

# **AFRICAN CONSUMER CARE LIMITED**

## **ANNUAL REPORT 2010-11**

**Prepared in accordance with the General Circular No. 2/2011 dated 8th February, 2011 (clause vii) issued by the Government of India, Ministry of Corporate Affairs, under section 212(8) of the Companies Act, 1956.**

**AFRICAN CONSUMER CARE LIMITED**

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# **AFRICAN CONSUMER CARE LIMITED**

## **CORPORATE INFORMATION**

### **1 BOARD OF DIRECTORS**

Mr. Pritam Das Narang - Chairman  
Mr. Sunil Duggal  
Mr. Mohit Malhotra  
Mr. Sharukh Khan  
Mr. Manish Mathur

### **2 SECRETARIES**

Optimum Management Associates  
3, Military Street  
Onikan  
Lagos

### **3 REGISTERED OFFICE**

Plot B Alakoso Avenue, Olympic Street  
Amuwo Odofin Industrial Area.  
Festac Town.  
Lagos

### **4 AUDITORS**

Messrs. AOOA & Associates  
(Chartered Accountants)  
16, Joy Avenue  
Ajao Estate  
Lagos.

**AFRICAN CONSUMER CARE LIMITED**

**DIRECTORS REPORT**  
**FOR THE YEAR ENDED 31ST MARCH, 2011**

The Directors submitted their Annual Report together with the Audited Financial Statements for the period ended 31st March, 2011.

<b>1</b>	<b><u>OPERATING RESULT</u></b>	<b>NGN</b>	<b>INR</b>
	Profit for the period	128,678,488	37,007,933
	Taxation	37,227,684	10,706,682
	Profit After Taxation	91,450,804	26,301,251
	Profit Brought Forward	22,093,959	6,354,223
	Retained Earnings	113,544,763	32,655,474

**2** **LEGAL FORM**

The Company was incorporated in Nigeria as a Private Company Limited by shares on the 11th June, 2004.

**3** **PRINCIPAL ACTIVITIES AND BUSINESS**

The Company is engaged in the manufacturing of beauty and health care products.

**4** **SHAREHOLDINGS**

The Company's Shares are held by the underlisted Shareholders as at 31st March, 2011

	<b>Class</b>	<b>No. of Shares</b>	<b>Status</b>
Dabur International Limited	Ordinary	39,643,628	Foreign
Dabur UK Limited	Ordinary	4,405,000	Foreign
Dabur International Limited	Preference	371,070,000	Foreign
		415,118,628	

## **5 DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for the preparation of financial statements in accordance with the accounting standards issued by Nigeria Accounting standards Board and to ensure compliance with the provisions of the Companies and Allied Matters Act CAP C20 LFN2004. The Directors are of the view that the Company will continue in business hence the use of the "going concern basis" in the preparation of the financial statements.

The Directors hereby give assurances that:-

- \* Proper accounting records were maintained;
- \* Internal control procedures instituted are adequate to safeguard the assets, prevent and detect fraud and other irregularities.
- \* Applicable accounting standards were followed;
- \* Judgments and estimates made are reasonable and prudent.

## **6 DIRECTORS**

The following persons served on the Company's Board during the period under review:-

- Mr. Pritam Das Narang (Indian)
- Mr. Sunil Duggal ( Indian)
- Mr. Mohit Malhotra(Indian)
- Mr. Sharukh Khan (Indian)
- Mr. Manish Mathur( Indian)

## **7 Employees' Involvement and Training**

- a. It is the Company's Policy to adequately train its manpower for better result. In that regard, efforts would be made to continue to improve staff welfare and encourage staff participation in decision affecting them.

**Employment of Disabled Persons**

- b. It is the policy of the Company that there should be no discrimination in considering applications for employment including those from disabled persons. As at 31st March 2011 no disabled person was in the employment of the Company.

**8 AUDITORS**

In accordance with Section 357(2) of the Companies and Allied Matters Act, CAP 20 LFN 2004, **Messrs AOOA & Associates** (Chartered Accountants), have indicated their willingness to continue in office.

Dated this 11th day of April, 2011.

***Pritam Das Narang***

***Chairman***



(Chartered Accountants & Tax Practitioners)

Head Office: 10th Floor, 8/10, Broad Street, Lagos. Tel: 01-263 4171, 0802 313 8448

Mainland Office: 21, Alao Street, Off Osolo Way, Ajao Estate, Lagos. Tel: 01- 774 1206, 775 1513, 0803 323 5583

**AUDITORS' REPORT**  
**TO THE MEMBERS OF**  
**AFRICAN CONSUMER CARE LIMITED**

We have audited the Financial Statements of *African Consumer Care Limited* for the year ended 31st March, 2011 set out on pages 6 to 18 which have been prepared on the basis of significant accounting policies set out on pages 10 to 11. In line with standard audit practice, we have obtained the required information and explanations considered appropriate for the purpose of forming an audit opinion.

**RESPONSIBILITIES OF DIRECTORS**

The Directors are responsible for the preparation of financial statements in accordance with the accounting standards issued by Nigeria Accounting Standards Board and to ensure compliance with the provisions of the Companies and Allied Matters Act CAP C20 LFN 2004.

These responsibilities are to ensure that:

- Proper accounting records were maintained;
- Internal Control procedures instituted are adequate to safeguard the assets, prevent and detect fraud and other irregularities.
- Applicable accounting standards are followed;
- Judgments and estimates made are reasonable and prudent.
- Sound ethical business practices and good corporate governance prevails in the running of the Company's affairs.

**AUDITORS RESPONSIBILITY**

It is our responsibility to form an independent opinion, based on our audit, on those financial statements prepared by the directors and to report our opinion to members of the Company.

**BASIS OF OPINION**

We conducted our audit in accordance with generally accepted auditing standards. An audit includes the examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements to ensure that the relevant accounting standards and the provisions of Companies and Allied Matter Act CAP C20 LFN 2004, were complied with.

**OPINION**

In our opinion, the Company has kept proper books and the financial statements, which are in agreement therewith, prepared in accordance with the Statements of Accounting Standards applicable in Nigeria and in the prescribed manner the information required by the Companies and Allied Matters Act CAP C20 LFN 2004, give a true and fair view of the state of the Company's affairs as at 31st March, 2011 and of its Profit, Cash flow Statement for the year ended on that date.

LAGOS - NIGERIA  
11th April, 2011

  
AOOA & ASSOCIATES  
(Chartered Accountants)



**Partners:**

Lagos: O.O. Oguntoyinbo Port Harcourt: F.A. Ogunjumo Abuja: J. Opone Minna: M. O. Otitoju Kano: S. A. Ahmed

**AFRICAN CONSUMER CARE LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2011**

<b><u>EMPLOYMENT OF FUNDS</u></b>	<b>NOTES</b>	<b>2011 NGN</b>	<b>2010 NGN</b>	<b>2011 INR</b>	<b>2010 INR</b>
Fixed Assets	2b	606,384,043	436,730,755	174,396,051	130,931,880
Current Assets	3	434,046,867	265,789,512	124,831,879	79,683,696
<b><u>Less:</u> Current Liabilities</b>	4	458,591,088	247,341,541	131,890,797	74,152,994
Net Current Asset		(24,544,221)	18,447,971	(7,058,918)	5,530,702
<b>Creditors: (Due after more than one year)</b>					
Deferred taxation	9	(48,406,801)	(14,510,003)	(13,921,796)	(4,350,099)
<b>Provision for Liabilities and Charges</b>					
Staff Gratuity	10	(4,769,630)	(3,456,136)	(1,371,746)	(1,036,150)
		<u>528,663,391</u>	<u>437,212,587</u>	<u>152,043,591</u>	<u>131,076,334</u>
 <b><u>FUNDS EMPLOYED</u></b>					
Share Capital	12	415,118,628	415,118,628	119,388,117	124,452,565
Revenue Reserve	13	113,544,763	22,093,959	32,655,474	6,623,769
Shareholders Funds		<u>528,663,391</u>	<u>437,212,587</u>	<u>152,043,591</u>	<u>131,076,334</u>

Exchange rate as on 31.3.2011 = INR.0.29, as on 31.03.2010 = INR .0.30

The Accounting Policies and Notes thereon form part of these Accounts.



**AFRICAN CONSUMER CARE LIMITED****PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST MARCH, 2011**

	<b>NOTES</b>	<b>2011 NGN</b>	<b>2010 NGN</b>	<b>2011 INR</b>	<b>2010 INR</b>
Turnover	5	1,144,793,898	873,646,254	329,242,725	261,919,147
Cost of Sales	6	611,206,033	533,911,082	175,782,855	160,066,542
Gross Profit		533,587,865	339,735,172	153,459,870	101,852,605
Admin. & Estab. Charges	7	414,389,283	383,440,442	119,178,358	114,955,445
Profit/Loss on Ordinary Activities		119,198,582	(43,705,270)	34,281,512	(13,102,840)
Other Income	8	9,479,906	14,089,342	2,726,421	4,223,985
Profit (Loss) Before Taxation		128,678,488	(29,615,928)	37,007,933	(8,878,855)
Taxation	11	37,227,684	15,082,373	10,706,682	4,521,695
Profit(Loss) After Taxation		91,450,804	(44,698,301)	26,301,251	(13,400,551)
Earning Per Share (N1.00)		0.22	(0.11)	0.22	(0.11)

The Accounting Policies and Notes thereon form part of these Accounts.

Exchange rate as on 31.3.2011 = INR.0.29, as on 31.03.2010 = INR .0.30

**AFRICAN CONSUMER CARE LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH, 2011**

	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>NGN</b>	<b>NGN</b>	<b>INR</b>	<b>INR</b>
<b>OPERATING ACTIVITIES</b>				
Cash Receipts from Customers	1,163,012,544	875,489,613	334,482,408	262,471,786
Cash Payment to Suppliers	(681,588,522)	(414,727,924)	(196,024,859)	(124,335,432)
Cash Payment - Operating Cost	(470,085,656)	(438,043,748)	(135,196,635)	(131,325,516)
Net Cash Provided by Operating Activities	<u>11,338,366</u>	<u>22,717,941</u>	<u>3,260,915</u>	<u>6,810,839</u>
Tax Paid	-	(1,745,198)	-	(523,210)
	<u>11,338,366</u>	<u>20,972,743</u>	<u>3,260,915</u>	<u>6,287,628</u>
<b>INVESTING ACTIVITIES</b>				
Purchases of Fixed Assets	(206,572,236)	(12,855,835)	(59,410,175)	(3,854,179)
Proceeds from Sales of Fixed Assets	366,714	250,000	105,467	74,950
Net Cash outflow from Investing Activities	<u>(206,205,522)</u>	<u>(12,605,835)</u>	<u>(59,304,708)</u>	<u>(3,779,229)</u>
<b>FINANCING ACTIVITIES</b>				
Deposit for Share	-	-	-	-
New Loans	155,350,000	343,714,262	44,678,660	103,045,536
Loan Repayment	(42,972,263)	(310,591,639)	(12,358,823)	(93,115,373)
Interest	(2,107,919)	(5,363,269)	(606,238)	(1,607,908)
Net Cashflow from Financing Activities	<u>110,269,818</u>	<u>27,759,354</u>	<u>31,713,600</u>	<u>8,322,254</u>
Current Year Net Cash Flow	(84,597,339)	36,126,262	(24,330,195)	10,830,653
Cash and Cash Equivalent at Start of the Year	17,237,180	(18,889,082)	4,957,413	(5,662,947)
Cash and Cash Equivalent at Period End	<u>(67,360,159)</u>	<u>17,237,180</u>	<u>(19,372,782)</u>	<u>5,167,707</u>

Exchange rate as on 31.3.2011 = INR.0.29, as on 31.03.2010 = INR .0.30

**AFRICAN CONSUMER CARE LIMITED**

**STATEMENT OF VALUE ADDED  
FOR THE YEAR ENDED 31ST MARCH, 2011**

	2011 NGN	2010 NGN	2011 INR	2010 INR
Turnover	1,144,793,898	873,646,254	329,242,725	261,919,147
Bought-In-Material & Services				
- Imported	547,969,807	484,290,305	157,596,117	145,190,233
- Local	364,470,037	322,860,203	104,821,583	96,793,489
Value Added on Ordinary Activities	233,618,805	66,495,746	67,188,768	19,935,425
Other Income	9,479,906	14,089,342	2,726,421	4,223,985
Valued Added	243,098,711	80,585,088	69,915,189	24,159,409
<b>APPLIED AS FOLLOWS:</b>				
Employees - Salaries	31.14	75,699,233	21,771,099	18,242,518
Government - Current Taxation	1.37	3,330,884	957,962	171,597
- Deferred Taxation	13.94	33,896,800	9,748,720	4,350,099
Loan - Interest Paid	0.87	2,107,919	606,238	1,607,908
Provision for Fixed Asset Replacement - Depreciation - Impairment	15.06	36,613,071	10,529,919	10,252,089
Retained for future expansion/ Depletion in shareholders funds	37.62	91,450,804	26,301,251	-13,400,551
	100.00	243,098,711	69,915,189	24,159,409

**AFRICAN CONSUMER CARE LIMITED.**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2011**

1. **ACCOUNTING POLICIES**

a. **Basis of Preparation of Financial Statement**

The financial statements have been prepared under the Historical Cost Convention. Historical cost is only modified where revaluation of Fixed Assets takes place.

b. **Turnover**

Turnover represents the value of goods and services invoiced to third parties net of VAT.

c. **Fixed Assets**

Fixed assets are recognized and accounted for at cost while end of year carrying amount are shown after adjustment for accumulated depreciation and disposal.

d. **Depreciation of Fixed Assets**

Depreciation charge on fixed assets is calculated in the accounts using the straight line method over their estimated useful lives at the following rates:-

Leasehold Land	-	2.5%
Factory Building	-	5%
Plant and Machinery	-	10%
Furniture & Equipment	-	10%
Motor Vehicles	-	20%

e. **Stock**

Stocks are valued at the lower of cost or estimated net realisable value. Costs include cost of purchases and other associated charges in bringing the stocks to its location. Manufactured products, includes the appropriate conversion charges.

f. **Debtors**

Debtors are stated at their book value subject to the application of specific provision for debts considered doubtful of recovery where the need arises.

g. **Foreign Currencies Transaction**

Transactions in foreign currency are recorded at the official rates of exchange in force when such transactions are completed. Assets and Liabilities denominated in foreign currency are translated at applicable official rates of exchange in force at the end of the accounting period. The resulting exchange gains or losses are included in profit and loss account.

- h. **Taxation**  
**Current Taxation**  
Income tax is calculated at 30% of the assessable income, while education tax is provided at the prevailing rate of 2% of the adjusted profit for the year.
- Deferred Taxation**  
Deferred taxation is provided using the liability method at the current rate of income tax on all timing differences between the treatment of certain items for accounting purposes and their treatment for taxation in accordance with SAS 19.
- i. **Pension Fund and Gratuity Scheme**  
The Company's pension scheme is contributory, in accordance with the Pension Reform Act of 2004. The employer and employee each contribute 7.5% of employee relevant emolument. The Company's contribution is charged to the profit and loss account. The Company also has a gratuity scheme which is based on the employee's years of service and terminal salaries.
- j. **Provisions**  
In line with SAS 23 issued by the "NASB" the Company is required to make provisions where legal or constructive obligation arises that can be reliably estimated and it's probable that a transfer of economic benefits will be required in settlement of the obligation.
- k. **Impairment**  
The carry value of the Company's Assets is reviewed at each balance sheet date to ascertain if there is any indication of impairment. If the result of the review indicates any impairment, the asset's recoverable amount is estimated and compared with the carrying value of the assets. Where the result show a fall in value, the difference will be recognized as impairment loss and charged to Income statement.
- l. **Cash and Cash Equivalent**  
Cash and cash equivalent represents cash in hand, cash balances with banks, bank overdrafts and other short-term funds held with banks with the exclusion of Term Loans.
- m. **Earnings Per Share**  
Earning per share is calculated using the number of shares on issue as at year end. The preference share on issue has no fixed return as earnings; hence, the preference shares are classified as risk bearing equity and similar to the risk on ordinary shares.

**AFRICAN CONSUMER CARE LIMITED**  
**NOTES TO THE ACCOUNTS**

	<i>Leasehold, Land &amp; Building</i>	<i>Plant &amp; Machinery N</i>	<i>Motor Vehicles N</i>	<i>Furniture &amp; Equipment N</i>	<i>Total N</i>
<b>2a</b>	<b><u>FIXED ASSETS</u></b>				
	<i>Cost</i>				
At Start	331,283,950	176,459,142	10,905,000	12,918,599	531,566,691
Additions	181,968,000	9,164,351	7,214,700	3,461,465	201,808,516
Disposal	-	-	(2,650,000)	(101,500)	(2,751,500)
	<u>513,251,950</u>	<u>185,623,493</u>	<u>15,469,700</u>	<u>16,278,564</u>	<u>730,623,707</u>
	<i>Depreciation</i>				
At Start	32,853,905	49,935,874	4,633,574	7,412,583	94,835,936
Current Period	15,100,176	17,166,717	2,664,034	1,682,144	36,613,071
Disposal	-	-	(2,425,935)	(19,688)	(2,445,623)
	<u>47,954,081</u>	<u>67,102,591</u>	<u>4,871,673</u>	<u>9,075,039</u>	<u>129,003,384</u>
N.B.V.31/3/ 2011	<u>465,297,869</u>	<u>118,520,902</u>	<u>10,598,027</u>	<u>7,203,525</u>	<u>601,620,323</u>
N.B.V.31/3/ 2010	<u>298,430,045</u>	<u>126,523,268</u>	<u>6,271,426</u>	<u>5,506,016</u>	<u>436,730,755</u>
<b>2b</b>	<b><u>FIXED ASSETS SUMMARY</u></b>				
			<b>2011</b>	<b>2010</b>	
Fixed Assets in use			<b>N</b>	<b>N</b>	
Capital Work In Progress			601,620,323	436,730,755	
			4,763,720	-	
			<u>606,384,043</u>	<u>436,730,755</u>	
<b>3</b>	<b><u>CURRENT ASSETS</u></b>				
Stock and Goods-In-Transit			341,592,161	108,214,231	
Trade Debtors			70,173,272	72,138,377	
Sundry Debtors & Advances			14,057,705	68,199,724	
Cash and Bank Balances			8,223,729	17,237,180	
			<u>434,046,867</u>	<u>265,789,512</u>	
<b>4</b>	<b><u>CURRENT LIABILITIES</u></b>				
Trade Creditors (Payable within 12 months)			114,546,016	102,365,173	
Sundry Creditors & Accruals (Payable within 12 months)			109,207,930	101,431,736	
Taxation			3,903,254	572,370	
			<u>227,657,200</u>	<u>204,369,279</u>	
Short-term Loan (Note 14)			230,933,888	42,972,262	
Amount payable in 12 months			<u>458,591,088</u>	<u>247,341,541</u>	

**AFRICAN CONSUMER CARE LIMITED****NOTES TO THE ACCOUNTS**

	<b>2011</b>	<b>2010</b>
	<b>N</b>	<b>N</b>
<b>5</b>		
<b><u>TURNOVER</u></b>		
Sales - Export	1,521,614	23,253,285
- Domestic	1,143,272,284	850,392,969
	<u>1,144,793,898</u>	<u>873,646,254</u>
	=====	=====
<b>6</b>		
<b><u>COST OF SALES</u></b>		
Raw Material Consumed	454,982,873	441,323,738
Factory Staff Cost	19,566,066	19,228,641
Factory Overhead Cost	113,500,856	76,800,518
Depreciation	17,166,717	16,434,370
Changes in Work in Progress	(1,587,889)	(134,709)
	<u>603,628,623</u>	<u>553,652,558</u>
Production Cost	16,446,571	-
Trading goods for resale purchased	(4,087,077)	(10,092,244)
Net stock movement - Trading Goods	<u>615,988,117</u>	<u>543,560,314</u>
	(4,782,084)	(9,649,232)
Goods available for sale	<u>611,206,033</u>	<u>533,911,082</u>
Net stock movement	=====	=====
	=====	=====
<b>7</b>		
<b><u>ADMIN. &amp; ESTABLISHMENT CHARGES</u></b>		
Managing Directors Emoluments	-	2,942,409
Staff Cost	56,133,167	41,620,317
Establishment Charges	61,874,182	62,400,524
Royalty	11,171,652	8,290,894
Advertisement and Business Promotions	253,515,243	228,879,208
Audit Fees	2,500,000	1,050,000
Bank Charges and Interest	9,748,684	10,702,670
Impairment	-	9,792,363
Depreciation	19,446,354	17,762,057
	<u>414,389,283</u>	<u>383,440,442</u>
	=====	=====
<b>8</b>		
<b><u>OTHER INCOME</u></b>		
Miscellaneous items	16,253,541	14,493,151
Profit/(Loss) on disposal of Assets	60,838	(403,810)
Exchange Loss	(6,834,473)	-
	<u>9,479,906</u>	<u>14,089,341</u>
	=====	=====

**AFRICAN CONSUMER CARE LIMITED****NOTES TO THE ACCOUNTS**

	<b>2011</b>	<b>2010</b>
	<b>N</b>	<b>N</b>
<b>9 DEFERRED TAXATION</b>		
Deferred Tax Brought forward	14,510,003	-
Current Deferred Tax	33,896,797	14,510,003
	<u>48,406,800</u>	<u>14,510,003</u>
	<u><u>48,406,800</u></u>	<u><u>14,510,003</u></u>
<b>10 GRATUITY</b>		
At Start	3,456,136	2,727,739
Current Provision	983,162	1,002,961
	<u>4,439,298</u>	<u>3,730,700</u>
Current Payment	324,335	274,564
	<u>4,114,963</u>	<u>3,456,136</u>
	<u><u>4,114,963</u></u>	<u><u>3,456,136</u></u>
<b>11 TAXATION</b>		
Education Tax	3,330,884	572,370
Income Tax	-	-
	<u>3,330,884</u>	<u>572,370</u>
Current Taxation	3,330,884	572,370
Deferred Taxation	33,896,800	14,510,003
	<u>37,227,684</u>	<u>15,082,373</u>
	<u><u>37,227,684</u></u>	<u><u>15,082,373</u></u>
<b>12 SHARE CAPITAL</b>		
a) <b>Authorised Capital</b>		
100,000,000 Ordinary Shares of N1.00 each	100,000,000	100,000,000
400,000,000 Preference Shares of N1.00 each	400,000,000	400,000,000
	<u>500,000,000</u>	<u>500,000,000</u>
	<u><u>500,000,000</u></u>	<u><u>500,000,000</u></u>
b) <b>Issued and Paid-Up</b>		
44,048,628 Ordinary Shares of N1.00 each	44,048,628	44,048,628
400,000,000 Preference Shares of N1.00 each	371,070,000	371,070,000
	<u>415,118,628</u>	<u>415,118,628</u>
	<u><u>415,118,628</u></u>	<u><u>415,118,628</u></u>



**AFRICAN CONSUMER CARE LIMITED**

**NOTES TO THE ACCOUNTS**

	<b>2011</b>	<b>2010</b>
	<b>N</b>	<b>N</b>
<b>13 <u>REVENUE RESERVE</u></b>		
Profit/(Loss) after Tax	91,450,804	(44,698,301)
Profit brought forward	22,093,959	66,792,260
	<u>113,544,763</u>	<u>22,093,959</u>
<b>14 <u>LOAN</u></b>		
<b>a <u>Term Loan</u></b>		
At Start	42,972,263	9,849,640
Additions	155,350,000	343,714,262
	<u>198,322,263</u>	<u>353,563,902</u>
Repayment and Share option	42,972,263	310,591,639
	<u>155,350,000</u>	<u>42,972,263</u>

The sum of N155,350,000 represent US\$1,000,000 loan from Dabur International Limited Dubai repayable by 10 equal instalment at 8% interest rate per annum.

**Loan Analysis**

Term loan Due within One year	155,350,000	42,972,263
Import Finance Facility	75,583,888	-
	<u>230,933,888</u>	<u>42,972,263</u>
Term loan payable after One year	-	-
	<u>230,933,888</u>	<u>42,972,263</u>

**b Bank Facilities Limits and Securities**

Import Finance Facility Line	- US\$1million	- US\$1.5million
Bank Overdraft	-N30million	-N50million

The above short-term facilities with Standard Chartered Bank Nigeria Limited were secured through corporate guarantee from Dabur international Limited

**AFRICAN CONSUMER CARE LIMITED**  
**NOTES TO THE ACCOUNTS**

	2011	2010
	N	N
<b>15 <u>STOCK ACCOUNT</u></b>		
Raw Materials	211,495,960	64,279,967
Finished Goods	30,242,305	25,460,221
Traded Goods	14,179,321	10,092,244
Work In Progress	1,722,598	134,709
Consumables	580,958	-
Goods-In-Transit	83,371,019	8,247,090
	-----	-----
	341,592,161	108,214,231
	=====	=====
 <b>16 <u>RELATED PARTIES ACCOUNT</u></b>		
Bill Payable (DINTL)	39,276,263	27,308,310
Current Account (DINTL)	-	32,474,596
	-----	-----
Dabur India Ltd	39,276,263	59,782,906
	89,356,327	17,968,869
	-----	-----
Amount Due	128,632,590	77,751,775
	=====	=====
Supplies - Dabur India / Darbur International	282,423,986	114,156,187
	=====	=====
Sales	1,521,614	23,551,927
	=====	=====
Roayalty	11,171,652	8,290,894
	=====	=====
<b>Dabur International Limited</b>		
Loan Granted during the year	155,350,000	85,486,250
	=====	=====
Loan payable at year end	155,350,000	-
	=====	=====

The Company entered into transactions with Companies that fall within the definition of a related party.

**AFRICAN CONSUMER CARE LIMITED**  
**NOTES TO THE ACCOUNTS**

**17 RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES**

	2011 N	2010 N
Profit/Loss before Tax	128,678,488	(29,615,928)
Depreciation	36,613,071	34,196,426
Impairment	-	9,792,363
Stock	(233,377,930)	83,342,239
Debtors & Prepayments	56,107,124	(57,145,368)
Creditors and Accruals	19,957,037	(24,347,267)
Gratuity Provision	1,313,494	728,397
Profit/Loss on sale of Assets	(60,838)	403,810
Interest Paid	2,107,919	5,363,269
	-----	-----
Net Cash provided by Operating Activities	11,338,366	22,717,941
	=====	=====

**18 RECONCILIATION OF CASH AND BANK BALANCES**

Cash and Bank Balances	8,223,729	17,237,180
Import Finance - Short term loan	(75,583,888)	-
	-----	-----
	(67,360,159)	17,237,180
	=====	=====

**19 TECHNICAL ASSISTANCE AGREEMENT**

The Company entered into a Technical Assistance Agreement with Dabur International Limited, Dubai, UAE for the purpose of receiving complete technical know-how and assistance from the parent Company for the manufacture of Beauty and Health care products. This agreement is duly registered with NOTAP.

a Royalty ( 1%)	11,171,652	8,290,894
	-----	-----

**AFRICAN CONSUMER CARE LIMITED**

**NOTES TO THE ACCOUNTS**

	<b>2011 N</b>	<b>2010 N</b>
<b>20 <u>CONTINGENT LIABILITIES</u></b>		
<b>a <u>Import Facilities</u></b>		
Import facilities with Standard Chartered Bank of Nigeria Limited against letter of Credits for which the contingent liability at year end	35,499,805 =====	14,020,241 =====
<b>b <u>Capital Commitment</u></b>		
Capital commitment at year end	14,925,740 =====	3,497,543 =====

**AFRICAN CONSUMER CARE LIMITED**  
**FIVE YEARS FINANCIAL SUMMARY**

	<b>2011</b> <b>N'000</b>	<b>2010</b> <b>N'000</b>	<b>2009</b> <b>N'000</b>	<b>2008</b> <b>N'000</b>	<b>2007</b> <b>N'000</b>
Turnover	1,144,794	873,646	756,262	602,642	277,856
Profit/Loss Before Taxation	128,678	(29,616)	59,265	87,833	(35,850)
Taxation	37,228	15,082	1,745	2,042	-
Profit/Loss After Taxation	91,451	(44,698)	57,520	85,792	(35,850)
<b><u>ASSETS EMPLOYED</u></b>					
Fixed Assets	606,384	436,731	468,518	455,122	61,600
Net Current Assets	(24,544)	18,448	16,121	(66,999)	41,855
Deferred Taxation	(48,407)	(14,510)	-	-	-
Gratuity	(4,770)	(3,456)	(2,728)		
Term Loan	528,663	437,213	481,911	388,123	103,455
	-	-	-	(334,800)	(135,924)
	528,663	437,213	481,911	53,323	(32,469)
Share Capital	415,119	415,119	44,049	44,049	44,049
Revenue Reserve	113,544	22,094	66,792	9,274	(76,518)
Shareholders Deposits	-	-	371,070	-	-
Shareholders Funds	528,663	437,213	481,911	53,323	(32,469)
Earnings Per Share (N)	0.22	(0.11)	1.31	1.95	(0.81)
Net Assets Per Share (N)	1.27	1.05	2.52	1.21	(0.74)