30. Contingencies

(i) The company has certain legal cases pending before the courts with a potential liability of GH¢137 (2010: GH¢134). In the opinion of the directors no loss is anticipated beyond the provision already made in the financial statements.
(ii) At 31 December 2011 the company had guaranteed loans to employees amounting to GH¢428 (2010:GH¢606).

31. Commitments

Total capital expenditure commitments at the reporting date were as follows:

Company 2011	Company 2010		Group 2011	Group 2010
2,709	2,570	Property, plant & equipment contracted	3,075	2,679
====	====		====	====

32. Related party transactions

The group is owned and controlled by Unilever Overseas Holding.
During the year, the following related party transactions took place.

Company 2011	Company 2010	a. Purchases of goods & services	Group 2011	Group 2010
-	19,171	Benso Oil Palm Plantations Limited	-	-
31,222	17,264	Twifo Oil Palm Plantations Limited	-	-
899	311	Unilever Market Development - South Africa	899	311
1,825	164	Unilever Indonesia	1,825	164
848	46	Unilever Kenya	848	46
10,782	6,783	Unilever Nigeria PLC	10,782	6,783
18,078	12,007	Unilever Cote D'voire	18,078	12,007
7,178	5,675	Unilever Gulf	7,178	5,675
14,303	6,551	Unilever Vietnam	14,303	6,551
5,452	3,963	Other related parties	5,452	3,963
90,587	71,935		59,365	35,500
=====	=====		=====	=====

Company 2011	Company 2010	b. Sales of goods & services	Group 2011	Group 2010
-	195	Benso Oil Palm Plantations Limited	-	-
116	197	Twifo Oil Palm Plantations Limited	-	-
-	-	Unilever South Africa	-	-
21,798	13,236	Unilever Nigeria PLC	21,798	13,236
656	658	Unilever Cote D'Ivoire	656	669
22,570	14,286		22,454	13,905
=====	=====		=====	=====

Year end balances arising from related party transactions are as follows:

Company 2011	Company 2010	c. Receivable from related parties	Group 2011	Group 2010
-	167	Benso Oil Palm Plantations Limited	-	-
606	227	Twifo Oil Palm Plantations Limited	-	-
18,282	8,281	Unilever Nigeria PLC	18,282	8,281
-	573	Unilever PLC	-	573
-	117	Other related parties	-	102
18,888	9,365		18,282	8,956
=====	=====		=====	=====

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

32. Related party transactions (Continued)

d. Payable to related parties

Company 2011	Company 2010		Group 2011	Group 2010
-	2,297	Benso Oil Palm Plantations Limited	-	-
1,856	1,712	Twifo Oil Palm Plantations Limited	-	-
205	133	Unilever Market Development - South Africa	205	133
10,813	4,150	Unilever Nigeria PLC	10,813	4,150
86	6	Unilever N. V	86	6
1,097	2,730	Unilever Cote D'voire	1,097	2,730
2,206	1,521	Unilever Gulf	2,206	1,521
1,329	-	Unilever Asia Private Limited	1,329	-
5,516	2,005	Unilever Vietnam	5,516	2,005
983	-	Unilever Mashreq	983	-
269	85	Other related parties	269	109
24,360	14,639		22,504	10,654

33. Loans to directors - Company & Group

	2011	2010
Balance at 1 January	-	21
Loans advanced during the year	-	-
Loan repayments	-	(20)
Interest received	-	(1)
Balance at 31 December	-	-

34. Key management personnel compensation - Company & Group

	Group 2011	Group 2010
Short term employee benefits	1,600	1,547
Of which:		
Executive Directors	1,462	1,451
Non-Executive Directors	138	96
	1,600	1,547

35. Financial Risk Management Objectives and Policies

The Group's activities expose it to a variety of financial risks: Market risk (including foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance, but the Group does not hedge any risks. Financial risk management is carried out by the Treasury department under policies approved by the Board of Directors and the parent, Unilever Overseas Holding Ltd.

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

35. Financial Risk Management Objectives and Policies (Continued)

Market risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States Dollar, British Pound and Euro. Foreign exchange risk arises from future commercial transactions.

Currency exposure arising from liabilities denominated in foreign currencies is managed primarily through the holding of bank balances in the relevant foreign currencies.

At 31 December 2011, if the Cedi had weakened/strengthened by 10% against the US dollar with all other variables held constant, post tax profit for the year would have been GH¢ 2,665 (2010: GH¢ 106) higher/lower, mainly as a result of US dollar denominated trade payables, recievables and bank balances. At 31 December 2011 if the Cedi had weakened / strenghtened by 10% against the Euro with all other variables held constant, post tax profit for the year would have been GH¢ 206 (2010: GH¢ 29) higher / lower, mainly as a result of Euro denominated bank balances.

(ii) Price risk

Although the Group has equity investment in subsidiaries, these investments are measured at cost. The Group has no other investment considered as fair value through profit or loss or available -for -sale. Hence the Group is not exposed to equity securities price risk. The Group is not exposed to commodity price risk. This is because the Group does not have commodity purchase contracts that meet the definition of a financial instrument under IAS 39.

(iii) Cash flow and fair value interest rate risk

The Group's only interest bearing financial instruments are the bank overdraft and bank balances, which are at variable rates, and on which they are therefore exposed to cash flow interest rate risk. The Group regularly monitors financing options available to ensure optimum interest rates are obtained. At 31 December 2011, an increase/decrease of 2% basis points would have resulted in a decrease/increase in post tax profit of GH¢ 294 (2010: GH¢ 517).

Credit risk

Credit risk arises from cash at bank and short term deposits with banks, as well as trade and other receivables. The company does not have any significant concentrations of credit risk. The credit controller assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted and deposits with any bank is limited to 20% of the net worth of that bank.

The company's maximum exposure to credit risk at 31 December 2011 and 2010 is the same as the balance of cash at bank and trade and other receivables in the statement of financial position. There is no off - balance sheet credit risk exposure."

No collateral is held for any of the above assets. The Group does not grade the credit quality of receivables. All receivables that are neither past due nor impaired are within their approved credit limits, and no receivables have had their terms renegotiated. None of the above assets are either past due or impaired except for the following amounts in trade and other receivables (which are due within 30 days of the end of the month in which they are invoiced):

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

35. Financial Risk Management Objectives and Policies (Continued)

	2011	2010
Past due but not impaired:		
- by up to 30 days	1,448	264
- by 31 to 60 days	343	240

	2011	2010
Neither past due nor impaired	34,604	25,311
Past due but not impaired	1,791	504
Total	36,395	25,815
Provision for impairment loss	(49)	(177)
Net carrying amount	36,346	25,638

Movements in provision for impairment of trade and other receivables are as follows:

	2011	2010
At 1 January	177	94
Credit/Charge	(128)	83
At 31 December	49	177

Liquidity risk

The Company and the Group manage liquidity risk by maintaining adequate cash reserves and calling on short term borrowing and funding from related parties. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the finance department maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow. In addition, the Group maintains the following lines of credit:

The table below analyses the group's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Since discounting is not applied to any of these disclosed amounts, the amounts per the table can be reconcile to the amounts disclosed in the statement of financial position.

	Less than 1 year
At 31 December 2011	
- bank overdraft	
- trade and other payables	(71,421)
At 31 December 2010:	
- bank overdraft	(86)
- trade and other payables	(53,230)

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

35. Financial Risk Management Objectives and Policies (Continued)

Capital management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may limit the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt. The company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity plus net debt. Total capital at 31 December 2011 and 2010 were as follows:

	2011	2010
Total borrowings	-	(86)
Less: cash and cash equivalents	35,344	25,982
Net debt/cash	35,344	25,896
Total equity	1,200	1,200
Total capital	36,544	27,096
Gearing ratio	-	-

Fair values of financial assets and liabilities

The carrying amounts of all financial assets and liabilities are a reasonable approximation of their fair value, because of their short term nature. The carrying amount of all financial assets and liabilities equals their carrying amount, as the impact of discounting is not significant.

Financial instruments by category

Loans and receivables 2011	Loans and receivables 2010		Loans and receivables 2011	Loans and receivables 2010
		Financial assets		
13,855	11,248	Trade and other receivables (excluding prepayment)	16,334	14,830
18,888	9,365	Amounts due from related companies	18,282	8,956
21,298	21,437	Cash and cash equivalents	35,344	25,896
54,041	42,050		69,960	49,682
Other financial liabilities	**Other financial liabilities**		**Other financial liabilities**	**Other financial liabilities**
		Financial liabilities		
43,925	37,576	Trade and other payables	48,917	42,576
24,360	14,639	Amounts due to related companies	22,504	10,654
-	86	Overdrafts	-	86
68,285	52,301		71,421	53,316

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

36. Earning per share

	Company		Group	
	2011	2010	2011	2010
Profit attributable to equity holders	30,115	17,947	27,400	19,109
Weighted average number of ordinary shares	62,500	62,500	62,500	62,500
Earnings per share	0.4818	0.2872	0.4384	0.3057
	=====	=====	=====	=====

At the reporting date, the basic earnings per share and the diluted earnings per share were the same. There were no outstanding shares which on conversion could increase the weighted average number of ordinary shares in issue.

37. Segment information

Management has determined the operating segments based on the reports reviewed by the Executive committee that are used to make strategic decisions. The committee considers the business from a product perspective. The accounting policies of the operating segments are the same. The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices. The leadership team assesses the performance of the operating segments based on a measure of net profit . Net profit is based on IFRS principles. Hence reconciliation of Non- GAAP to the financial statements information based on IFRS is not required. The group's reporting segments are based on products, namely Foods, Home Care and Personal Care. Under the Foods division are Spreads, Tea, Savoury, Oils and Health & Wellness. The Home Care division comprises the Laundry and Household care categories. The Personal Care division has the Skin Cleansing and Oral categories.

Costs relating to segments have been allocated on the following basis:

Cost such as capital are directly charged to products whenever this can be done. For instance finished goods stocks information is normally available by product.

A simple allocation rule is used in allocating costs which cannot be directly charged to product categories unless where a more sophiscated allocation basis has been agreed within the region.

The segment information provided to the Executive committee for the reportable segments for the year ended 31 December 2010 and 2009 are as follows:

Notes (Continued)

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

37. Segment information (Continued)

Analysis by product divisions

Company

	Foods		Home Care		Personal Care		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
Revenues from external customers	54,041	43,795	97,890	70,019	87,074	65,443	239,005	179,257
Depreciation and amortisation	(1,056)	(788)	(575)	(429)	(377)	(282)	(2,008)	(1,499)
Operating cost	(49,872)	(37,194)	(86,472)	(64,490)	(69,363)	(51,730)	(205,707)	(153,414)
Operating profit	4,169	6,601	11,418	5,529	17,711	13,713	33,298	25,843
Other income	-	-	-	-	-	-	4,665	2,661
Restructuring costs							(3,089)	(3,526)
Finance income							1,016	831
Finance costs	-	-	-	-	-	-	(1,173)	(260)
Profit before tax	-	-					33,141	22,888
Taxation	-	-	-	-	-	-	(7,365)	(4,941)
Net profit from continuing operations	-	-	-	-	-	-	25,776	17,947

Group

	Foods		Home Care		Personal Care		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
Revenues from external customers	55,706	45,691	97,890	70,019	87,074	65,443	240,670	181,153
Intergroup revenues	32,612	36,827	-	-	-	-	32,612	36,827
Depreciation and amortisation	(1,231)	(1,147)	(575)	(429)	(378)	(283)	(2,184)	(1,859)
Operating cost	(47,928)	(37,502)	(82,420)	(64,490)	(66,113)	(51,730)	(196,462)	(153,723)
Operating profit	40,390	45,016	15,470	5,529	20,962	13,713	76,820	64,258
Restructuring costs							(3,089)	(3,526)
Other income	-	-	-	-	-	-	1,505	368
Finance income							2,166	1,445
Finance costs	-	-		-	-	-	(1,174)	(263)
Profit before tax	-	-	-	-	-	-	77,812	61,914
Taxation	-	-	-	-	-	-	(8,455)	(4,941)
Net profit from continuing operations	-	-	-	-	-	-	69,357	(56,973)
Adjustment for intergroup revenues							(32,612)	(36,827)
Net profit from continuing operations	-	-	-	-	-	-	36,745	20,146

No measure of total assets and liabilities are reviewed by the Leadership Team. Hence no disclosure of total assets and liabilities for each reporting segment has been disclosed. There are no revenues and non-current assets from outside Ghana. No major customer identified during the year.


Unilever
FOR THE BEST CARE OF YOUR FABRICS
Wash with BF Soap
NOUVEAU
SAVON
BF
DE MARSEILLE

Other information - Analysis of Shareholding

Number of shareholders

The Company had 11,816 ordinary shareholders at 31 December 2011 with equal voting rights distributed as follows:

Holding	Number of holders	Holders %	No. of shares	% of Holdings
1 - 1,000	10,600	89.71	3,014,090	5
1,001 - 5000	1,032	8.73	2,200,977	4
5,001 - 10,000	93	0.79	688,571	1
10,001 - and over	91	0.77	56,596,362	91
	11,816	**100.00**	**62,500,000**	**100**

Directors' shareholding

The Directors named below held the following number of shares in the Company at 31 December 2011.

Mr. Ishmael Evans Yamson	-	2,500
Mr. Charles Alexander Cofie	-	2,000
Mr. Joseph Nee-Amahtey Hyde	-	1,500

20 Largest shareholders at 31 December 2011

	Shareholders	Number of shares	% Holding
1	UNILEVER OVERSEAS HOLDINGS LTD	26,249,980	42.00
2	UAC INTERNATIONAL LIMITED	14,999,955	24.00
3	SOCIAL SECURITY & NATIONAL INS.TRUST	3,300,332	5.28
4	SCBN/HSBN BANK ARISAIG AFRICA	3,120,000	4.99
5	SCBN/STATE STREET BANK TST X71 AX71	1,747,750	2.80
6	SCBN/HSBC - FUND SERVICES A/C 500	1,440,000	2.30
7	SCBN/HSBC BANK PLC	1,190,181	1.90
8	SCBN/STATE STREET X71 AX71	988,070	1.58
9	CWA HOLDINGS LIMITED	350,040	0.56
10	SCBN/UNLEVER GHANA MANAGERS'	264,796	0.42
11	SCBN/SSB EATON VANCE TAX-MANAGED	249,000	0.40
12	SCGN/JPMC T. ROWE PRICE	202,300	0.32
13	STD NOMS TVL PTY/BNYN/FRONTIER MKT	177,178	0.28
14	ENTERPRISE GROUP LTD	155,000	0.25
15	SCBN/UNILEVER GHANA PROVIDENT FUND	135,000	0.22
16	STD NOMS TVL PTY/BNYM/FLORIDA	98,744	0.16
17	STD/ELAC POLICY HOLDERS FUND	90,000	0.14
18	SCBN/ELAC SHAREHOLDERS FUND	82,997	0.13
19	SCBN/RID PLC FRONTIER EQUITY FUND	80,000	0.13
20	THE ESTATE OF LATE REXFORD KWASI OBENG	75,000	0.12
		54,996,323	**87.98**

Five year financial summary of the Group

(All amounts in the notes are expressed in thousands of Ghana cedis unless otherwise stated)

Balance sheet as at 31 December

Funds employed	2007	2008	2009	2010	2011
Shareholders' funds	50,295	56,358	47,149	54,136	58,974
Post employment benefits obligation	2,073	2,069	2,237	2,697	3,138
Deferred tax	2,351	2,692	723	2,571	3,444
Non-controlling interest	15,559	20,651	21,356	22,495	17,764
	70,278	81,770	71,465	81,899	83,320
Employment of Funds					
Property, plant and equipment	23,290	22,789	23,458	21,139	34,074
Intangible asset	-	55	37	19	1
Biological assets	17,515	18,248	20,259	10,131	10,636
Goodwill	4,210	4,210	4,210	4,210	1,163
Pension assets for funded scheme in surplus	6,868	9,747	7,626	11,322	8,409
Net current (liabilities) / assets	18,395	26,721	15,875	35,078	29,037
Net assets	70,278	81,770	71,465	81,899	83,320
Capital Expenditure	2,495	3,243	3,807	6,294	15,194
Depreciation	2,112	2,240	2,417	2,364	2,165
Results					
Revenue	139,054	165,590	167,952	181,153	240,670
Profit attributable to the equity holders of the company	11,090	22,236	1,262	19,109	27,400
Interim dividend declared	-	(6,281)	-	-	-
Final dividend declared	(6,563)	(7,750)	(7,019)	(13,300)	(17,943)
Profit retained in the year	4,527	8,205	(5,757)	5,809	9,457

Unclaimed dividends and share certificates

Our records show that some dividend warrants have not been presented to the bank for payment while others have been returned to the registrar's office unclaimed. It is in the interest of all affected shareholders to contact.

either:

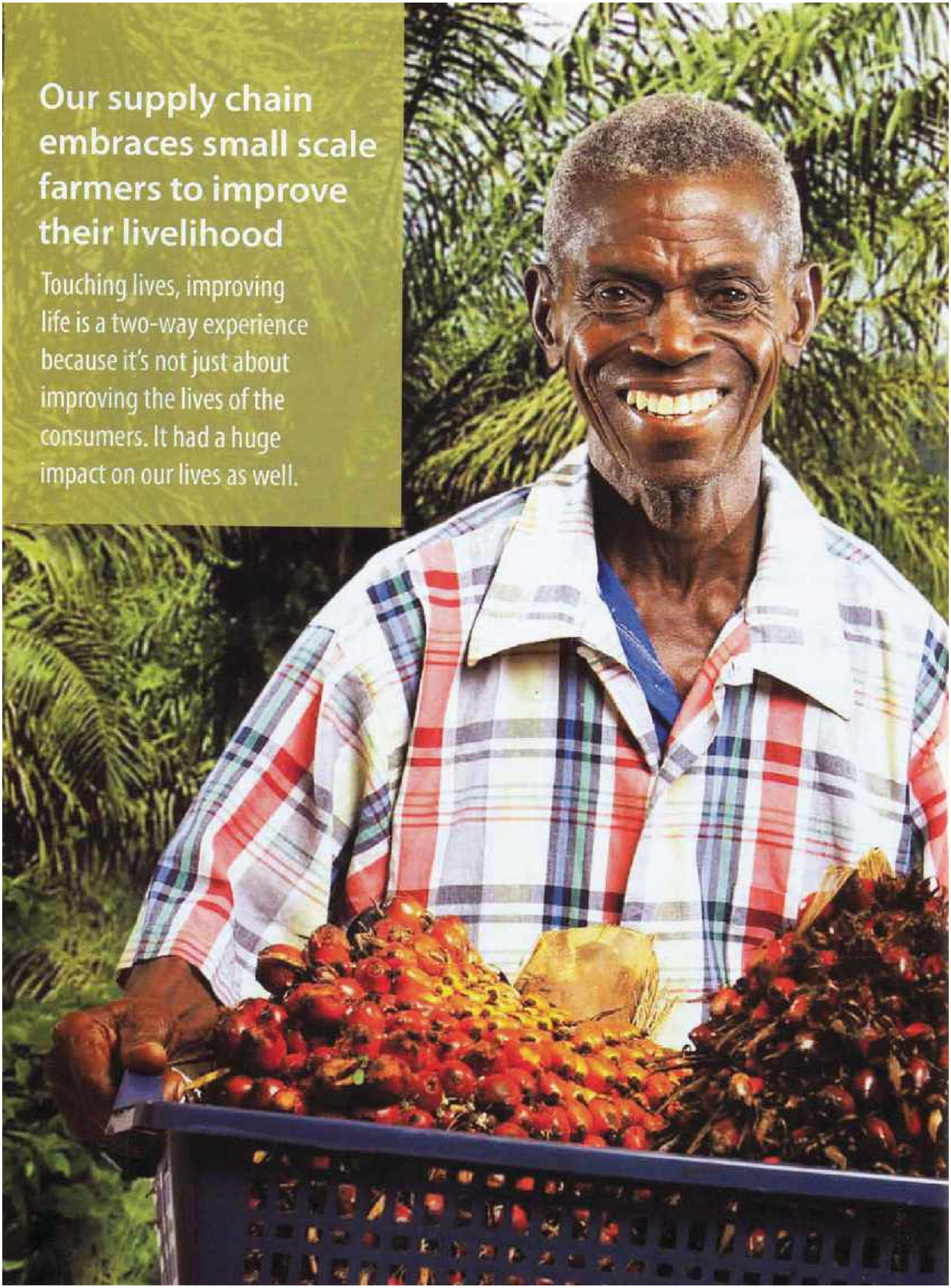
The Company Secretary
Unilever Ghana Limited
P.O. Box 721,
Tema

or:

The Registrars
Merchant Bank (GH) Limited
57 Examination Loop
North Ridge
P.O. Box 401,
Accra, Ghana.

Our supply chain embraces small scale farmers to improve their livelihood

Touching lives, improving life is a two-way experience because it's not just about improving the lives of the consumers. It had a huge impact on our lives as well.



Unilever Ghana Limited

Proxy Form

Serial No.

ANNUAL GENERAL MEETING
TO BE HELD at 11:00 a.m. on Wednesday, 9th May 2012 at The National Theatre Accra.

I/We ______________________________
(Insert Full Name)

of ______________________________
(Insert Full Address)

Being a member(s) of Unilever Ghana Limited, hereby appoint

____
(Insert Full Name)

or failing him the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of that Company to be held on Wednesday, 9th May 2012 and at any and every adjournment thereof.

Dated this ________ day of May, 2012

For Company's Use	No. of Shares	
RESOLUTION	FOR	AGAINST
To declare a Dividend		
To re-elect Mr J. N-A Hyde as a Director		
To re-elect Ms Aurore Lokko as a Director		
To re-elect Mr C. A. Cofie as a Director		
To approve Directors' Fees		
To authorise the Directors to fix the Remuneration of the Auditors.		

Please indicate with an "X" in the appropriate square how you wish your votes to be cast on the resolution referred to above. Unless otherwise instructed the proxy will vote or abstain from voting at his discretion

Shareholder's signature ______________________

(before posting the above form, please tear off this part and retain it)

THIS PROXY FORM SHOULD NOT BE COMPLETED AND SENT TO THE REGISTRARS IF THE MEMBER WILL BE ATTENDING THE MEETING

NOTES

(1) In the case of joint holder, each should sign.
(2) If executed by a Corporation, the proxy Form should bear its Common Seal or be signed on its behalf by a Director
(3) Please sign the above proxy form and post it so as to reach the address shown overleaf not later than 11:00am. on 7th May, 2012.

Third fold here

please fix
stamp

Second fold here

The Registrars
Merchant Bank Ghana Limited
57 Examination Loop
North Ridge
P. O. Box 401
Accra, Ghana

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Unilever Head office and Factory
P. O. Box 721 Tema, Ghana.
www.unileverghana.com