

**FINANCIAL HIGHLIGHTS**

	<b>2011</b>	<b>2010</b>	
	<b>N</b>	<b>N</b>	<b>% change</b>
<b>MAJOR BALANCE SHEET ITEMS</b>			
Fixed Assets	3,866,814,597	3,796,778,385	1.84
Stock and Work In Progress	545,530,080	530,282,129	2.88
Net Current Assets/Liabilities	36,153,959	102,734,797	(64.81)
Total Current Asset	620,918,595	574,072,701	8.16
Ordinary Shareholders' Funds	3,724,481,202	3,698,912,194	0.69
Other Operating Assets	534,420,327	86,236,553	519.71
Total Assets	5,022,153,519	4,457,087,639	12.68

**MAJOR PROFIT AND LOSS ACCOUNT ITEMS**

Turnover	660,061,449	564,911,019	16.84
Profit Before Tax	29,264,997	45,782,660	(36.08)
Profit After Tax	25,569,008	43,104,335	(40.68)

**MAJOR CASH FLOW ITEMS**

Net Cash Inflow from Operating Activities	348,677,259	116,769,648	198.60
Increase/(Decrease) In cash and Cash Equivalent	7,007,985	2,439,453	187.28
Net Assets Per Share (Naira)	0.87	0.87	0.0

**REPORT OF THE INDEPENDENT AUDITOR  
TO THE MEMBERS OF MULTIVERSE PLC**

We have audited the accompanying financial statements of MULTIVERSE PLC for the year ended 31st December 2011 set out on pages 8 to 22.

**Directors' Responsibility for the Financial Statements**

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with Nigerian Accounting Standards and the Companies and Allied Matters Act 1990. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

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

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 assessment, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence 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 state of affairs of the Company at 31 December, 2011 and of its profit and cash flows for the year then ended in accordance with Statements of Accounting Standards issued by the Financial Reporting Council of Nigeria and comply with the Companies and Allied Matters Act, 1990.

**LAGOS, NIGERIA.****SOLA OYETAYO & CO.**  
Chartered Accountants

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Companies and Allied Matters Act (CAP C20) Laws of the Federation of Nigeria, 2004 requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of the year and of its profit or loss. The responsibilities include ensuring that the Company:

- (a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act (CAP C20) Laws of the Federation of Nigeria, 2004.
- (b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- (c) prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, and are consistently applied.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with Nigerian Accounting Standards and the requirements of the Companies and Allied Matters Act (CAP C20) Laws of the Federation of Nigeria, 2004.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit or loss. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

\_\_\_\_\_  
**Chairman**

\_\_\_\_\_  
**Director**

Date:.....

## ACCOUNTING POLICIES

The following are the significant accounting policies adopted by the company in the preparation of the financial statements.

### 1. BASIS OF PREPARATION

The financial statements are prepared under the historical cost convention, and in compliance with the Statement of Accounting Standards issued by the Nigerian Accounting Standards Board

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of current events and actions, actual results ultimately may differ from those estimates.

### 2. TURNOVER

Turnover comprises the net value of sales invoiced to third parties less discounts and Value Added Tax (VAT). The main income line of the company is sale of solid minerals (granites)

### 3. OTHER INCOME

Income arising from logistics and delivery less associated cost are also recognized and classified as other income. Also, other income may arise from sale of iron scraps for recycling.

### 4. CASH AND CASH EQUIVALENT

For the purpose of reporting cash flows, cash and cash equivalents include cash on hand and cash balances with banks.

### 5. SITE COST

#### 5a. QUARRY SITE COST

These include lease payments, compensations, access road construction, clearing, grading and concrete works for installation of Crushers. These costs are capitalized over the lease period of the site. Annual licensing costs are expensed.

Quarry sites are acquired for use for a minimum period of thirty years. However, it is the Company's policy to depreciate them over twenty years.

#### 5b. MINING SITE COST

These include all expenditures incurred on prospecting, mineral right acquisition, exploration, evaluation and appraisal, development and Pit opening as well as construction cost incurred to establish and commission facilities but exclude administrative and general overheads.

They are initially measured at cost and capitalized as part other assets until commencement of full production activities. Upon commencement of full operation, such costs are amortized on a unit of output basis over the estimated number of extractable units of output.

## 6. FIXED ASSETS

Fixed assets are depreciated on a straight line basis to write off their cost over their anticipated useful lives at annual depreciation rates.

## 7. DEPRECIATION

Fixed Assets are depreciated on a straight-line basis to write off the cost of the assets over their estimated useful lives at the following annual rates:

Site Cost	-	5%
Building	-	5%
Plant & Machinery	-	5%
Tools & Sundry Equipment	-	33 $\frac{1}{3}$ %
Electricity Project	-	10%
Office Equipment	-	20%
Furniture & Fittings	-	20%
Computer & IT Equipment	-	33 $\frac{1}{3}$ %
Motor Vehicles	-	25%

Plant and machinery consist of Caterpillars, Wheel Loaders, Excavators, Dumpers, Terex Dumpers and Crushers that have estimated minimum of eighty thousand (80,000) working hours with proper maintenance, before major overhaul. With current annual average usage of 2500 hours, the equipment are estimated to have a life span of over thirty (30) years. It is the company's policy to depreciate them over twenty (20) years

During the year, there was a change in the depreciation rates of Tools & Sundry Equipment and Computer & IT Equipment from 5% to 33 $\frac{1}{3}$ % and 20% to 33 $\frac{1}{3}$ % respectively. The effect of the change on the current year's profit has been disclosed in the notes to the accounts.

## 8. INVENTORIES

Inventories include consumables, work in progress and finished goods and are stated at lower of cost and net realizable value. Costs include expenditure incurred in acquiring, exploring and mining of mineral resources. Consumable store items are determined using the weighted average method, while work in progress consist of accumulated drilling, explosives, Prima cords and excavating cords incurred in getting rocks to crushable stage. Net realizable value is the estimated selling price in the ordinary course of the business, less applicable selling expenses.

**9. TRADE RECEIVABLES**

Trade receivables are stated after provisions have been made for debts considered doubtful of recovery. Such provisions are made when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of provisions is recognized in the income statement.

**10. TAXATION**

Provision for Income and Education taxes is made on taxable profit at the current statutory rate. However, the company had been granted a pioneer status, with effect from January 1, 2008 as production date, for an initial period of three (3) years with a subsequent two year (2) renewal ending December 2012.

**11. DEFERRED TAXATION**

Deferred taxation, which arises from timing differences in the recognition of items for accounting and tax purposes, is calculated using the liability method. Deferred income tax assets and liabilities are measured at the rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and laws that have been enacted at the balance sheet date.

**12. DIVIDEND**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statement if the dividend is approved by the shareholders.

**13. PROVISIONS**

Provision is recognized when the company has a present obligation whether legal or constructive, as a result of past events for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate can be made of the amount of the obligation in accordance with the Statement of Accounting Standards (SAS) 23.

**14. LEASES****Operating Lease**

Lease in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Payments made under such lease (net of any incentives received from the (lessor) are charged to income statement on a straight line basis over the period of the lease

**Finance Lease**

Leases in which ownership, risk and rewards are transferred to the lessee, who is obligated to pay such cost as insurance, maintenance, and similar charges on the asset are classified as finance leases. Assets under finance lease are capitalized and depreciated over the useful lives in line with the company's policy for assets of the same class. Finance charges are allocated over the lease term.

**15. PENSION COSTS**

The Company operates a Contributory pension scheme. Employees are entitled to join the scheme on confirmation of their employment. Employee's and the company's contributions are 7.5% and 7.5% respectively of the employees' certain emoluments as defined by the Pension Reform Act 2004.

**16. EARNINGS PER SHARE**

The company discloses earnings per share for its ordinary shares. It is determined by dividing the profit attributable to ordinary shareholders of the company by the number of shares outstanding during the year.

**17. RESEARCH AND DEVELOPMENT EXPENDITURE**

Expenditure incurred on research and developments are written off to the income statement in the year to which they are incurred. Subsequent costs for site development are amortized over the useful life of the site.

**18. COMPARATIVES**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

**BALANCE SHEET  
AS AT 31 DECEMBER**

	NOTE	2011 N	2010 N
FIXED ASSETS	1	<u>3,866,814,597</u>	<u>3,796,778,385</u>
OTHER OPERATING ASSETS	2	<u>534,420,327</u>	<u>86,236,553</u>
<b>CURRENT ASSETS</b>			
Stocks	3	545,530,080	530,282,129
Debtors	4	64,746,356	40,156,399
Cash & Bank	5	10,642,159	3,634,173
		<u>620,918,595</u>	<u>574,072,701</u>
<b>CREDITORS: Amounts falling due within one year</b>			
Trade Creditors	6	108,190,759	149,707,470
Other Creditors	7	103,704,038	22,257,534
Bank Overdraft	8	356,907,125	287,106,175
Taxation	9	15,962,714	12,266,725
		<u>584,764,636</u>	<u>471,337,904</u>
Net Current Assets		36,153,959	102,734,797
<b>CREDITORS: Amounts falling due after one year</b>			
Long-term Borrowings	10	(712,907,681)	(286,837,541)
NET ASSETS		<u>3,724,481,202</u>	<u>3,698,912,194</u>
<b>CAPITAL AND RESERVES</b>			
Share Capital	11	2,130,969,343	2,130,969,343
Share Premium	12	1,242,081,716	1,242,081,716
General Reserve	13	351,430,143	325,861,135
		<u>3,724,481,202</u>	<u>3,698,912,194</u>

The financial statements were approved by the Board of Directors on March 29, 2012.  
Signed on its behalf by:

\_\_\_\_\_  
\_\_\_\_\_  
} **Directors**

The accompanying notes form an integral part of the accounts.



PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER

	NOTE	2011 N	2010 N
Turnover	14	660,061,449	564,911,019
Cost of Sales	16	<u>(364,071,928)</u>	<u>(294,781,930)</u>
<b>Gross Profit</b>		295,989,521	270,129,089
Selling & Distribution Expenses		(13,581,364)	(9,697,301)
Administrative Expenses		<u>(194,505,189)</u>	<u>(148,818,730)</u>
Operating Profit		87,902,968	111,613,058
Other Income	15	<u>50,217,051</u>	<u>53,896,748</u>
<b>Profit Before Interest and Taxes</b>		138,120,019	165,509,806
Interest Expenses & Similar Charges	17	<u>(108,855,022)</u>	<u>(119,727,146)</u>
Profit Before Tax		29,264,997	45,782,660
Income Tax	8	(3,695,989)	(2,678,325)
Deferred Tax Assets (Credit)	8.2	<u>-</u>	<u>-</u>
Profit After Tax		<u><u>25,569,008</u></u>	<u><u>43,104,335</u></u>
Earnings per share (kobo) Basic		1	1.0
Earnings per share (kobo) Diluted		1.01	1.0

The accompanying notes form an integral part of the accounts.

**CASHFLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER**

	NOTES	2011 N	2010 N
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash Receipt from Customers		710,278,501	612,907,328
Cash paid to Suppliers, Employees and Operating Expenses		(360,171,118)	(488,362,872)
Tax Paid		-	(4,769,095)
Net VAT Paid		(1,430,126)	(3,005,713)
<b>Net Cash flow from Operating Activities</b>	19	<u>348,677,259</u>	<u>116,769,648</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets		(231,716,719)	(156,581,390)
Payment for Equipment in Transit		(36,941,600)	(42,196,990)
Additional Capital Expenditures on Sites		(465,823,893)	(2,652,000)
Proceed from Sales of Asset		5,796,870	-
<b>Net Cashflow from Investing Activities</b>		<u>(728,685,342)</u>	<u>201,430,380</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceed from Bank Overdraft		69,800,950	149,446,717
Proceed from Term-Loan		426,070,140	100,000,000
Interest Payment & Similar Charges		(108,855,022)	(119,727,146)
Dividend Payments		-	(42,619,387)
<b>Net Cashflow from Financing Activities</b>		<u>387,016,068</u>	<u>87,100,184</u>
<b>Net Increase/ Decrease in Cash &amp; Cash Equivalents</b>		7,007,985	2,439,453
Cash and Bank Balance at 1st January		3,634,174	1,194,721
Cash and Bank Balance at 31st December		<u>10,642,159</u>	<u>3,634,174</u>
<b>Represented By:</b>			
Bank and Cash Balance		<u>10,642,159</u>	<u>3,634,174</u>
	20	<u>10,642,159</u>	<u>3,634,174</u>

**NOTES ON THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER**

**1) FIXED ASSET SCHEDULE**

	Plant & Machinery	Site Cost	Building	Workshop Tools & Sundries Equipment	Motor Vehicle	Electricity Project	Office Equipment	Computer & IT Equipment	Furniture & Fittings	Total
	N	N	N	N	N	N	N	N	N	N
At 1st Jan 2011	3,508,787,634	127,921,641	343,109,971	36,665,433	67,915,764	9,703,130	11,971,026	6,100,282	4,811,448	4,116,986,329
Additions in the year	90,930,080	105,501,348	-	7,242,240	26,015,750	-	260,000.00	1,147,500.00	619,801.00	231,716,719
Disposals	(13,797,579)	-	-	-	(14,735,000)	-	-	-	-	(28,532,579)
At 31st Dec 2011	3,585,920,135	233,422,989	343,109,971	43,907,673	79,196,514	9,703,130	12,231,026	7,247,782	5,431,249	4,320,170,469

**DEPRECIATION**

At 1st Jan 2011	206,968,651	4,389,800	36,724,256	16,732,514	41,416,030	4,087,077	4,426,170	3,827,887	1,635,560	320,207,945
Charge for the year	98,194,250	5,724,982	17,155,499	14,119,785	9,583,141	970,313	2,391,732	1,510,530	678,473	150,328,705
Disposals	(8,623,487)	-	-	-	(8,557,292)	-	-	-	-	(17,180,778)
At 31st Dec 2011	296,539,414	10,114,782	53,879,755	30,852,299	42,441,879	5,057,390	6,817,902	5,338,417	2,314,033	453,355,872

**NET BOOK VALUE**

At 31st Dec 2011	3,289,380,722	223,308,207	289,230,216	13,055,374	36,754,635	4,645,740	5,413,124	1,909,365	3,117,216	3,866,814,597
At 31st Dec 2010	3,301,818,983	123,531,841	306,385,715	19,932,919	26,499,734	5,616,053	7,544,856	2,272,395	3,175,888	3,796,778,385

	<b>2011</b>	<b>2010</b>
	<b>N</b>	<b>N</b>
a. Depreciation Charge for the Year is classified as:		
Cost of Sales	144,777,657	82,910,051
Admin Expenses	5,551,048	5,223,525
	<u>150,328,705</u>	<u>88,133,576</u>
<b>2) OTHER OPERATING ASSETS</b>		
Apo	-	14,053,500
Akampa	29,986,065	29,986,065
Nasarawa Mining sites costs:	-	
Mineral- Abudu Lead	84,117,305	-
Acquisition/Exploration - Abudu Lead	93,847,483	-
Pit Opening- Abudu Lead	68,371,494	-
Mineral- Azara Barite	56,034,151	-
Acquisition/Exploration -Azara Barite	62,564,989	-
Pit Opening- Azara Barite	102,557,240	-
Equipment in Transit	36,941,600	42,196,990
	<u>534,420,327</u>	<u>86,236,555</u>

- 2a The company commenced full operation of Apo site (Abuja) effective January 2011. Hence, the amount capitalized in the previous year was written off during the year under review. Similarly, an amount of N16,604,358 was written off from Akampa site (Calabar), being lease rental and other operating expenses relating to the period under review.
- 2b During the year under review, the company diversified into the business of mining Lead and Barite at Adudu and Azara, both at Nasarawa state. All expenditures incurred on Exploration, Acquisition, Pit opening development and mining were capitalized as full production is yet to commence as at year end.
- 2c Equipment in transit represent deposit made for Plants and Machinery which were yet to be delivered as at the year end.

**3) STOCKS**

These comprise:

Finished Goods	255,104,715	194,974,594
Work-in-Progress	142,484,336	174,977,623
Consumables	147,941,029	160,329,912
	<u>545,530,080</u>	<u>530,282,129</u>

Finished goods consist of different sizes (0-5mm, 5-12mm, 12-19mm, 20-25mm aggregates).

Work in progress relates to uncrushed blasted rocks at the Quarry pit. Cost include drilling, explosives, prima work that are used in getting the rock to crushable stage.

The Directors consider that the realisable value of stock is not lower.

## NOTES ON THE ACCOUNTS (Cont'd)

	2011 N	2010 N
<b>4) DEBTORS &amp; PREPAYMENTS</b>		
Trade Debtors	27,794,762	23,298,345
Provisions for Doubtful Debt (4.1)	(31,639)	(232,983)
	<u>27,763,123</u>	<u>23,065,362</u>
Sundry Debtors	36,183,234	16,733,120
Prepayments	799,999	357,917
	<u>64,746,356</u>	<u>40,156,399</u>
<b>4.1) PROVISION FOR DOUBTFUL DEBTS</b>		
At January 2011	232,983	-
Additions during the year	31,639	232,983
At December 2011	<u>264,622</u>	<u>232,983</u>
A general provision of 1% was made against trade debtors during the year under review.		
<b>5) CASH AND BANK</b>		
Cash in Hand	217,056	829,347
Cash at Bank	4,425,103	2,804,826
Fixed Deposit	6,000,000	-
	<u>10,642,159</u>	<u>3,634,173</u>
<b>6) TRADE CREDITORS</b>		
Trade, Supplier, Creditors and Service Providers	<u>108,190,759</u>	<u>149,707,470</u>
<b>7) OTHER CREDITORS</b>		
Staff Pension Scheme (6.1)	33,393,769	10,787,565
Other Creditors	70,310,269	11,469,969
	<u>103,704,038</u>	<u>22,257,534</u>
<b>7.1) Staff Pension Scheme</b>		
As at January 1	10,787,565	4,791,557
Provisions during the year	22,606,204	5,996,008
Payment during the year	-	-
As at December 31	<u>33,393,769</u>	<u>10,787,565</u>

## NOTES ON THE ACCOUNTS (Cont'd)

	2011	2010
	N	N
8) <b>SHORT TERM BORROWINGS</b>		
<b>Current:</b>		
Bank Overdraft	356,907,125	287,106,175
	<u>356,907,125</u>	<u>287,106,175</u>
Bank overdraft relate to working capital finance obtained from Union Bank, Access Bank and Unity Bank Plc.		
9) <b>TAXATION</b>	<u>15,962,714</u>	<u>12,266,725</u>
<b>Per Profit &amp; Loss Account:</b>		
Income Tax (refer to 9.1)	-	-
Education Tax	3,695,989	2,678,325
Deferred Tax (see note 9.2)	-	-
	<u>3,695,989</u>	<u>2,678,325</u>
<b>Per Balance Sheet : Income Tax</b>		
As at January 1st	12,266,725	14,357,495
Payment during the year		(4,769,095)
Provision for the year - Income tax (refer to 9.1)		-
- Education tax	3,695,989	2,678,325
As at December 31st	<u>15,962,714</u>	<u>12,266,725</u>
<b>Per Balance Sheet : Deferred Tax</b>		
As at January 1st		
Charge/(Credit) to Profit & Loss account		
As at December 31st	<u>-</u>	<u>-</u>

Deferred tax liability is not recognised in the current year as the company is under a pioneer status and management is of the opinion that the timing difference will not reverse in the subsequent periods covered by the pioneer status.

## NOTES ON THE ACCOUNTS (Cont'd)

	2011	2010
	N	N
<b>10) LONG TERM BORROWINGS</b>		
BOI Term Loan	94,736,842	100,000,000
Term Loan- Property lease	218,170,839	186,837,541
Term Loan- NEXIM	400,000,000	-
	<u>712,907,681</u>	<u>286,837,541</u>
<p>The company obtained additional N400million loan from NEXIM for two years at an interest rate of 10.5% with a Moratorium of six months to be repaid in seven quarterly installments.</p>		
<b>11) SHARE CAPITAL</b>		
<b>Authorised:</b>		
4,500,000,000 Ordinary Shares of 50k each	<u>2,250,000,000</u>	<u>2,250,000,000</u>
<b>Issued and Fully Paid:</b> Ordinary Share of 50k each		
At 1st January	2,130,969,343	2,130,969,343
Transfer from Share Premium	-	-
At 31st December	<u>2,130,969,343</u>	<u>2,130,969,343</u>
<b>12) SHARE PREMIUM</b>		
At 1st January	1,242,081,716	1,242,081,716
Transfer to Share Capital	-	-
Listing Cost	-	-
At 31st December	<u>1,242,081,716</u>	<u>1,242,081,716</u>

## NOTES ON THE ACCOUNTS (Cont'd)

	2011	2010
	N	N
<b>13) GENERAL RESERVE</b>		
At 1st January	325,861,135	325,376,187
Dividend payment during the year	-	(42,619,387)
(Loss)/profit for the year	25,569,008	43,104,335
At 31st December	<u>351,430,143</u>	<u>325,861,135</u>
<b>14) TURNOVER</b>	<u>660,061,449</u>	<u>564,911,019</u>
This represents the value of goods invoiced to third parties during the year less discount and value added tax (VAT).		
<b>15) OTHER INCOME</b>		
Net Haulage (15.1)	45,403,102	53,080,497
Interest Income	1,929,698	-
Sundry income	1,780,084	816,251
Proceed on Asset Disposal	1,104,167	-
	<u>50,217,051</u>	<u>53,896,748</u>
Gross Haulage	105,209,153	140,616,653
Haulage Expenses	(59,806,051)	(87,536,156)
<b>15.1) Net Haulage</b>	<u>45,403,102</u>	<u>53,080,497</u>
Net Haulage represent income generated from Haulage involving the use of the company's trucks to transport customers goods.		
<b>16) COST OF SALES</b>		
Power and Fuel	56,016,776	82,400,075
Factory Consumables	47,320,892	39,906,195
Factory Salaries and Wages	73,495,947	47,852,270
Factory Repairs and Maintenance	38,157,812	36,897,012
Royalty	1,938,300	3,738,139
Discount Allowed	879,543	1,078,188
Depreciation	146,262,658	82,910,051
	<u>364,071,928</u>	<u>294,781,930</u>



## NOTES ON THE ACCOUNTS (Cont'd)

	2011	2010
	N	N
<b>17) INTEREST EXPENSES AND SIMILAR CHARGES</b>		
This represent interest expenses incurred during the year on facility held by the company with its bankers	108,855,022	119,727,146
	<u>108,855,022</u>	<u>119,727,146</u>
<b>18) PROFIT BEFORE TAXATION</b>		
This is stated after charging/(Crediting):		
Depreciation	150,328,705	88,133,576
	<u>150,328,705</u>	<u>88,133,576</u>
Auditors' Remuneration	2,000,000	2,000,000
	<u>2,000,000</u>	<u>2,000,000</u>
Staff Cost	117,290,044	84,524,979
	<u>117,290,044</u>	<u>84,524,979</u>
Royalty	1,938,300	3,738,139
	<u>1,938,300</u>	<u>3,738,139</u>
<b>19) RECONCILIATION OF NET PROFIT TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Profit Before Interest	138,120,019	165,509,805
<b>Add Back:</b>		
Amortised Pre-operational Expenses	14,053,500	-
Other Operating Assets Capitalized during the year	42,196,990	56,207,296
Profit on Disposal of Fixed Asset	(1,104,167)	
Loss On disposal Of Fixed Asset	5,174,092	
Depreciation	150,328,705	88,133,576
	<u>348,769,139</u>	<u>309,850,677</u>
<b>Operating Profit Before Working Capital Changes</b>		
<b>Working Capital Changes</b>		
Increase in Stocks	(15,247,951)	(136,817,839)
Increase in Debtors	(24,589,956)	(5,900,439)
(Decrease)/Increase in Trade and Other Creditors	39,746,028	(50,362,751)
	<u>348,677,259</u>	<u>116,769,648</u>
<b>Net Cashflow from Operating Activities</b>		

NOTES ON THE ACCOUNTS (Cont'd)

	2011	2010
	N	N
<b>21) DIRECTORS AND EMPLOYEES</b>		
<b>a) DIRECTORS</b>		
i) FEE		
Chairman	250,000	250,000
Other Directors	1,400,000	1,400,000
	<u>1,650,000</u>	<u>1,650,000</u>
<b>b) EMPLOYEES</b>		
i) The number of employees, excluding Directors, in receipt of		
100,000 - 200,000	17	35
200,001 - 300,000	45	20
300,001 - 400,000	23	37
400,001 - 500,000	26	46
500,001 - 1,000,000	63	46
1,000,001 - 2,000,000	16	11
Above 2,000,000	14	12
	<u>204</u>	<u>207</u>
ii) Staff costs relating to the above were:		N
Salaries and Wages	117,290,044	84,524,979
Medical and Welfare	4,797,865	2,338,145
	<u>122,087,909</u>	<u>86,863,124</u>
iii) The number of persons employed as at the end of the year were as follows:		
Managerial	12	12
Senior Staff	19	22
Junior Staff	173	173
	<u>204</u>	<u>207</u>

**NOTES ON THE ACCOUNTS (Cont'd)****20) GUARANTEES AND OTHER FINANCIAL COMMITMENTS****(1) Financial Commitments**

The Directors are of the opinion that all known liabilities and commitments which are relevant in assessing the state of affairs of the company at 31st December, 2011 and of its profit for the year to that date have been taken into consideration in the preparation of the financial statements.

**(2) Contingent Liabilities**

There are no contingent liabilities as at 31st December, 2011.

**21) COMPARATIVE FIGURES**

Certain balances related to the provisions in the year have been re-stated to conform to the current year's presentation.

**22) APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved by the Board of Directors of the Company on March 29, 2012.

STATEMENT OF VALUE ADDED  
FOR THE YEAR ENDED 31 DECEMBER

	2011		2010		
	N	N	N	N	
Turnover		660,061,449		564,911,019	
Bought in materials and services-Local		(386,950,214)		(331,153,531)	
Value Added from Operation		<u>273,111,235</u>		<u>233,757,488</u>	
<b>Add:</b>					
Other Income		50,217,051		53,896,748	
Value Added Available for Distribution		<u><u>323,328,286</u></u>	<u>100</u>	<u><u>287,654,236</u></u>	<u>100</u>
Apply as follows:					
<b>In Payment to Government</b>					
Taxation		3,695,989	1	2,678,325	1
<b>In Payment to Employee</b>					
Salaries & Wages	32,322,892			31,672,709	
Staff Welfare	<u>2,556,670</u>			<u>2,338,145</u>	
		34,879,562	11	34,010,854	12
<b>Capital Provider</b>					
Interest & Similar Charges		108,855,022	34	119,727,146	42
<b>Retained in Business for Expansion and Development:</b>					
Depreciation	150,328,705			88,133,577	
Retained Profit	<u>25,569,008</u>			<u>43,104,335</u>	
		<u>175,897,713</u>	<u>54</u>	<u>131,237,911</u>	<u>46</u>
		<u><u>323,328,286</u></u>	<u>100</u>	<u><u>287,654,236</u></u>	<u>100</u>

## FIVE YEAR FINANCIAL SUMMARY

	2011	2010	2009	2008	2007
	N	N	N	N	N
<b>ASSET EMPLOYED</b>					
Fixed Assets	3,866,814,597	3,796,778,385	3,728,330,571	2,251,210,070	738,181,685
Preoperational Expense	-	-	-	3,084,263	6,168,515
Other Operating Assets	534,420,327	86,236,553	97,594,861	-	-
Net Current Assets	36,153,959	102,734,797	(127,498,185)	1,360,205,773	(542,359,789)
Long-term Loan	(712,907,682)	(286,837,541)	-	-	-
	<u>3,724,481,200</u>	<u>3,698,912,194</u>	<u>3,698,427,246</u>	<u>3,614,500,106</u>	<u>201,990,411</u>
<b>FINANCED BY</b>					
Share Capital	2,130,969,343	2,130,969,343	2,130,969,343	2,029,494,613	135,000,000
Share Premium	1,242,081,716	1,242,081,716	1,242,081,716	1,353,438,612	-
General Reserve	351,430,143	325,861,135	325,376,187	231,566,881	65,930,411
Deposit for Share	-	-	-	-	1,060,000
	<u>3,724,481,202</u>	<u>3,698,912,194</u>	<u>3,698,427,246</u>	<u>3,614,500,106</u>	<u>201,990,411</u>
<b>TURNOVER AND PROFITS</b>					
Turnover	660,061,449	564,911,019	501,632,193	417,027,354	303,323,840
Profit Before Taxation	29,264,997	45,782,660	82,659,699	144,160,608	68,266,187
(Loss)Profit After Taxation	25,569,008	43,104,335	93,809,306	86,992,497	64,705,966
Extraordinary Income	-	-	-	142,583,973	-
Information per 50k Ordinary Share					
Earnings Per Share (kobo) Basic	<u>0.60</u>	<u>1.01</u>	<u>2.20</u>	<u>6.00</u>	<u>1.59</u>
Earnings Per Share (kobo) Diluted	<u>1.01</u>	<u>1.01</u>	<u>2.20</u>	<u>6.00</u>	<u>1.59</u>
Return On Capital Employed (%)		<u>1.17</u>	<u>3</u>	<u>6</u>	<u>2</u>
Dividend Per Share (Kobo)	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>
Dividend Cover	<u>-</u>	<u>-</u>	<u>220</u>	<u>-</u>	<u>-</u>

Earnings and Dividend per share are based on profit attributable to shareholders and number of ordinary shares of 50k each in issue at 31st December each year.

**SHAREHOLDERS' INFORMATION**  
**REGISTER RANGE ANALYSIS**

Position As At 31 December 2011

<b>RANGE</b>	<b>NO OF HOLDERS</b>	<b>PERCENT</b>	<b>UNIT</b>	<b>PERCENT</b>
1-1,000	160	3.05	91,492	0.00
1,001-10,000	1,188	22.66	6,045,481	0.14
10,001-100,000	1,683	32.10	64,959,823	1.52
100,001-1,000,000	1,722	32.84	449,572,444	10.55
1,000,001-10,000,000	444	8.47	1,039,137,460	24.38
10,000,001-100,000,000	40	0.76	911,610,187	21.39
100,000,001-1,000,000,000	5	0.10	713,306,044	16.74
1,000,000,001-2,000,000,000	1	0.02	1,077,215,755	25.28
<b>TOTAL</b>	<b>5,243</b>	<b>100</b>	<b>4,261,938,686</b>	<b>100</b>

# **DETAILED ADMINISTRATIVE EXPENSES**

FOR MANAGEMENT USE ONLY

**M U L T I V E R S E P L C**  
**ADMINISTRATIVE EXPENSES**  
**FOR THE YEAR ENDED 31 DECEMBER**

FINANCIAL STATEMENTS FOR THE YEAR  
 ENDED 31ST DECEMBER 2011

	<b>2011</b>	<b>2010</b>
	<b>N</b>	<b>N</b>
<b>ADMIN EXPENSES</b>		
Salaries & Wages	32,322,892	31,672,709
Director Fee & Expenses	11,471,206	5,000,000
Medical Expenses	2,324,695	1,190,695
Board Expenses	4,010,700	4,103,150
Training & Development & Recruitment	1,107,900	265,200
Local Travelling & Hotel	8,449,173	11,114,135
Overseas Travelling & Hotel Expenses	4,433,557	3,694,618
General Expenses	7,222,821	11,041,682
Printing & Stationery	1,483,920	2,221,580
News Papers, Books & Journals	139,800	141,200
Subscription	594,361	1,006,095
Telephone, Postage & Courier	2,371,307	5,196,425
Electrical Expenses	564,550	1,224,670
Donation & Gift	1,515,000	276,500
Security Expenses	5,075,533	8,817,607
Staff Uniform	125,400	1,584,356
Staff Welfare	2,556,670	1,147,450
Publicity & Advertisement	1,219,404	1,644,843
Public Relation	3,153,300	2,105,700
Entertainment	420,950	564,890
Annual General Meeting Expenses	5,854,774	8,546,985
Business Research & Development	1,038,560	500,000
Motor Vehicle Insurance Policy	1,309,129	686,250
Audit Fee & Expenses	2,000,000	2,000,000
Professional & Legal Expenses	24,213,020	5,120,399
Rent & Rates	1,407,918	979,483
Repairs & Maintenance	11,983,362	15,480,440
Motor Vehicle Running Expenses	8,210,865	8,768,681
Generator Running Expenses	3,055,600	4,268,475
Depreciation	5,551,048	5,223,525
Pension- Employer's Contribution	17,607,118	2,998,004
Provision for Bad Debt.	31,639	232,983
Amortization	416,000	-
Bad Debt Written-off	9,484,332	-
Loss on Asset Disposed	5,174,092	-
Statutory and Regulatory Fee	5,536,022	-
Penalty and Fine	68,571	-
Gratuity Expenses	1,000,000	-
	<u>194,505,189</u>	<u>148,818,730</u>



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