



GUINNESS

GHANA

ANNUAL REPORT & FINANCIAL STATEMENTS 2000 - 2001



Feel good every day!



GUINNESS GHANA LIMITED

**FINANCIAL STATEMENTS
30TH JUNE 2001**

BOARD OF DIRECTORS



Members of the Board Of Directors:

From left; F. Wussar-Naahr, Deputy Managing Director, D. M. Hainsworth, Managing Director, D. H. C. Hampshire, Chairman, P. V. Obeng, Director, J. W. Acheampong, Director. **Standing from left;** J. Wheelhouse, Director, F. C. Damali, Marketing Director, D. J. Armstrong, Director, C. O. Enase, Product Supply Director, S. K. Gollo, Secretary to the Board.



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Continuing investments in leading-edge technology secures premium quality for our brands.



GUINNESS
GHANA
LIMITED

THE YEAR IN SUMMARY JUNE, 2001

	30\6\01 ¢000	30\6\00 ¢000	% change
Turnover	190,643,212	125,360,500	52
Profit before Tax	26,388,896	11,149,452	137
Taxation	8,030,110	704,956	1,039
Profit after Taxation	18,358,786	10,444,496	76
Dividends	10,573,200	8,223,600	29
Retained Profit	7,785,586	2,220,896	251
Capital Expenditure	10,016,167	27,712,724	(64)
Depreciation	9,480,264	7,083,180	34
Shareholders Fund	70,604,529	62,818,943	12
Earnings per Share	156.27	88.90	76
Dividend per Share	90.00	70.00	29
Net Assets per Share	600.99	534.72	12



Safety is at the heart of all operations. The Guinness Fire Brigade on parade



BOARD OF DIRECTORS, OFFICIALS & REGISTERED OFFICE

BOARD OF DIRECTORS

David Herbert Campbell Hampshire (Chairman)
Devlin Marc Hainsworth (Managing)
Dr. Joseph Woahen Acheampong
Frank Cudjoe Damali
Paul Victor Obeng
Francis Wussar-Narh
Augustine Kwame Addo
David James Armstrong
Christopher Ojareda Enase
John Wheelhouse (Appointed 15/2/01)
Christopher John Emptage (Resigned 15/2/01)

SECRETARIES

Sena Chartered Secretaries Limited
3rd Floor, Mobil House
Liberia Road
P. O. Box 5520
Accra

REGISTERED OFFICE

Guinness Brewery
Industrial Area, Kaasi
P. O. Box 1536
Kumasi

AUDITORS

KPMG
Chartered Accountants
2nd Floor, Mobil House
Liberia Road
P. O. Box 242
Accra

REGISTRARS

Merchant Bank (Ghana) Limited
57 Examination Loop
North Ridge
Accra

SOLICITORS

Sam Okudzeto & Associates
3rd Floor, Mobil House
Liberia Road
P. O. Box 5520
Accra

BANKERS

Agricultural Development Bank
Barclays Bank of Ghana Limited
CAL Merchant Bank
Ecobank Ghana Limited
Ghana Commercial Bank Limited
SSB Bank Limited
Standard Chartered Bank Ghana Limited



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the next Annual General Meeting of Guinness Ghana Limited will be held at The International Conference Centre, Accra, on 20 November, 2001 at 11 o'clock in the forenoon for the following purposes.

AGENDA

1. To receive the Report of the Directors, the Balance Sheet as at 30 June 2001 together with the Profit and Loss and Income Surplus Accounts for the year ended on that date and the Report of the Auditors thereon.
2. To declare a Dividend.
3. To elect Directors in place of those retiring.
4. To approve Non-Executive Directors' Fees.
5. To authorize the Directors to fix the remuneration of the Auditors.
6. To pass the following as an Ordinary Resolution:

"That in accordance with Section 59 (b) of the Companies Code, 1963 and Regulation 11. 1 (a) of the Company's Regulations the Company is hereby authorised to purchase its own shares up to a maximum of 10% of the number of shares issued."

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 also be a Member.

A form of proxy is attached and for it to be valid for the purpose of the Meeting it must be completed and deposited at the Registered Office of the Company not less than 48 hours before the Meeting.

Dated 18 October, 2001

BY ORDER OF THE BOARD
SENA CHARTERED SECRETARIES LTD.

Registered Office:

Guinness Brewery
Kaasi Industrial Area
P.O. Box 1536
Kumasi.

DIVIDEND WARRANTS

If the dividend recommended is approved payment will be made on 18 December, 2001 to the holders of shares whose names are registered in the Register of Members on 9 October, 2001

REPORT OF THE DIRECTORS

TO THE MEMBERS GUINNESS GHANA LIMITED

PRINCIPAL ACTIVITIES

The principal activities of the Company continue to be the brewing, packaging (Product Supply), marketing and sale (Product Demand) of Foreign Extra Stout and Malta Guinness.

TURNOVER

The Company's sales performance for the year was impressive when considered against the competitive environment in which it operated.

Turnover (net of taxes) grew year on year by 52% from €125 billion to €190 billion.

TAX

Guinness Ghana paid a total of €88 billion in excise duty and VAT during this year. Additionally the Company paid € 8.98 billion in customs duties and corporate tax.

TRADING PROFIT

The Company earned an operating profit before tax of €26.3 billion, that is, a year on year increase of 136.6%.

The increase in profit was due mainly to effective cost and working capital control, improved performance of our brands, especially Foreign Extra Stout which recorded a 4% volume growth, and the stability of the cedi during the second half of the year.

DIVIDENDS

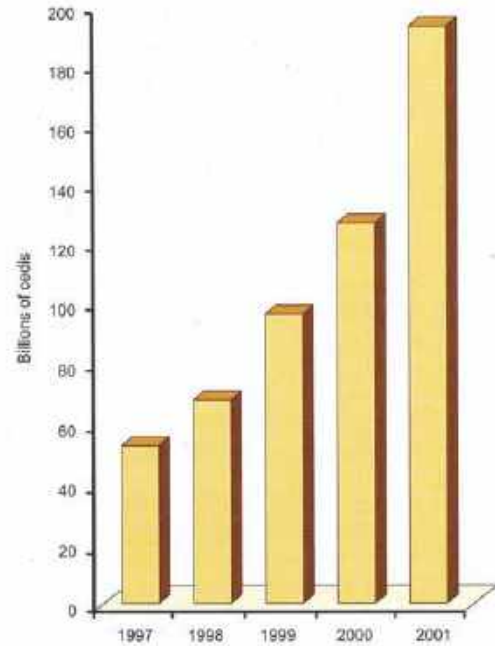
In view of the satisfactory results, the Directors are pleased to recommend to Members, the payment of a final dividend of €5,874,000,000 that is €50 per share before deduction of tax at source at the appropriate rate. This added to the interim dividend paid in April 2001 will make a total dividend of €10,573,200,000 which is €90 per share, that is, 29% increase over the previous year.

BOARD CHANGES

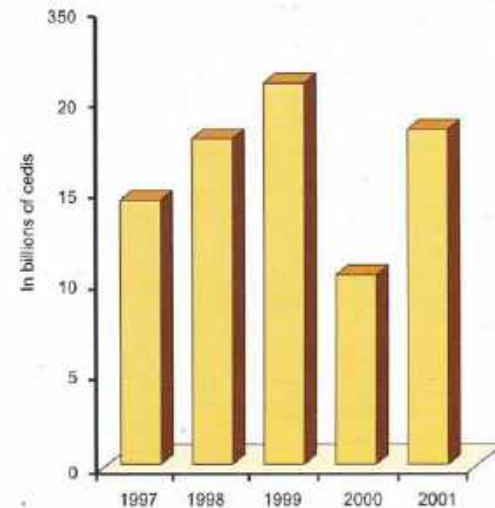
Since the Annual General Meeting held on 22 November, 2000 Mr. C. J. Emptage resigned from the office of Director of the Company on 15 February, 2001 and Mr John Wheelhouse was appointed to fill the casual vacancy arising thereof.

In accordance with the Regulations of the Company Messrs J. Wheelhouse, P. V. Obeng and DHC Hampshire retire at the Annual General Meeting and being eligible, offer themselves for re-election.

TURNOVER



PROFIT AFTER TAX



GUINNESS
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REPORT OF THE DIRECTORS

TO THE MEMBERS GUINNESS GHANA LIMITED (Cont)

The names of the Directors who were in office during the year under review are as published in this Annual Report

COMPANY'S REGULATIONS

As you must have read from the Agenda for this meeting the Directors are seeking Members' authority for the Company to purchase its own shares up to a maximum of 10% of the number of shares issued. We believe that the directors should have the authority to consider this option if the conditions are suitable.

BY ORDER OF THE BOARD

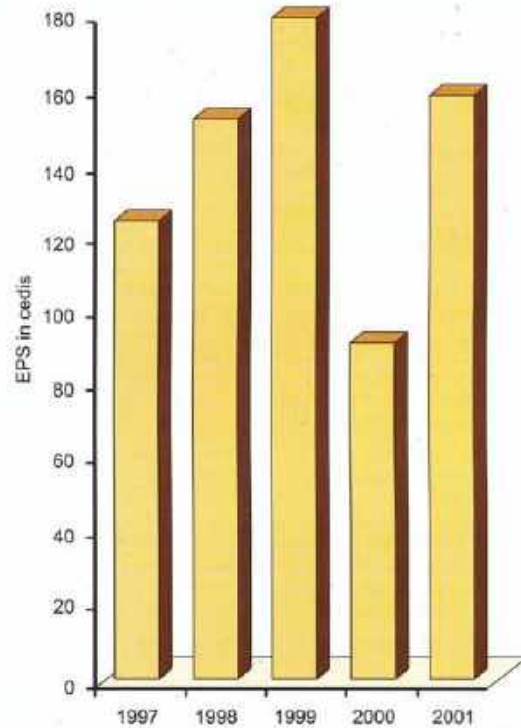


(D. M. Hainsworth)
Director

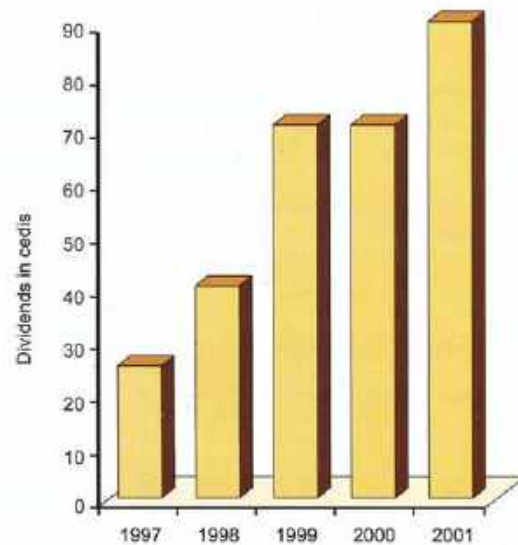


(F. Wussar- Narh)
Director

EARNINGS PER SHARE



DIVIDEND PER SHARE



CHAIRMAN'S STATEMENT

Distinguished shareholders, invited guests, Nananom, ladies and gentlemen, on behalf of the Board of Directors, I welcome you to the 29th Annual General Meeting of your company. I shall present to you this morning, the Annual Report and Financial Statements for the July 1, 2000 to June 30, 2001 financial year.

THE BUSINESS ENVIRONMENT.

The 2000 calendar year was very challenging. Inflation rose to 40.3% from 13.8% in 1999. The Cedi depreciated 49% against the Dollar compared to 32.7% the previous year and interest rates climbed to over 50.0%.

However, since the beginning of 2001, there has been a change in economic policy. Tight money stabilisation measures have reduced the rate of decline in the value of the Cedi. In the six months to June 2001 this was at 4.0% against 32.0% for the same period last year. The rate of price inflation has declined to 32.0% at end of August against over 40% at the end of 2000. Interest rates have, however, remained high and the private sector finance needs continue to be crowded out in the capital market.

Though signs of improvement are starting to show with a fairly stable exchange rate and declining inflation, the operational and financial costs of running the business have remained high. This is the result of the current cost of foreign exchange, double digit interest rate charges and a relatively high excise duty rate on beer.

THE BEER & MALT DRINKS INDUSTRY.

Total beer sales recorded a moderate growth of about 3.8%. Malt drinks sales and the whole carbonated soft drinks category suffered a double digit decline.

In spite of very difficult competitive circumstances Guinness Stout recorded very good sales and grew in line with the total beer market. The strong performance during the year was driven by substantial new investment behind the Guinness Stout brand and very creative consumer initiatives that continue to sustain the brand in its leadership position.

Though the whole non alcoholic drinks category is in decline, Malta Guinness is outperforming the category. The brand is benefiting from stable prices and enhanced marketing support and these initiatives have significantly reinforced the brand.



David Hampshire reviews business issues with the president of the Republic of Ghana

Though signs of improvement are starting to show with a fairly stable exchange rate and declining inflation, the operational and financial costs of running the business have remained high.



CHAIRMAN'S STATEMENT (Cont)

OUR PERFORMANCE.

Distinguished Shareholders, ladies and gentlemen, our financial year to June 30, 2001 has recorded a significant "bounce back" after the foreign currency difficulties of the year before. Net Turnover was C190.0bn, up 52.0% delivering a profit before tax figure of C 26.3 billion up 136.6% on the previous year.

This result was driven by the strength of our brands, enhanced commercial and technical efficiencies, exceptionally prudent operational management by the Executive Board and the commitment of the entire management and staff, and was facilitated by a relatively stable exchange rate in the second half of the year.

DIVIDEND.

In view of the improved results, the Directors are pleased to recommend to Members, the payment of a final dividend of ¢5,874,000,000 that is ¢50 per share before deduction of tax at source at the appropriate rate.

This added to the interim dividend paid in April 2001 will bring the total dividend pay out to ¢10,573,200,000 i.e. ¢90 per share, up 29% over the previous year.

SOCIAL RESPONSIBILITY.

Your Company continues to play its role as a responsible corporate citizen. We shall continue our policy of putting back into the communities where we operate part of our profits to improve the quality of life in those communities. We focus on the environment, education, health, culture and sports.

Environment.

Your company is committed to a policy of "cleaner environment." We have accessed the latest in technology and operational practice available to ensure that our business operations impact on our environment positively and constructively. We have assisted communities close to our plant with funding, technology and management skills to improve on their management of solid waste.

Health

Your company has provided support for the Cardio-Thoracic Unit and the Burns and Re-Constructive Plastic Surgery Centre at Korlebu Teaching Hospital to leverage their health care services. Guinness Ghana delivered timely support when disaster struck at the Accra Sports Stadium.

Education

We have, through the Otumfuo's Education Fund provided support for needy students, and we continue to provide equipment and facilities to the Chirapatre Community Library to service the 72 community schools.

Sports

For four years running, Guinness Ghana has supported the Ghana National Soccer Team in trying times and stood by them in their bleakest hour. We believe in their future success. Our role in enhancing the game of Golf is well known and acknowledged. Under the distinguished Patronage of His Excellency President J. A. Kufuor, Guinness Ghana sponsored the prestigious National Challenge Gold Cup, Ghana's Ascot!

Culture

We shall continue to support a wide range of cultural activities in the years ahead.



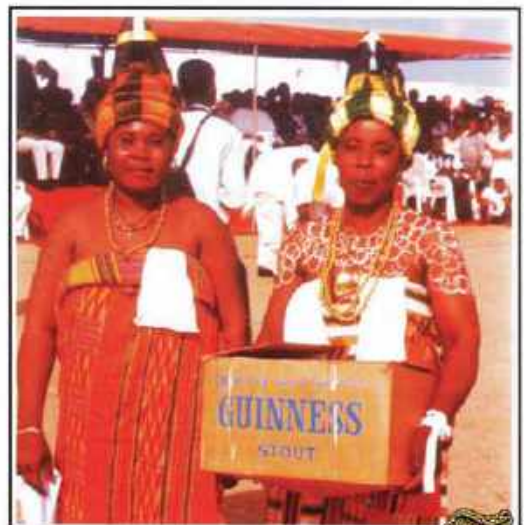
Delivering timely support to the Cardio-Thoracic Centre Korle-Bu Teaching Hospital



Supporting the pride of the Nation, - The Black Stars.



Building partnership with the trade. Guinness Staff interact with Key Distributors at a Distributor Conference, Ada.



Supporting the development of Ghanaian culture



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CHAIRMAN'S STATEMENT (Cont)

OPERATIONS

PRODUCT SUPPLY

Your Company's market place competitiveness gained considerably from significant cost savings during the year. In particular these were created through enhanced line yields and step change reductions in utility usage rates. Our plan is to continue to improve and ensure we maintain world class standards.

INFORMATION MANAGEMENT

Your Company has made substantial investment in bringing world class technology into information management. Your business now benefits from automated business processes, a state of the art local area network, voice and data networking and satellite linkage to the Guinness International Network. Lead time on data capture, analysis and business decision making has shrunk substantially.

TRAINING AND DEVELOPMENT.

Sustained top quality performance depends on the quality of our people. The development of our human resources is a top priority. We are committed to forging a high performance culture and employee reward structures that inspire exceptional performance.

We have implemented a communication strategy that has built supportive management - employee relations and an a conducive industrial relations environment. Employee motivation and morale is good. This has clearly contributed to record breaking results in the year.

PROSPECTS.

Distinguished shareholders, as we celebrate the good results of the last financial year, we thank you for your confidence and support. Your Board of Directors have full confidence in the strength of your company and will continue to take every step necessary to grow value for our shareholders.

Thank You.



DHC Hampshire



Aligning employees behind the corporate strategy. The MD welcoming GGL Managers at GGL "Be A Hero" Conference - Elmina.

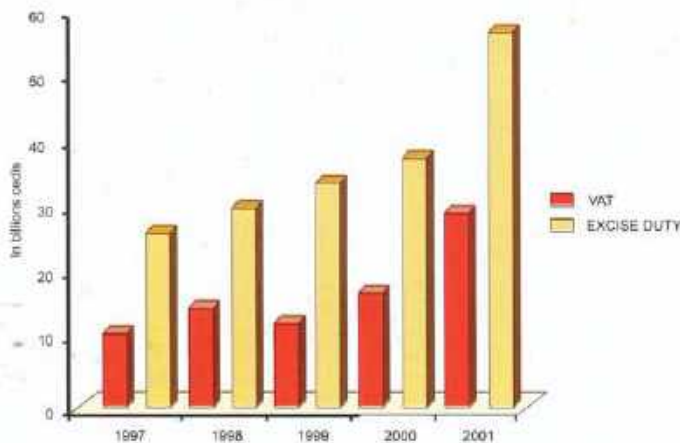


Team review at the "Be A Hero" Conference - Elmina.

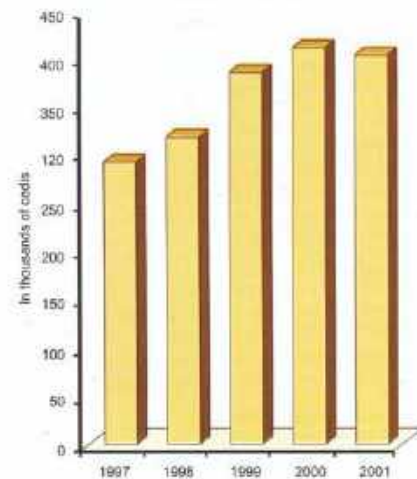


Colin Storm (right) - MD Guinness Ltd., retires.

GOVERNMENT REVENUE



SALES VOLUME



GUINNESS
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LIMITED

REPORT OF THE AUDITORS

TO THE MEMBERS GUINNESS GHANA LIMITED

We have audited the financial statements on pages 12 to 19, which have been prepared in accordance with International Accounting Standards. We have obtained all the information and explanations we required.

Respective Responsibilities of Directors and Auditors

These financial statements are the responsibility of the directors. Our responsibility is to express an independent opinion on these financial statements based on our audit.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, proper books have been kept and the financial statement, which are in agreement therewith, comply with the Companies Code, 1963 (Act 179) and give a true and fair view of the financial position of the company at 30th June 2001 and of the results of its operations and cash flows for the year then ended.

U P M G

CHARTERED ACCOUNTANTS
2ND FLOOR, MOBIL HOUSE
LIBERIA ROAD
P.O. BOX 242
ACCRA

6th September, 2001

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH JUNE 2001

	Note	2001 c'000	2000 c'000
TURNOVER	3	190,643,212	125,360,500
Cost of Sales		(104,276,807)	(58,543,889)
GROSS PROFIT		86,366,405	66,816,611
General Administrative and Selling Expenses		(49,403,824)	(60,157,989)
TRADING PROFIT		36,962,581	6,658,622
Other Income	4	239,785	11,572
PROFIT BEFORE INTEREST AND TAXATION	5	37,202,366	6,670,194
Net Interest (Charges)/Income	6	(10,813,470)	4,479,258
PROFIT BEFORE TAXATION		26,388,896	11,149,452
Taxation including Reconstruction Levy	7	(8,030,110)	(704,956)
PROFIT AFTER TAXATION transferred to Income Surplus Account		18,358,786	10,444,496

INCOME SURPLUS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2001

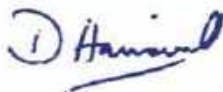
	2001 c'000	2000 c'000
Balance at 1st July	52,182,848	49,961,952
Profit for the year	18,358,786	10,444,496
	70,541,634	60,406,448
Proposed dividend c90 (2000: c70) per share	(10,573,200)	(8,223,600)
Balance at 30th June	59,968,434	52,182,848



BALANCE SHEET

AT 30TH JUNE 2001

	Note	2001 €'000	2000 €'000
FIXED ASSETS	8	68,460,901	67,976,506
INVESTMENTS	9	3,346,122	3,346,122
CURRENT ASSETS			
Stocks	10	26,912,170	32,297,947
Debtors	11	10,352,669	11,234,043
Taxation	7	3,258,467	4,578,117
Cash and Bank balances		16,492,599	40,404,530
		<u>57,015,905</u>	<u>88,514,637</u>
CURRENT LIABILITIES			
Bank Overdraft	12	8,416,881	19,774,655
Creditors	13	19,436,342	10,339,314
Dividends	14	8,760,458	11,084,470
Amount due to related companies	15	10,817,498	48,799,836
		<u>47,431,179</u>	<u>89,998,275</u>
NET CURRENT ASSETS / (LIABILITIES)		<u>9,584,726</u>	<u>(1,483,638)</u>
		81,391,749	69,838,990
Deferred Taxation	7	<u>(10,787,220)</u>	<u>(7,020,047)</u>
NET ASSETS		<u>70,604,529</u>	<u>62,818,943</u>
FINANCED BY:			
STATED CAPITAL	16	7,686,032	7,686,032
CAPITAL SURPLUS	17	2,950,063	2,950,063
INCOME SURPLUS		59,968,434	52,182,848



DIRECTOR



DIRECTOR

70,604,529

62,818,943



GUINNESS
GHANA
LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30TH JUNE 2001

	2001 €'000	2000 €'000
Operating profit		
(before investment returns and servicing of finance)	37,116,235	6,667,694
Depreciation charges	9,480,264	7,083,180
(Profit)/Loss on sale of fixed assets	(102,091)	184,329
Decrease/(Increase) in stocks	5,385,777	(17,183,278)
Decrease/(Increase) in debtors	881,374	(424,750)
Increase in creditors	9,097,028	717,734
(Decrease)/Increase in related company balances	(37,982,338)	27,553,016
Fixed assets written off	-	10,226
Net cash flow from operating activities	<u>(13,239,986)</u>	<u>17,940,457</u>
	23,876,249	24,608,151
Investment returns and servicing of finance		
Dividends paid	(12,897,212)	(8,154,170)
Dividends received	86,131	2,500
Interest paid	(11,413,169)	(2,126,297)
Interest received	599,699	6,605,555
	<u>(23,624,551)</u>	<u>(3,672,412)</u>
Tax paid	<u>(2,943,287)</u>	<u>(7,339,840)</u>
Investing activities		
Fixed assets purchased	(10,016,167)	(27,712,724)
Proceeds from sale of fixed assets	153,599	58,350
	<u>(9,862,568)</u>	<u>(27,654,374)</u>
Decrease in cash and cash equivalents	<u>(12,554,157)</u>	<u>(14,058,475)</u>
Analysis of changes in cash and cash equivalents during the year		
Balance at 1st July	20,629,875	34,688,350
Net cash outflow	(12,554,157)	(14,058,475)
Balance at 30th June	<u>8,075,718</u>	<u>20,629,875</u>
Analysis of balances of cash and cash equivalents as shown in the balance sheet		
Cash and bank balances	16,492,599	40,404,530
Bank Overdraft	(8,416,881)	(19,774,655)
Balance at 30th June	<u>8,075,718</u>	<u>20,629,875</u>



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2001

1. BASIS OF ACCOUNTING

These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

2. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the company's financial statements:

a. Depreciation

Depreciation is provided for on a straight-line basis at rates calculated to write off the gross value of each fixed asset over its estimated useful life. The annual rates generally in use are as follows:

Leasehold, Land and Buildings	-	3.125%
Plant and Machinery	-	6.5% - 12.5%
Motor Vehicles and Computers	-	25%
Furniture and Equipment	-	12.5%
Wooden Pallets	-	16.67%

b. Stocks

Stocks are valued on a first in first out basis, at the lower of cost and net realisable value. Cost includes all direct expenses incurred in bringing stocks to their present condition and location. Work-in-progress and finished goods are valued at average production cost which includes all relevant direct costs and production overheads.

c. Debtors

Debtors are stated after providing for specific debts considered to be doubtful.

d. Foreign Exchange

Transactions denominated in foreign currencies are translated into cedis at the rates of exchange ruling at the dates of the transactions. Differences arising from changes in exchange rates are dealt with through the profit and loss account.

Balances in foreign currencies are translated into cedis at the rates of exchange ruling at the balance sheet date.

e. Deferred Taxation

Provision is made for deferred taxation using the liability method on material timing differences to the extent that an asset or liability will crystallise.

f. Post Balance Sheet Events

Events subsequent to the balance sheet date are reflected only to the extent that they relate directly to the financial statements and the effect is material.



**NOTES FORMING PART OF
THE FINANCIAL STATEMENTS** FOR THE YEAR ENDED 30TH JUNE 2001 (Cont)

3. TURNOVER

	2001 €'000	2000 €'000
Gross Sales	278,956,278	179,709,403
Less: Excise Duty	(57,317,924)	(37,758,825)
VAT	(30,995,142)	(16,590,078)
	<u>(88,313,066)</u>	<u>(54,348,903)</u>
	<u>190,643,212</u>	<u>125,360,500</u>

4. OTHER INCOME

Dividends received	86,131	2,500
Profit on disposal of fixed assets	102,091	-
Sundry income	51,563	9,072
	<u>239,785</u>	<u>11,572</u>

5. PROFIT BEFORE INTEREST

6. TAXATION is stated after charging:

Auditor's remuneration	100,000	54,000
Depreciation	9,480,264	7,083,180
Directors' remuneration	510,478	288,730
Donations	35,651	47,217
Net exchange (gain)/loss	(892,866)	29,577,173
Loss on disposal of fixed assets	-	184,329

6. NET INTEREST (CHARGES)/INCOME

Interest Income	599,699	6,605,555
Interest Charge	(11,413,169)	(2,126,297)
	<u>(10,813,470)</u>	<u>4,479,258</u>

7. TAXATION

	Balance at 1/7/00 €'000	Payments/ Transfer €'000	Charge to P & L €'000	Balance at 30/6/01 €'000
Income Tax				
1997/98	1,188,513	(1,307,620)	-	(119,107)
1998/99	1,572,960	(2,331,970)	-	(759,010)
1999/00	(7,339,590)	3,639,590	-	(3,700,000)
2000/01	-	(2,630,336)	3,924,570	1,294,234
Dividend tax	-	(8,613)	8,613	-
	<u>(4,578,117)</u>	<u>(2,638,949)</u>	<u>3,933,183</u>	<u>(3,283,883)</u>
National Reconstruction Levy	-	(304,338)	329,754	25,416
	<u>(4,578,117)</u>	<u>(2,943,287)</u>	<u>4,262,937</u>	<u>(3,258,467)</u>
Deferred Tax	7,020,047	-	3,767,173	10,787,220
	<u>2,441,930</u>	<u>(2,943,287)</u>	<u>8,030,110</u>	<u>7,528,753</u>

The tax liabilities are subject to the agreement of Internal Revenue Service.

National Reconstruction Levy: This relates to a levy imposed on companies by the government on profits before tax for the years 2001 and 2002. The rate applicable to manufacturing companies is 2.5%.



**NOTES FORMING PART OF
THE FINANCIAL STATEMENTS** FOR THE YEAR ENDED 30TH JUNE 2001 (Cont)

8. FIXED ASSETS

	Leasehold Land & Buildings €'000	Plant Machinery €'000	Motor Vehicles €'000	Capital Work in- Progress €'000	Furniture Equipment/ Wooden Pallets €'000	Total €'000
Cost/Valuation						
At 1/7/2000	4,770,280	75,583,503	1,932,213	3,660,773	2,087,616	88,034,385
Additions	-	292,772	1,365,050	8,140,209	218,136	10,016,167
Disposals	-	(110,940)	(294,218)	-	(3,555)	(408,713)
Transfers	-	-	-	(94,430)	94,430	-
Write-off	-	-	-	-	(332,744)	(332,744)
At 30/6/2001	<u>4,770,280</u>	<u>75,765,335</u>	<u>3,003,045</u>	<u>11,706,552</u>	<u>2,063,883</u>	<u>97,309,095</u>
Depreciation						
At 1/7/2000	1,085,240	16,683,954	1,099,088	-	1,189,597	20,057,879
Charge for the year	149,751	8,470,370	466,583	-	393,560	9,480,264
Release on disposals	-	(110,940)	(242,710)	-	(3,555)	(357,205)
Release on write off	-	-	-	-	(332,744)	(332,744)
At 30/6/2001	<u>1,234,991</u>	<u>25,043,384</u>	<u>1,322,961</u>	<u>-</u>	<u>1,246,858</u>	<u>28,848,194</u>
Net Book Value						
At 30/6/2001	<u>3,535,289</u>	<u>50,721,951</u>	<u>1,680,084</u>	<u>11,706,552</u>	<u>817,025</u>	<u>68,460,901</u>
At 30/6/2000	<u>3,685,040</u>	<u>58,899,549</u>	<u>833,125</u>	<u>3,660,773</u>	<u>898,019</u>	<u>67,976,506</u>

Certain buildings, plant and machinery were professionally revalued by Nationwide Estate Services, Real Estate Valuers, Land Surveyors and Estate Managers on 31st December 1992 based on their open market values.

Disposal of fixed assets

	2001 €'000	2000 €'000
Cost of assets disposed off	408,713	1,798,137
Accumulated depreciation	(357,205)	(1,555,458)
Net book value	<u>51,508</u>	<u>242,679</u>
Proceeds on disposal	<u>153,599</u>	<u>58,350</u>
Profit/(Loss) on disposal of fixed assets	<u>102,091</u>	<u>(184,329)</u>

**Depreciation has been charged in
the financial statements as follows:-**

	2001 €'000	2000 €'000
Cost of sales	8,470,361	6,341,636
General, administrative and selling expenses	<u>1,009,903</u>	<u>741,544</u>
	<u>9,480,264</u>	<u>7,083,180</u>



**NOTES FORMING PART OF
THE FINANCIAL STATEMENTS** FOR THE YEAR ENDED 30TH JUNE 2001 (Cont)

9. INVESTMENTS

	2001 €'000	2000 €'000
Trade investments	<u>3,346,122</u>	<u>3,346,122</u>

This relates to investments in the ordinary shares of a listed company and is shown at cost.

10. STOCKS

	2001 €'000	2000 €'000
Raw and packaging materials	10,992,784	17,882,915
Work-in-progress	425,175	1,078,498
Finished products	4,286,053	3,812,244
Goods in transit	6,140,344	5,375,883
Engineering and consumables	5,067,814	4,148,407
	<u>26,912,170</u>	<u>32,297,947</u>

11. DEBTORS

Trade debtors	6,653,408	8,952,188
Staff debtors	28,223	23,129
Sundry debtors	<u>3,671,038</u>	<u>2,258,726</u>
	<u>10,352,669</u>	<u>11,234,043</u>

The maximum amount due from officers of the company during the year was €41 million (2000: €56 million).

12. BANK OVERDRAFT

This represents amounts drawn by the company under facilities granted by its bankers to support working capital requirements. Unutilised facilities at end of the year amounted to €81,583 million (2000: €58,225 million).

13. CREDITORS

	2001 €'000	2000 €'000
Trade creditors	1,172,781	2,958,992
Sundry creditors	8,402,647	4,101,139
Accruals and provisions	<u>9,860,914</u>	<u>3,279,183</u>
	<u>19,436,342</u>	<u>10,339,314</u>



**NOTES FORMING PART OF
THE FINANCIAL STATEMENTS** FOR THE YEAR ENDED 30TH JUNE 2001 (Cont)

14. DIVIDENDS

	2001 €'000	2000 €'000
Balance at 1st July	11,084,470	11,015,040
Proposed dividend	10,573,200	8,223,600
	<u>21,657,670</u>	<u>19,238,640</u>
Paid during the year	(12,897,212)	(8,154,170)
Balance at 30th June	<u>8,760,458</u>	<u>11,084,470</u>

15. AMOUNTS DUE TO RELATED COMPANIES

Materials and equipment	8,661,934	48,962,178
Royalty and technical service fees	2,155,564	(162,342)
	<u>10,817,498</u>	<u>48,799,836</u>

16. STATED CAPITAL

	Number of Shares		Proceeds	
	2001 '000	2000 '000	2001 €'000	2000 €'000
Authorised				
Ordinary shares of no par value	<u>150,000</u>	<u>150,000</u>		
Issued				
For Cash	24,208	24,208	4,935,584	4,935,584
Transfer from Surplus	93,272	93,272	2,750,448	2,750,448
	<u>117,480</u>	<u>117,480</u>	<u>7,686,032</u>	<u>7,686,032</u>

There is no share in treasury and no call or installment unpaid on any share.

17. CAPITAL SURPLUS

	2001 €'000	2000 €'000
Balance at 30th June	<u>2,950,063</u>	<u>2,950,063</u>

18. CAPITAL COMMITMENTS

Capital commitments authorised but not expended at the balance sheet date, amounted to €13.2 billion (2000: Nil)

19. CONTINGENT LIABILITIES

There are contingent liabilities amounting to €650 million (2000: €172m) in respect of possible claims on law suits.



STATEMENT OF VALUE ADDED JUNE, 2001

(In Thousands Of Cedis)

	30\6\01 € 000	%	30\6\00 € 000	%
Gross Sales Proceeds	278,956,278		179,709,403	
Excise Duties	(57,317,924)		(37,758,825)	
Sales Tax/Vat	(30,995,142)		(16,590,078)	
Turnover	190,643,212		125,360,500	
Other Income	839,484		6,617,127	
	191,482,696		131,977,627	
Bought in Materials & Services	(138,539,803)		(107,729,833)	
VALUE ADDED	52,942,893	100	24,247,794	100
Applied as follows				
To pay employees salaries, wages & benefits	5,660,564	11	3,888,865	16
To provide for Depreciation	9,480,264	18	7,083,180	29
To provide for Taxation	8,030,110	18	704,956	3
To pay Dividends	10,573,200	18	8,223,600	34
To pay Interest charges	11,413,169	22	2,126,297	9
Retained for company growth	7,785,586	14	2,220,896	9
	52,942,893	100	24,247,794	100
BOUGHT IN MATERIALS & SERVICES				
Cost of Sales	104,276,807		58,543,889	
Selling, Gen. & Admi. Expenses	49,403,824		60,157,989	
	153,680,631		118,701,878	
Less:				
Staff Costs	5,660,564		3,888,865	
Depreciation Charge	9,480,264		7,083,180	
Interest Charge/(Income)	15,140,828		10,972,045	
	138,539,803		107,729,833	



SHAREHOLDER'S INFORMATION JUNE, 2001

DIRECTORS SHAREHOLDINGS

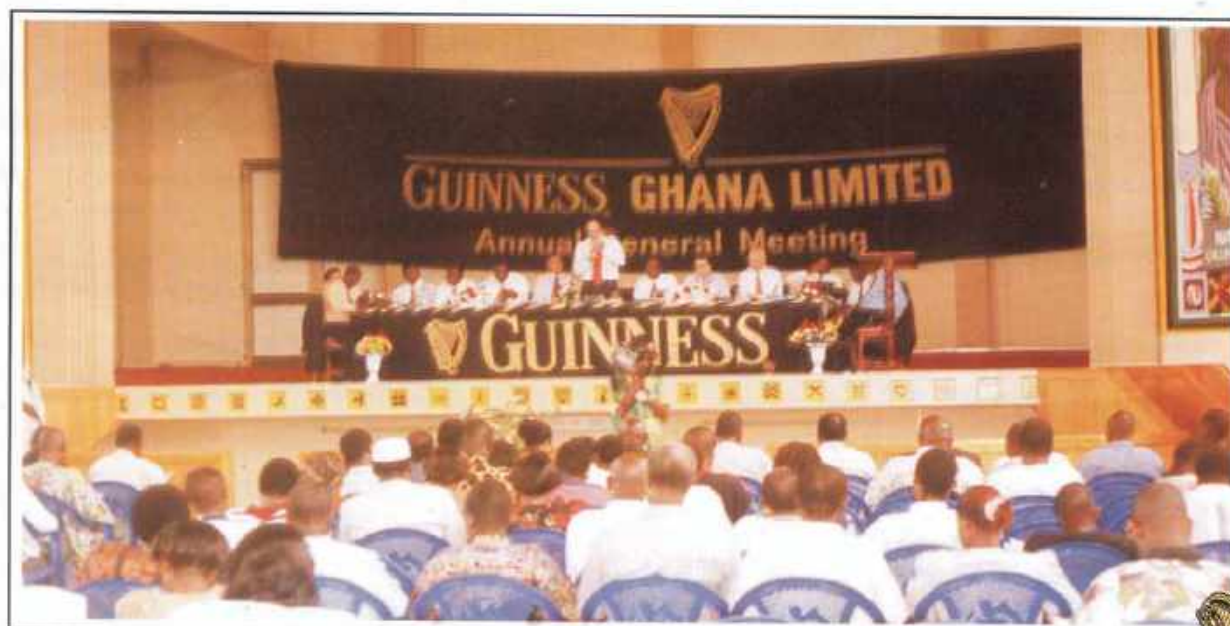
David H.C.Hampshire	4,000
F. Wussar-Narh	4,421
TOTAL	8,421

ANALYSIS OF SHAREHOLDINGS

No. of shares	No. of holdings	%	No. of holders	%
1-1000	459,782	0.39	1477	54.26
1001-5000	1,277,715	1.09	457	16.79
5001-10000	3,891,915	3.31	480	17.63
10001 and over	111,850,588	95.21	308	11.32
Totals	117,480,000	100.00	2722	100

20. LARGEST SHAREHOLDERS

1. GUINNESS OVERSEAS	55,590,088	47.32
2. SSNIT	18,151,032	15.45
3. ATALANTAF LIMITED	15,331,140	13.05
4. BBGN/CHASE MANHATTAN OFFSHORE	3,906,408	3.33
5. BBG NOMINEE./CHASE MANHATTAN ONSHORE	3,050,979	2.60
6. CAL MERCHANT BANK LTD	2,184,683	1.86
7. DM VENTURES	1,931,265	1.64
8. BBG NOM.LTD/CHASE MANHATTAN	1,903,737	1.62
9. BBG NOMINEE./CHASE MANHATTAN ONSHORE	1,606,810	1.37
10. GHANAIAI EMPLOYEES OF GUINNESS	1,050,374	0.89
11. MIHL NOMINEES/BOSTON SAFE DEPOSIT&TRUST	634,277	0.54
12. BBG NOM. LTD/SSB GEN. ELECTRIC	447,300	0.38
13. MIHL NOMINEES/BROWN BROTHERS HARRIMAN	432,827	0.37
14. BBG NOM. LTD/SSB CALVERT AFRICA	339,900	0.29
15. GHANA REINSURANCE ORGANISATION	329,900	0.28
16. BBGN/UNILEVER GHANA MANAGERS	224,480	0.19
17. EPAC INVESTMENT FUND LIMITED	113,705	0.1
18. BBGN/UNILEVER GHANA PROVIDENT FUND	109,000	0.09
19. RETCO COMPANY LIMITED	105,600	0.09
20. MR S ODURO - MINTAH	99,900	0.09
TOTAL	107,543,405	91.54
Others	9,936,595	8.46
GRAND TOTAL	117,480,000	100.00



Shareholders at GGL's Annual General Meeting



GUINNESS
GHANA
LIMITED

FIVE YEAR FINANCIAL SUMMARIES JUNE,2001

(In Thousands Of Cedis)

	12 mths to 30/6/01 ¢000	12 mths to 30/6/00 ¢000	12 mths to 30/6/99 ¢000	12 mths to 30/6/98 ¢000	12 mths to 30/6/97 ¢000
RESULTS					
Turnover	190,643,212	125,360,500	96,517,325	68,178,796	51,063,807
Profit before tax	26,388,896	11,149,452	33,993,104	20,702,190	16,018,880
Taxation	(8,030,110)	(704,956)	(13,083,646)	(3,001,934)	(1,607,390)
Profit after tax	18,358,786	10,444,496	20,909,458	17,700,256	14,411,490
Dividends	(10,573,200)	(8,223,600)	(8,223,600)	(4,699,200)	(2,937,000)
Retained earnings	7,785,586	2,220,896	12,685,858	13,001,056	11,474,490
BALANCE SHEET					
Fixed Assets	68,460,901	67,976,506	47,599,867	28,244,916	25,484,656
Investments	3,346,122	3,346,122	3,346,122	1,623,507	1,615,193
Cash & Cash Equivalents	16,492,599	40,404,530	36,339,965	23,371,684	3,916,879
Other Current Assets	40,523,306	48,110,107	25,923,962	22,270,223	27,578,819
Total Assets	128,822,928	159,837,265	113,209,916	75,510,330	58,595,547
Total Liabilities	(58,218,399)	(97,018,322)	(52,611,869)	(27,598,141)	(20,088,908)
Net Assets	70,604,529	62,818,943	60,598,047	47,912,189	38,506,639
Stated Capital	7,686,032	7,686,032	7,686,032	7,686,032	7,686,032
Capital Surplus	2,950,063	2,950,063	2,950,063	2,950,063	2,950,063
Income Surplus	59,968,434	52,182,848	49,961,952	37,276,094	27,870,544
Shareholders Fund	70,604,529	62,818,943	60,598,047	47,912,189	38,506,639
REVENUES COLLECTED FOR GOVERNMENT					
Excise Duties	57,317,924	37,758,825	34,066,483	30,379,699	25,619,100
VAT / Sales Tax	30,995,142	16,590,078	13,258,592	14,769,771	11,481,968
Total	88,313,066	54,348,903	47,325,075	45,149,470	37,101,068
STATISTICS					
Eps (¢)	156.27	88.90	177.98	150.67	122.67
Div.per share (¢)	90.00	70.00	70.00	40.00	25.00
Net assets per share (¢)	600.99	534.72	515.82	407.83	327.77
Current ratio (%)	1.2:1	0.98:1	1.36:1	1.90:1	1.65:1
Return on shareholders fund (%)	26.00	16.63	34.51	36.94	37.43
Return on net sales value (%)	9.63	8.33	21.66	25.96	28.22



PROXY

Annual General Meeting to be held at 11.00 a.m on 20th November 2000 at International Conference Centre, Accra.

I/we
(Insert full name(s))

Being member(s) of Guinness Ghana Limited hereby appoint:-

*
(Insert full name)

Or failing him, the Chairman of the Meeting as my / our Proxy to vote for me/us on my/our behalf at the annual General meeting of the Company to be held on 20th November, 2001 and at any and every adjournment thereof.

Dated thisday of2001

Shareholder's Signature

FOR COMPANY'S USE		
No. of Shares		
RESOLUTIONS	FOR	AGAINST
1. To declare a dividend		
2. To re-elect Mr. Wheelhouse		
3. To re-elect Mr. P. V. Obeng		
4. To re-elect Mr. Hampshire		
5. To approve Directors' fees		
6. To authorise the Company to purchase its own shares		
7. To fix the remuneration of the Auditor *		

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

THIS PROXY FORM SHOULD NOT BE SENT TO THE SECRETARY IF THE MEMBER WILL BE ATTENDING THE MEETING

NOTES:

1. A member who is unable to attend the Annual General Meeting is allowed by law to vote by proxy. The above Proxy Form has been prepared to enable you to exercise your vote, if you cannot personally attend.
2. Provision has been made on the form for the Chairman of the Meeting to act as your proxy but, if you wish you may insert in the blank space marked * the name of any person whether a member of the Company or not, who will attend the Meeting and vote on your behalf instead of the Chairman of the Meeting.
3. In the case of joint Shareholders, each holder should sign.
4. If executed by Company/Corporation, the Proxy Form should bear its Common Seal or be signed on its behalf by a Director.
5. Please sign the above Proxy Form and post it so as to reach the address shown overleaf not later than 10.00a.m. on 18th November, 2001.
6. The Proxy must produce the Admission card sent with the Notice of the Meeting to obtain entrance to the Meeting.





Ghana's favourite drinks company