



Beta Glass PLC

Annual Report 2011

RC No. 13215

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Who we are

Beta Glass is a part of the Frigoglass Group which is headquartered in Greece and has operations in 22 countries across five continents.

Our operations represent West Africa's largest glass container capacity that encompasses two plants and three furnaces exceeding 600 tons per day.

Through a wide range of glass bottles, we provide excellent solutions to a variety of customers operating in the soft drinks, beer, spirit, cosmetic and pharmaceutical markets.

We have recently launched a number of lightweight glass bottles which reduce the use of glass whilst maintaining functionality.

Capital expenditure amounted to N2.15 billion for the full year, directed primarily to machinery and equipment, and the planned refurbishment of one of the glass furnaces.



Financial highlights

Results at a glance

	2011 N'000	2010 N'000	Increase/ (Decrease) %
Major balance sheet items			
Share capital	249,986	249,986	-
Furnace rebuild reserve	2,429,942	2,429,942	-
General reserve	7,280,864	5,925,073	23
Revaluation reserve	898,957	898,957	-
Share premium	312,847	312,847	-
Shareholders' funds	11,172,596	9,816,805	14
Total assets	17,908,243	16,171,796	11
Major profit and loss account items			
Turnover	12,726,227	11,168,096	14
Profit before taxation	2,056,099	1,832,403	12
Profit after taxation	1,545,780	1,472,444	5
Information per 50 kobo ordinary share			
Basic earnings per share (Kobo)	309.17	294.51	5
Net assets per share (Kobo)	22.35	19.63	14
Stock Exchange quotation - 31 December (Naira)	12.71	15.58	(18)
Market capitalization as at 31 December (N:Million)	6,355	7,790	(18)

Turnover

Year	N' Million
2011	12,726
2010	11,168
2009	10,561
2008	9,076
2007	7,032

PAT

Year	N' Million
2011	1,546
2010	1,472
2009	1,385
2008	1,193
2007	866

Shareholders Fund

Year	N' Million
2011	11,173
2010	9,817
2009	8,524
2008	7,290
2007	6,165

Earnings per share

Year	Kobo
2011	309
2010	295
2009	277
2008	239
2007	191

Our products

Soft drink bottles

Sales to soft drink bottlers account for 25% of our glass unit sales.

Key projects involve light-weighting the entire range of Coke beverage products, significantly reducing glass weight whilst maintaining functionality.

Wine and spirits

Wine and spirits represent 9% of our unit sales with an offering from proprietary to generic bottles.

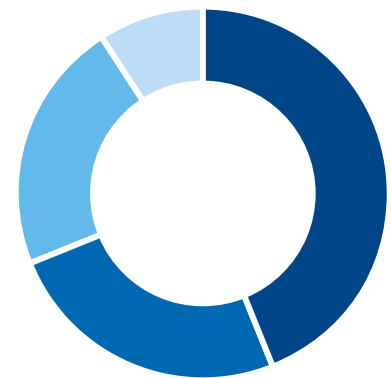
Beers and malt

Breweries (including malt) represent the largest customer segment with 44% of total glass unit sales.

Pharmaceutical and cosmetics

This segment represents 22% of our glass unit sales. We manufacture glass containers for leading global pharmaceutical and cosmetic companies

Segments



Sales per unit

■ Beers and malt	44%
■ Soft drink bottles	25%
■ Pharmaceutical and cosmetics	22%
■ Wine and spirits	9%



Our operations

Capacity

Number of furnaces:

3

Glass production in tons:

600

Markets

Beta Glass exports to 14 countries including: Angola, Benin, Burkina Faso, Cameroon, Gabon, Gambia, Ghana, Guinea, Liberia, Mauritius, Nigeria, Rwanda, Sierra Leone and Togo.





Notice of Annual General Meeting

Notice is hereby given that the 38th Annual General Meeting of Beta Glass PLC will be held at Mainland Hotel, Oyingbo, Ebute-Metta, Lagos on Wednesday, July 4, 2012 at 12.00 noon for the following purposes:

1. To lay before the meeting, the audited financial statements for the year ended December 31, 2011 and the Directors', Auditors' and Audit Committee's Reports thereon
2. To elect/re-elect Directors retiring in accordance with the Company's Articles of Association
3. To declare a dividend
4. To authorize the Directors to fix the remuneration of the Auditors.
5. To elect/re-elect shareholders' representatives on the Audit Committee.

A member entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company.

All instruments of proxy duly stamped by the Commissioner of Stamp Duties in accordance with the Stamp Duties Act (Cap S.8 Laws of the Federation of Nigeria 2004) should be deposited with the Registrar at Fin Registrars Limited, Iddo House, Iddo, Lagos not less than 48 hours before the time for holding the meeting.

By Order of the Board

Temidayo Olaofe (Mrs)
Company Secretary

IDDO HOUSE, IDDO, LAGOS
28 March 2012

Dividend Warrants

If the payment of a dividend of 40k per share as recommended by the Directors is approved, it is intended that the warrants will be posted on July 9, 2012 to holders of eligible shares whose names appear on the Register of Members on April 27, 2012.



Temidayo Olaofe (Mrs)
Company Secretary

Directors, officers and advisers

Directors

Chief Joseph Babatunde Oke, OON	Chairman	
Ashraf El Nahas	Managing Director	(Resigned 31/1/12)
George Papachristou (Greek)	Managing Director	(Appointed 28/3/12)
Chief Chris Avielele	Director	
Harry G David (Cypriot)	Director	
Kolapo A Lawson	Director	
Justus Clinton Uranta	Director	
John Mastoroudes (British)	Director	
Abimbola Ogunbanjo	Director	
Gerasimos Varvias (Greek)	Director	

Secretary:

Temidayo Olaofe (Mrs)

Registered office:

Iddo House, Iddo, PO Box 159, Lagos
Phone: +234 1 280 6700, 234 1 774 0844
Fax: +234 1 280 6701

Registrar and transfer office:

Fin Registrars Limited, Iddo House, Iddo, Lagos

Auditors:

PricewaterhouseCoopers (Chartered Accountants)
252E Muri Okunola Street, Victoria Island, Lagos

Chairman's statement

Distinguished shareholders, I am pleased to welcome you to the 38th Annual General Meeting of our Company and to present to you our Annual Report and Financial Statements as well as a review of the Company's performance for the year ended December 31, 2011.

Economic/business environment

The year under review witnessed the election of President Goodluck Jonathan and the relatively smooth and credible elections showed the world at large that Nigeria has arrived at the stage of smooth hand over from one government to another. As a result of this development which ensures stability, continuity of governance and policies would be longer lasting thereby encouraging inflow of investments.

It is desirable that emphasis be placed on the development of the nation's infrastructure so that power supply will receive the needed attention.

The year 2011 witnessed a subdued growth in the economy and marginally lower GDP levels against forecasts, with mild inflationary pressures reemerging in the second half of the year. The Central Bank of Nigeria (CBN) adjusted the interest rates five times in 2011 to moderate inflation. The Naira depreciated by about 5.2% during the year, from 149 Naira/USD to 157 Naira/USD, with efforts by CBN to stabilize the exchange rate mechanism. Notwithstanding the impact of the depreciating naira and higher interest rates, our Company was able to sustain strong growth levels.

The manufacturing process of our plant is largely dependent on the furnaces working around the clock, twenty four hours a day, seven days a week. With power being such an integral part of the process, I would like to seize this opportunity to express our appreciation to the Federal Government for its policies with regard to the availability of gas which power our machines. It is however suggested that in order to encourage growth in the manufacturing sector, the pricing of Gas supply should be regulated to promote development.

The issue of security of life and property was also on the front burner, with the disturbing reports of religious violence and kidnapping in some parts of the country. Furthermore, the Company witnessed attempts by a few members of one of our local communities to foment unrest within the area of our operation. We thank our partners, the Delta State Government for its swift intervention in nipping any potential flash fires in the bud.

Our hope is that all security issues will improve in the near future and that people would obey the laws of the land and abide by past or current agreements.

Our performance

The Company continued to improve upon the results achieved in 2010 with a growth of 14% in turnover from N11.168 billion in 2010 to N12.726 billion in the year under review. Part of the increase was as a result of the increased capacity of the Company's furnaces. In my report to you last year, I had mentioned that one of the furnaces had undergone refurbishment, thereby increasing its life span.

Sales in the year 2011 to the Breweries, Pharmaceutical and Cosmetics sectors increased over the previous year, while the Company witnessed lower energy costs due to price reduction by our energy provider. At the same time, we experienced a better cash flow and lower Capital Expenditure, which enabled us to lower our finance costs.

Furthermore we had a boost in our earnings through the collection of some outstanding Export Grants during the year under review.

All these culminated in the increased profit before Tax from N1.832 billion in the previous year to N2.056 billion during the year under review. However, it is pertinent to mention that the tax liability for the year under review is higher than previous year, mainly due to the lower capitalization and lower capital allowances thereon. As the capitalization is cyclic for our industry, the tax liability for the coming year is likely to be lower.

Dividend

The Directors have decided to recommend a dividend payout of 40 kobo per 50 kobo ordinary share. This is in line with the Company's dividend policy that ensures consistent payout after taking into consideration our needs to ensure sustainable growth in the coming years.

We have once again inserted in this Report a detachable application form for e-dividend and we request you, our shareholders, to complete them and deliver the completed form to our Registrars, either at the end of this Annual General Meeting or any time soon. It is our hope that the incidence of unclaimed dividend will reduce.

Furthermore, in order to improve delivery of our Annual Reports, we have decided to include e-mail to those shareholders who are interested in receiving them electronically. We have inserted a form for this purpose and ask that you please complete it and submit to the Registrars for further processing.

Future prospects

The activities in the brewing industry continue to encourage us as we can continue partnering with our key customers in the production of glass containers. Our Export profile continues to be stable and growing. We shall continue to explore markets within the West African Region and beyond in Africa. In our continuous quest for excellence, we shall consistently invest in our furnaces and other essential machinery. Your Company has undertaken another furnace cold refurbishment to enhance its life.

Directors and staff

Once again, we have to bid farewell to one of our directors; this time, Mr Ashraf El Nahas who has resigned from the Board and in his stead, Mr George Papachristou joined the Board with effect from March 28, 2012. George Papachristou has a versatile background in the glass production industry and will bring his experience to improve the operations of the Company. While we wish Mr El Nahas the very best in his future endeavors, we seize the opportunity to welcome George Papachristou to the Company and the Board.

Overall, the industrial relations remained smooth and cordial and we shall continue to maintain development training for our most valuable asset, our staff.

As at December 31, 2011, the Company had 676 permanent employees made up of 292 Senior/Management staff and 384 people in the non-Management cadre. The Company also had 18 expatriates in the Management grade.

I would like to thank our employees for their contribution in achieving these results and to express the hope that their efforts for the coming year will match if not surpass those of previous years.

Conclusion

Distinguished shareholders, I would like to express my appreciation to our technical partners who have always ensured that we have the most up to date technology for our operations and have continued to co-operate with us. I would also like to acknowledge the efforts, support and guidance of my colleagues on the Board. Their insights into situations have been encouraging.

I take this opportunity to thank our customers who have reaffirmed their confidence in us and encouraged us in achieving these results.

Finally, I would like to thank you all, dear shareholders, for your continued support and patronage as we once again focus our attention to maintain and cement our leadership position in the Container Glass Market in Nigeria.

Thank you all for your attention.

Chief Joseph Babatunde Oke, OON
Chairman



Chief Joseph Babatunde Oke, OON
Chairman

Board of Directors



Chief Joseph Babatunde Oke, OON
Chairman



George Papachristou (Greek)
Managing Director



Chief Chris Avielele
Director



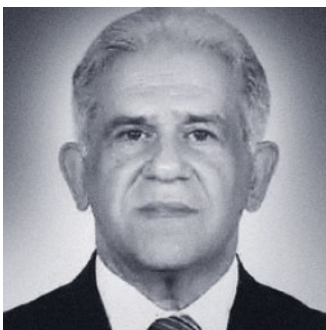
Haralambos G David (Cypriot)
Director



Kolapo A Lawson
Director



Justus Clinton Uranta
Director



John Mastoroudes (British)
Director



Abimbola Ogunbanjo
Director



Gerasimos Varvias (Greek)
Director



Directors' report

The directors present to members of the Company, their Annual Report together with the audited balance sheet as at 31 December 2011 and the profit and loss account for the year then ended.

Principal activities

The principal activity of the Company is the manufacture and sale of glassware.

Results for the year

	2011 N'000	2010 N'000
Turnover	12,726,227	11,168,096
Profit before taxation	2,056,099	1,832,403
Profit after taxation	1,545,780	1,472,444

Appropriation of profit after taxation

The Directors recommend the payment of a gross dividend of 40 kobo per 50 kobo ordinary share to all shareholders on the Company's Register of members as at the close of business on April 27 2012. If the Directors' recommendation is approved by the shareholders, the profit after taxation of N1,545,780,000 will be appropriated as follows:

	N'000
Proposed Dividend (Gross)	199,989
Transfer to General Reserve	1,345,791

Directors

Mr Ashraf El Nahas resigned from the Board with effect from January 31, 2012 Mr George Papachristou was appointed in his stead and will retire at this Annual General Meeting. He will seek election.

The Directors retiring by rotation in accordance with the Articles of Association are Messrs Harry G David, Kolapo A Lawson and Justus C Uranta. They being eligible, offer themselves for re-election.

Record of directors' attendance at meetings

Pursuant to Section 258(2) of the Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004, the records of directors' attendance at board meetings during the year under review will be available for inspection at the Annual General Meeting.

Directors' interests in shares of the company

As at January 1, 2011 and December 31, 2011 the interests of the Directors (and those who served on the Board during the year under review) in the issued share capital of the Company as recorded in the register of members in compliance with Section 275 of the Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004 were as follows:

Number of shares as at	31 Dec 2011	1 Jan 2011
Chief J.B. Oke, OON	122,274	105,134
A. El-Nahas (Canadian) (Resigned w.e.f. 31.01.2012)	-	-
George Papachristou (Greek) (Appointed w.e.f. 28.03.2012)	-	-
Chief Chris Avielele	27,474	27,474
Harry G. David (Cypriot)	25,437	25,437
K.A. Lawson	100,000	1,076,978
J. Mastoroudes (British)	-	-
A. Ogunbanjo	-	-
J.C. Uranta	-	-
G. Varvias (Greek)	-	-

Mr. Kolapo A Lawson is a beneficiary in the Estate of Chief Adeyemi Lawson, which holds 2,710,400 shares.

Save as disclosed above, the Company is not aware of any other interests of the directors in the share capital of the Company or of its Holding Company – Frigoglass Industries (Nigeria) Limited as at 31 December 2011 or the date of this report.

Contracts

None of the directors has notified the Company for the purpose of Section 277 of the Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004 of any disclosable interests in contracts involving the Company either as at 31 December 2011 or the date of this report.

Charitable gifts

The Company made charitable gifts and/or donations amounting to N205,000.00 during the year under review to several bodies. In compliance with Section 38(2) of the Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004, the Company did not make any donations or gifts to any political party, political association or for any political purpose during the year under review.

Corporate governance

The directors have striven to maintain its corporate governance ethics and rules and regulations of the regulatory authorities during the year under review. However, due to a clerical lapse, the Company was forced during the year, to pay a fine of N671,428.57 to the Nigerian Stock Exchange as a result of late submission of its full year end results.

Corporate social responsibility

It is the policy of the company to try and improve on some amenities within its host communities. Thus during the year under review, the Company accomplished the following:

N 300KVA Transformer donated to Ekrerhavwe Community in Delta State	3,150,000
Interlock flooring of Eruemukohwarien Community Health Centre in Delta State	2,500,000
6 Lockup market stores donated to Ekakpamre Community in Delta State	1,500,000
Contribution to Street lighting at Agbara in Ogun State	200,000
Total cost	7,350,000

Significant changes In fixed assets

Movements in fixed assets during the year were as shown in note 9 on page 18 of the financial statements. The directors are of the opinion that the market value of the fixed assets is not less than the value shown in the balance sheet.

Employment policies and training

The Company's employment policy ensures that opportunities are given to disabled persons. Disabled applicants are therefore given special consideration for employment having regard to the aptitudes and capabilities of each applicant.

The Company also has training programmes designed to ensure that employees who became disabled during their employment are not, for the sake of their disabilities, disadvantaged in their career development in the Company.

The Company provides overseas and on-the-job technical training for employees and our overseas technical partners also provide modern facilities to update employees' knowledge in glass production technology.

Health, safety and welfare of employees

The Company has standard in-plants clinics run by competent and qualified medical personnel where free medical services are provided for all staff. There are also stand-by ambulances for transfer of serious cases of illness to designated hospitals retained by the Company.

The Company provides free meals to its employees at the staff canteens.

There are contributory retirement benefit schemes for both management and junior employees of the Company. The schemes are in compliance with the provisions of the Pension Reform Act 2004.

Employees' involvement

The Company consults with representatives of the workers union on important issues that affect the career of employees and the fortunes of the Company.

Employees' individual suggestions are entertained through the use of suggestion boxes strategically located in the Company's premises

Auditors

Messrs PricewaterhouseCoopers, having indicated their willingness will continue in office as Auditors of the Company in accordance with Section 357(2) of the Companies and Allied Matters Act, Cap C20 Laws of the Federation of Nigeria 2004.

By order of The Board



Temidayo Olaofe (Mrs)
Company Secretary

IDDO HOUSE, IDDO, LAGOS
28 March, 2012

Corporate Governance report

BETA GLASS PLC (“Company”) is committed to the best practices in corporate governance; hence the Board is continually reviewing corporate governance standards and procedures in the light of the current developments in and outside Nigeria. It recognizes that corporate governance is fundamental to earning the confidence and trust of the shareholders and consequently provides the structure through which the objectives of the Company are set and the means of attaining such objectives.

The Board is guided in its Corporate Governance policies by the provisions of the Code of Corporate Governance (“the Code”) which came into effect on April 1, 2011 and its policies are designed to ensure that the Company’s business is conducted in a fair and transparent manner which conforms to high ethical standards. The governance framework helps the Board to discharge its roles of providing oversight and strategic counsel in balance with their responsibility to ensure conformity with regulatory requirements and acceptable risk.

In compliance with Section 34(4) of the Code, it is hereby reported as follows:

The Board of Directors

The Directors of the Company are professionals who are well established in various fields of endeavor such as Consultancy, Accountancy, Law, Insurance, Business, Engineering, etcetera, creating a good skills- mix and wealth of experience which they have brought to bear on deliberations at Board meetings and in the exercise of their oversight functions. The Board governs and supervises the overall activities of the Company through the Managing Director.

Composition of the Board of Directors

The composition of the Board of Directors of the Company is as follows:

Position	Name	Executive Non-Executive	Independent	Office Commencement
Chairman	Chief Joseph Babatunde Oke OON	Non-Executive		24/04/2008
Managing Director	George Papachristou	Executive		28/03/2012
Member	Haralambos G. David (Cypriot)	Non-Executive		24/04/2008
Member	Kolapo A Lawson	Non-Executive		13/01/2000
Member	Chief Chris Avielele	Non-Executive		28/09/2010
Member	Justus Clinton Uranta	Non-Executive		10/12/2003
Member	John Mastoroudes (British)	Non-Executive	Independent	28/09/2010
Member	Abimbola Ogunbanjo	Non-Executive		28/09/2010
Member	Gerasimos Varvias (Greek)	Non-Executive		24/04/2008

The roles of the Board of Directors

The Charter provides for the following as the roles and responsibilities of the Board of Directors:

- Strategy and Planning
- Staffing at Board and Senior Management Levels & Succession Planning
- Executive Remuneration
- Performance Monitoring
- Risk Management and Internal Control
- Capital Management and Financial Reporting
- Communication with the shareholders and Management of Investor relations
- Audit and Compliance

The Board was alive to its responsibilities which primarily involve the creation of stakeholder value and ensuring the success of the Company. The Board is responsible for ensuring that the affairs of the Company are run in an efficient manner and in compliance with applicable regulations. Members of the Board are required at all times to act in the best interest of the Company in the articulation and formulation of its strategic direction. The Board of Directors is dedicated to ensuring that the Company achieves its objectives. The Board met four times during the year, on the following days: 8 April 2011, 7 June 2011, 20 September 2011 and 9 December 2011.

Attendance at meetings by Directors

The following is the list of the directors and their attendance at meetings during the year:

	Board	Audit Committee
Number of Meetings	4	3
Chief J B Oke, OON	4	N/A
Ashraf El Nahas (Canadian)	4	3
Haralambos G David (Cypriot)	3	N/A
Kolapo A Lawson	2	1
Chief Chris Avielele	4	N/A
Justus Clinton Uranta	2	-
John Mastoroudes (British)	4	N/A
Abimbola Ogunbanjo	4	N/A
Gerasimos Varvias (Greek)	2	N/A

Mr. Asraf El Nahas, the erstwhile Managing Director resigned from the Board with effect from 31/01/2012. He has been replaced by Mr. George Papachristou, who will retire at this Annual General Meeting and being eligible, offers himself for election. The Directors seeking re-election are Mr. Harry G. David, Mr. Kolapo A Lawson and Mr. Justus C. Uranta.

Their biographical details are as stated below:

Mr George Papachristou

Mr. George Papachristou holds a Master degree in Business Administration (MBA). He has more than 15 years' experience in bottling business in big bottling companies in Greece, Eastern Europe and Africa. He joined Frigoglass in January 2012 as the Managing Director, Nigeria Operations.

Mr David G Haralambos

Mr David G Haralambos was appointed a director of the Company in May 2000. He studied Business Administration and was also a Certified Investment Adviser with Credit Suisse in New York. He holds positions on the Boards of various listed Companies in Greece and Nigeria. He is also the Chairman of Frigoglass SAIC which is the parent company for all Frigoglass subsidiaries worldwide.

Mr Kolapo A Lawson

Mr Kolapo A Lawson, a Chartered Accountant is a Financial Consultant and the Executive Vice-Chairman of Lawsons Corporation (Nigeria) Limited. He also sits on the Boards of Directors of other Companies including Ecobank PLC.

Mr. Justus C. Uranta

Mr Justus C Uranta is the Managing Director/CEO of Niger Insurance Plc. He joined the Board of Beta Glass PLC on December 12, 2003.

The Board is in the process of establishing a formal annual evaluation of its performance, those of its committees, the chairman and individual directors. The Board determined that the performances of its Chairman and Directors were considered satisfactory.

The audit committee

The Audit Committee is composed of 6 members made up of three representatives of the shareholders elected at the 2010 Annual General Meeting for a tenure of one year, and three representatives of the Board of Directors nominated by the Board. The Chairman of the Committee, Professor C A Osuntogun, OFR in compliance with the requirements of Corporate Governance is a shareholder representative. The Committee met three times in the year, on the following days: 24 March 2011, 31 March 2011 and 28 October 2011.

Composition

1	Professor C A Osuntogun, OFR	Shareholder/Chairman
2	Mr. A. El Nahas	Director/Member (resigned w.e.f 31/01/2012)
3	Mr. K A Lawson	Director/Member
4	Chief S A Odubiyi	Shareholder/Member
5	Mr P K Okoh	Shareholder/Member
6	Mr. J C Uranta	Director/Member
7	Mr. George Papachristou	Director/Member (appointed w.e.f 28/03/2012)

Corporate Governance report

Members' attendance at the audit committee meetings during the financial year ended 31 December 2011 is as stated below:

Professor C A Osuntogun	3/3
Mr. A El Nahas	2/3
Chief S A Odubiyi	3/3
Mr. K A Lawson	1/3
Mr. P K Okoh	3/3
Mr. J C Uranta	0/3

In 2011 the Audit Committee:

- reviewed the results of the audits undertaken by the Internal Audit department and considered the adequacy of management's responses to the matters raised, including the implementation of any recommendations made.
- reviewed and approved the 2012 Internal Audit programme, including the proposed audit approach, coverage and allocation of resources.
- reviewed the effectiveness of Internal Audit, taking into account the views of directors and senior management on matters such as independence, proficiency, resourcing, and audit strategy, planning and methodology.
- reviewed regular reports on control issues of Company level significance, including details of any remedial action being taken. It considered reports from the Internal and external auditors on the Company's systems of internal control and reported to the Board on the results of its review.

The Internal Audit department is an independent function that ensures that all operations are executing their duties in accordance with the corporate objectives, policies and procedures. In particular, Internal Audit seeks to ensure that internal financial control systems across the Company remain robust and consistent.

The Internal auditor acts according to the International Standards for the Professional Practice of Internal Auditing and the policies and procedures of the Company, and reports directly to the Audit Committee

Other committees of the Board

The Board has noted the recommendations of the Code with regard to the establishment of committees, but having regard to its operations and the strength of the Board, the Board has decided not to create any committees, save that of the Audit Committee, for the meanwhile.

Financial reporting, communication and internal control

The Company produces a detailed Annual Report and Financial Statements, which provide insight about the business and its financial results, according to relevant international and local standards and regulations. The annual report is sent to every shareholder ahead of the Annual General meeting. The Company publishes full and half year results and also provides quarterly forecasts as required by the Investment and Securities Act 2007. The results are published in two national dailies with wide circulation. All the financial information released for public consumption is approved by the Board. The share price sensitive information is disseminated simultaneously to all shareholders without giving any preferential treatment to anyone.

The Company put in place adequate internal control procedures which include an independent audit function reporting to the audit committee. The internal audit function assists the directors and management to maintain effective controls through periodic evaluation to determine the effectiveness and efficiency of the company's internal control systems and make recommendations for enhancement or improvement.

The directors having gone through the reports of audit committee are satisfied with the adequacy and effectiveness of internal control framework existing in the company.

Code of business conduct

Beta Glass PLC is a member of Frigoglass SAIC and follows the Code of Business Conduct (CoBC) for Frigoglass group companies. The CoBC constitutes an integral part of responsible corporate governance to which the Frigoglass Group including Beta Glass Plc has committed itself. The CoBC can be accessed at http://www.frigoglass.com/sites/default/files/Code%20of%20Business%20conduct_31.01.12.pdf and provides guidance on achieving corporate objectives through operating with honesty, fairness and integrity. The CoBC contains the following amongst others:

- Corporate values
- Compliance with laws and regulations
- Commitment to and expectations of our employees
- Our responsibilities to customers, suppliers and markets
- Our commitment to shareholders
- Our responsibilities to the public

The Company's sustainability policies and programmes covering such issues as corruption, community service, environmental protection, HIV/AIDS and matters of general corporate social responsibility are covered by CoBC.

The CoBC is subscribed to by all members of the Board of Directors, Managers and all Employees of the Company. The Company mandates strict adherence to the code in the Company's day to day operations.

Whistle Blowing Policy

This policy is being worked upon and will be considered by the Board at a future meeting.

Compliance with the Code's provisions

The Board after a careful review of the provisions of the code with the assistance of Company Secretary is of the opinion that the Company's corporate governance practices and structure are in compliance with the provisions of the Code.



Statement of Directors' responsibilities

The Companies and Allied Matters Act 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.

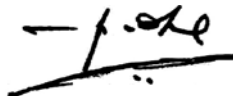
This responsibility includes:

- a) ensuring that the company 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;
- b) designing, implementation and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; and
- c) preparing the company's financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, that 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.

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.



Chief Joseph Babatunde Oke, OON
28 March 2012



Mr. George Papachristou
28 March 2012

Report of the Audit Committee

In compliance with Section 359(6) of the Companies and Allied Matters Act C20, LFN 2004, the members of the Audit Committee of the Company hereby report as follows:

- a) We have reviewed the scope and planning of the audit for the year ended December 31, 2011 which in our opinion were adequate.
- b) We discussed the Auditors' findings and observations during their audit of the Company's accounts for the year under review and we are satisfied with Management's responses thereto, and where necessary recommendations were made for improvement.
- c) We are also reasonably convinced that the internal control procedures as well as accounting policies ensure that:
 - i the Company's assets are safeguard against loss and/or unauthorized use,
 - ii transactions are executed in accordance with Management's authorization; and
 - iii proper records are kept to facilitate the preparation of reliable financial statements in conformity with legal requirements and in accordance with generally accepted accounting principles.



Professor C A Osuntogun
Chairman of the Audit Committee
28 March 2012

Members of the Audit Committee

1 Professor C A Osuntogun	Chairman
2 Mr A El Nahas	Member (resigned 31.01.2012)
3 Mr K A Lawson	Member
4 Chief S A Odubiyi	Member
5 Mr P K Okoh	Member
6 Mr J C Uranta	Member

Report by the independent auditors

Report on the financial statements

We have audited the accompanying financial statements of Beta Glass Plc which comprise the balance sheet as of 31 December 2011 and the profit and loss account, and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with Nigerian Statement of Accounting Standards and with the requirements of the Companies and Allied Matters Act and for such internal control, as the directors determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion the accompanying financial statements give a true and fair view of the state of the company's financial affairs at 31 December 2011 and of its profit and cash flows for the year ended in accordance with Nigerian Statements of Accounting Standards and the Companies and Allied Matters Act.

Report on other legal requirements

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters.

We confirm that:

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

PricewaterhouseCoopers
Chartered Accountants
Lagos, Nigeria

29 March 2012



Statement of significant accounting policies

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of accounting

The financial statements are prepared in compliance with Nigerian Statements of Accounting Standards (SAS). The financial statements are presented in the functional currency, Nigeria Naira (N), rounded to the nearest thousand, and prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment.

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 and disclosure of contingent 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.

(b) Revenue recognition

Sales of goods are recognised in the period in which the company delivers products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured.

Revenue represents the fair value of the consideration receivable for sales of goods and is stated net of value-added tax (VAT), rebates and discounts.

(c) Translation of foreign currencies

Transactions in foreign currencies during the year are converted into the functional currency, Nigeria Naira, using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

(d) Property, plant and equipment

All categories of property, plant and equipment are recorded at cost or valuation less accumulated depreciation.

Capitalization:

Fixed assets costing below N50,000 are written off to profit and loss account on acquisition.

Depreciation:

Depreciation is calculated pro-rata so as to write off the cost/ valuation of fixed assets from the month of acquisition over their estimated useful lives at the following annual rates:

	%
Leasehold land and buildings	3
Furnaces	14
Motor vehicles	20
Plant and machinery	10
Factory equipment and tools	15
Quarry equipment and machinery	20
Glass Moulds	50
Furniture, Fittings and equipment:	
- Computer equipment	25
- Office and house equipment	15
- Household furniture and fittings	20

Depreciation is not provided in respect of Freehold land and assets under construction.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of engineering spares and raw materials is determined by the weighted average method, while that of finished goods and work in progress is determined by standard costing method. The cost of finished goods and work in progress comprises of raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), incurred to bring inventory to its present location and condition. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

(f) Receivables

Receivables are recognised initially at fair value. A provision for impairment of receivables is established when there is objective evidence that the company will not be able to collect all the amounts due according to the original terms of receivables. The amount of the provision is recognised in the profit and loss account.

(g) Retirement benefit obligations

The company operates a service gratuity plan and a defined contribution retirement benefit scheme for all its full time employees. The service gratuity plan provides a defined terminal benefit to the employees based on the terminal salary and years of employment and is calculated annually by independent actuaries using the projected unit credit method. The liability recognised in the balance sheet in respect of the service gratuity scheme is the present value of the defined benefit obligation at the balance sheet date.

Under the defined contribution retirement benefit scheme, the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The company's contributions to the defined contribution schemes are charged to the profit and loss account in the year to which they relate.

(h) Taxation

Income tax expense is the aggregate of the charge to the profit and loss account in respect of current income tax, education tax and deferred income tax.

Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Companies Income Tax Act (CITA). Education tax is assessed at 2% of the chargeable profits.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred income tax is determined using tax rates enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax liability is settled.

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

(i) Dividend

In accordance with SAS 23, dividend distribution to the company's shareholders is recognised as a liability in the financial statement in the year in which they are approved by shareholders.

(j) Provisions

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

(k) Segmental information

A business segment is a distinguishable component of the group that is engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns different from those of segments operating in other economic environments.

(l) Export expansion grant

The company recognises Export Expansion Grant (EEG) when the export proceeds have been repatriated into Nigeria. The grant is discounted to the present value after making a provision for related uncertainty attributable to receiving the grant.

(m) Comparatives

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

Profit and loss account

Profit and loss account for the year ended 31 December 2011

	Note	2011 N'000	2010 N'000
Turnover	2	12,726,227	11,168,096
Cost of sales		(9,568,741)	(8,315,441)
Gross Profit		3,157,486	2,852,655
Selling and distribution expenses	3.1	(67,666)	(26,763)
Administrative expenses		(1,118,838)	(1,016,538)
Other income	3.2	121,503	223,739
Operating profit		2,092,485	2,033,093
Finance cost	4	(36,386)	(200,690)
Profit before taxation	5	2,056,099	1,832,403
Taxation	6	(510,319)	(359,959)
Profit after taxation		1,545,780	1,472,444
Basic Earnings per share (Naira)	7	3.09	2.95

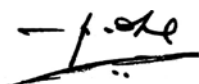
The accounting policies on pages 26 to 27 and notes on pages 31 to 38 form an integral part of these financial statements

Balance sheet

Balance sheet as at 31 December 2011

	Note	2011 N'000	2010 N'000
Non-current assets			
Fixed assets	9	9,154,011	8,751,300
Current assets			
Inventories	10	2,374,900	2,378,817
Foreign currencies purchased for imports		449,880	375,728
Trade debtors		1,717,233	2,011,980
Other debtors and prepayments	11	999,326	950,224
Due from related/holding company		2,041,171	873,735
Cash and bank balances		1,171,723	830,012
		8,754,233	7,420,496
Current liabilities			
Short-term borrowings	12	-	933,188
Trade creditors		1,134,697	662,088
Other creditors and accruals	13	627,470	773,860
Due to related/holding companies		1,312,449	879,825
Taxation	6	573,157	173,064
		3,647,773	3,422,025
Net current assets		5,106,460	3,998,471
Total assets less current liabilities		14,260,471	12,749,771
Non-current liabilities			
Deferred taxation	14	(1,149,778)	(1,609,609)
Retirement benefit obligations	15	(1,596,097)	(1,323,357)
		(3,087,875)	(2,932,966)
Net assets		11,172,596	9,816,805
Capital and reserves			
Share capital	16	249,986	249,986
Share premium		312,847	312,847
Revaluation reserve	17	898,957	898,957
Furnace rebuild reserve	18	2,429,942	2,429,942
Revenue reserve	19	7,280,864	5,925,073
Shareholders' fund		11,172,596	9,816,805

The financial statements on pages 26 to 38 were approved for issue by the Board of Directors on March 28, 2012 and signed on its by



Chief Joseph Babatunde Oke, OON
Mr Director



Mr. George Papachristou
Director

The accounting policies on pages 26 to 27 and notes on pages 31 to 38 form an integral part of these financial statements.

Statement of cash flow

	Note	2011 N'000	2010 N'000
Cash flows from operating activities			
Operating profit before interest payable		2,092,485	2,033,093
Adjustments for non-cash items:			
Depreciation of fixed assets	9	1,746,379	1,650,092
Provision for retirement benefit	15	368,674	259,726
Profit on disposal of fixed assets	3.2	(2,375)	(1,989)
Operating profit before changes in working capital		4,205,163	3,940,922
Working capital changes inflow / (outflow):			
Inventories		3,916	(443,960)
Goods in Transit (Imports)		(74,152)	(17,440)
Trade and other debtors		245,645	(753,440)
Creditors		326,219	369,665
Cash generated from operations	26	4,706,791	3,095,747
Retirement benefits paid	15	(95,934)	(122,060)
Taxes paid	6	(228,057)	(122,373)
Net cash generated from operating activities		4,382,800	2,851,313
Cash flows from financing activities			
Interest paid	4	(36,386)	(200,690)
Inter-company borrowing/(lending)		(1,668,000)	408,858
Dividend paid	8	(189,989)	(179,969)
Net cash used in financing activities		(1,894,375)	28,199
Cash flows from investing activities			
Purchase of fixed assets	9	(2,149,240)	(2,447,606)
Proceeds from sales of fixed assets		2,526	2,137
Interest received		-	-
Net cash used in investing activities		(2,146,714)	(2,445,469)
Increase in cash and cash equivalents		341,711	434,042
Cash and cash equivalents at 1 January		830,012	395,970
Cash and cash equivalents at 31 December		1,171,723	830,012
Cash and cash equivalents			
Cash and bank balances		1,171,723	830,012

The accounting policies on pages 26 to 27 and notes on pages 31 to 38 form an integral part of these financial statements

Notes to the financial statements

1 The Company

The Company was incorporated as a limited liability company on 26 June, 1974 and it became a publicly quoted company in February, 1986. It engages in the manufacture and sale of bottles and glassware.

2 Segment information

The Company's primary segment reporting is by business segment. It operates predominantly in only one business segment which is the manufacture and sale of bottles and glassware. Information relating to the business segment has been presented in these financial statements.

	2011 N'000	2010 N'000
Sales of glassware and bottles in Nigeria	11,623,429	9,936,498
Export sales	1,102,798	1,231,598
	12,726,227	11,168,096

3.1 Selling and distribution expenses

	2011 N'000	2010 N'000
Transport/freight expenses	-	5,800
Bad and doubtful debts	292	-
Other selling expenses	67,374	20,963
	67,666	26,763

3.2 Other income

	2011 N'000	2010 N'000
Sundry income	111,447	158,612
Exchange gain	12,431	40,337
Provision for bad debt no longer required	-	26,779
(Profit)/Loss on disposal of fixed assets	(2,375)	(1,989)
	121,503	223,739

4 Finance cost

	2011 N'000	2010 N'000
Bank interest on overdrafts	36,386	50,682
Intercompany interest charges	-	150,008
Net finance cost	36,386	200,690

Notes to the financial statements

5 Profit before taxation is stated after charging

	Note	2011 N'000	2010 N'000
Depreciation	9	1,746,379	1,650,092
Auditors' remuneration		14,400	14,400
Directors' emoluments	20.1	8,386	2,078
Staff retirement benefits - Gratuity	20.2	368,674	259,726
- Pension	20.2	64,710	47,772
Technical assistance fees		400,876	351,795
Exchange gain		(12,431)	(40,337)

6 Taxation

i) Per profit and loss account

	Note	2011 N'000	2010 N'000
Income tax for the year		462,033	114,137
Education tax - 2% of assessable profit		71,664	59,410
Deferred taxation	14	533,697 (23,378)	173,547 186,412
		510,319	359,959

ii) Per balance sheet

	2011 N'000	2010 N'000
At 1 January	173,064	121,890
Reclassification from Deferred Tax	94,453	
Charge for the year	533,697	173,547
Payment during the year	(228,057)	(122,373)
At 31 December	573,157	173,064

iii) The charge for taxation in these financial statements is based on the provisions of the Companies Income Tax Act and Education Tax Act.

iv) The Company has adopted the Statement of Accounting Standards, SAS 19 on deferred taxation which is computed using the liability method.

7 Basic earnings per share

7.1

Earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

	2011 N'000	2010 N'000
Profit for the year attributable to shareholders (N'000)	1,545,780	1,472,444
Weighted average number of ordinary shares in issue (millions)	499.97	499.97
Earnings per share (Naira)	3.09	2.95

7.2

Diluted EPS is the same as the Basic earning per share as there is no potential securities convertible to ordinary share

8 Unclaimed dividend

	Note	2011 N'000	2010 N'000
At 1 January		14,171	14,150
Dividend declared during the year	19	189,989	179,990
Prior years unclaimed dividend paid during the year		(14,063)	-
Dividend paid during the year		(189,989)	(179,969)
At 31 December	13	108	14,171

In accordance with SAS 23, proposed dividend for 2011 has not been charged to the profit and loss but instead referred to in note 19 to the financial statements.

Payment of dividends is subject to withholding tax at a rate of 10% .

9.1 Fixed assets

	Leasehold land and buildings N'000	Plant and machinery N'000	Furniture, fittings and equipment N'000	Motor vehicles N'000	Furnaces N'000	Assets under construction N'000	Total N'000
Cost / valuation:							
At 1 January 2011	1,610,425	12,300,380	277,559	247,011	3,281,372	292,219	18,008,966
Additions	61,235	1,094,467	26,738	55,626	60,845	850,329	2,149,240
Disposals	-	(436,504)	(1,569)	(10,688)	-	-	(448,761)
Reclassifications	30,612	213,760	12,692	4,773	11,573	(273,410)	-
At 31 December 2011	1,702,272	13,172,103	315,420	296,722	3,353,790	869,138	19,709,445
Depreciation:							
At 1 January 2011	257,737	6,714,073	227,951	169,767	1,888,138	-	9,257,666
Charge for the year	47,213	1,126,715	25,760	44,589	502,102	-	1,746,379
On disposals	-	(436,503)	(1,420)	(10,688)	-	-	(448,611)
At 31 December 2011	304,950	7,404,285	252,291	203,668	2,390,240	-	10,555,434
Net book values:							
At 31 December 2011	1,397,322	5,767,818	63,129	93,054	963,550	869,138	9,154,011

9.2 Leasehold land and buildings at cost or valuation

	N'000
At 31 December 2011 represented by:	
Valuation	971,082
Cost	731,190
	1,702,272

Notes to the financial statements

9.3

The leasehold land and buildings were revalued in August 2003 by Jide Taiwo & Co, a firm of professional valuers at current replacement value of N1,270,472,000 plus subsequent additions at cost.

The book values of the properties were adjusted to the revaluations and the resultant surplus was credited to the revaluation surplus in shareholders equity

The Company carried out another revaluation of fixed assets in 2009 but the management considered the resultant surplus not material enough to increase the values of the assets.

Other fixed assets are stated at cost.

10 Inventories

	2011 N'000	2010 N'000
Raw materials	676,718	802,206
Work in progress	24,527	30,401
Finished goods	691,996	769,169
Spare parts and consumables	981,659	777,040
	2,374,900	2,378,816

11 Other Debtors and Prepayments

	2011 N'000	2010 N'000
Staff debtors	82,514	61,575
Other debtors	-	78,318
Other receivables and prepayments	916,812	810,330
	999,326	950,223

12 Short term borrowings

	Note	2011 N'000	2010 N'000
Loan from parent company	23	-	933,188

Interest is charged on loan from parent company at the prevailing market interest rate. Average interest rate during the year was 10.38% per annum.

13 Other creditors and accruals

	Note	2011 N'000	2010 N'000
Value Added Tax and other taxes payables		144,435	107,703
Accruals and other creditors		482,927	651,986
Unclaimed dividends	8	108	14,171
		627,470	773,860

14 Deferred taxation

	Note	2011 N'000	2010 N'000
At 1 January		1,609,609	1,423,197
Reclassification to Company Income Tax		(94,453)	-
Charge for the year	6	(23,378)	186,412
At 31 December		1,491,778	1,609,609

15 Staff gratuity

	2011 N'000	2010 N'000
At 1 January	1,323,357	1,185,691
Provision for the year	368,674	259,726
	1,692,031	1,445,417
Payments during the year	(95,934)	(122,060)
At 31 December	1,596,097	1,323,357

The pension scheme is for all employed permanent staff of the Company, and the provision for the Company's obligation under the employees' service gratuity scheme is based on annual actuarial valuations. The last valuation of the scheme was carried out as at 31 December 2011. The principal assumptions used in the actuarial valuation were as follows:

	2011	2010
- Discount rate	12%	11%
- Average Pay increase (p.a)	13%	15%
- Rate of inflation	10%	10%

16 Share Capital

	2011 N'000	2010 N'000
Authorised: 600,000,000 ordinary shares of 50k each	300,000	300,000
Issued and fully paid: 499,972,000 ordinary shares of 50k each	249,986	249,986

Notes to the financial statements

17 Revaluation reserve

	2011 N'000	2010 N'000
At 31 December	898,957	898,957

18 Furnace rebuilt reserve

	2011 N'000	2010 N'000
At 31 December	2,429,942	2,429,942

19 Revenue reserve

	Note	2011 N'000	2010 N'000
At 1 January		5,925,073	4,632,619
Prior year dividend (Note 8)	8	(189,989)	(179,990)
Retained profit for the year		1,545,780	1,472,444
At 31 December		7,280,864	5,925,073

In respect of the current year, the Directors propose that a dividend of 40 kobo per ordinary share be paid to shareholders. The dividend of N199,988,800 is subject to approval by shareholders at the Annual General Meeting. Withholding tax at the appropriate rate will be deducted at source from the dividend. Consequently, the dividend has not been included as a liability in these financial statements.

20 Information relating to directors and employees

20.1 Directors

	2011 N'000	2010 N'000
Directors' emoluments comprise:		
Fees		
Chairman	235	150
Non-executives	930	643
Other emoluments	7,221	1,285
	8,386	2,078

The number of Directors excluding the Chairman with gross fee within the bands stated below were:

Naira	2011 Number	2010 Number
100,001 - 155,000	8	8
155,001 - 235,000	-	-

20.2 Employees

	2011 Number	2010 Number
Number of persons employed as at year end:		
Management	280	279
Factory	384	340
Sales and administration	12	28
	676	647
The total employee benefit expenses in the year comprise the following:		
Salaries and wages	1,221,826	1,090,153
Other employee costs and benefits	90,690	102,265
Retirement benefits cost	433,384	307,498
	1,745,900	1,499,916
The following items are included within retirement benefits costs:		
- Defined contribution scheme	64,710	47,772
- Defined benefit scheme	368,674	259,726
	433,384	307,498

The number of the employees in Nigeria with gross emoluments excluding retirement benefits within the bands stated below were:

Naira	2011 Number	2010 Number
400,001 - 600,000	125	127
600,001 - 800,000	80	150
800,001 - 1,000,000	131	131
1,000,001 - 1,200,000	107	57
1,200,001 - 1,400,000	62	56
1,400,001 - 1,600,000	42	32
1,600,001 - 1,800,000	26	14
1,800,001 - 2,000,000	13	18
2,000,001 - 2,500,000	30	24
2,500,001 - 3,000,000	20	11
3,000,000 and above	40	27
	676	647

21 Commitments

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements is as follows:

	2011 N'000	2010 N'000
Authorised and contracted	-	-
Authorised but not contracted	-	-
	-	-

Notes to the financial statements

22 Contingent liabilities

No provision was made in the financial statements for contingent liabilities in 2011 (2010 - Nil) in respect of pending litigations. The Directors are of the opinion, based on solicitors advice, that they have good defence against the actions and that any loss arising therefrom will not be material.

23 Holding company

The ultimate holding company, Frigoglass S. A. I. C. (incorporated in Greece) holds 60.43% of the company's issued ordinary shares. The shares are held through Frigoglass Industries (Nigeria) Limited. Intra-group loan balances attract interest at the prevailing market rate.

24 Related party transactions

Related party transactions formed significant proportion of the trading activities for the year ended 31 December 2011 as stated below:

24.1

Nigerian Bottling Company Plc which holds 23.9% of Frigoglass Industries Nigeria Limited accounted for N3,470 million (2010 - N3,206 million) of Beta Glass Plc turnover.

The outstanding trade debtors balance from Nigerian Bottling Company Plc as at the end of the year was N238.3 million (2010 - N357.3 million)

24.2

Frigoglass Industries (Nigeria) Limited provided services to the Company during the year and the amount charged to the profit and loss account in respect of these transactions was N254.5 million (2010 - N298.4 million).

24.3

During the year, the Company received technical services from a related company, Delta-Invest Holdings Limited, Cyprus at a charge of 3% of net sales.

24.4

During the year, the Company purchased Soda ash from Frigoglass Ireland and the amount payable at year end was N748.9 million. (2010 - N348.9 million).

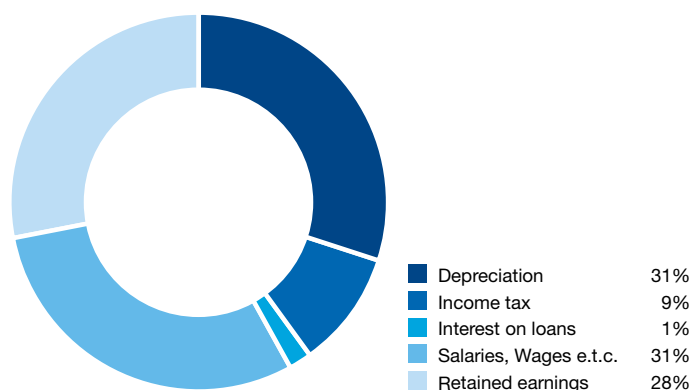
21 Reconciliation of operating profit to the cash provided by operating activities

	Note	2011 N'000	2010 N'000
Operating profit		2,092,485	2,033,093
Adjustments for non-cash items:			
Depreciation of fixed assets	9	1,746,379	1,650,092
Provision for retirement benefit	15	368,674	259,726
Loss on disposal of fixed assets		(2,375)	(1,989)
Changes in working capital:			
Inventories		3,916	(443,960)
Goods in Transit (Imports)		(74,152)	(17,440)
Trade and other debtors		245,645	(753,440)
Creditors		326,219	369,665
		2,614,305	1,062,654
Cash generated from operations		4,706,791	3,095,747

Statement of value added

	2011 N'000	%	2010 N'000	%
Sales	12,726,227		11,168,096	
Other income	121,503		196,960	
Sales and other income	12,847,730		11,365,056	
Export Grant	335,244		440,612	
Bought in materials and services				
- Imported	(2,380,885)		(2,124,976)	
- Local	(5,217,326)		(4,497,590)	
Value Added	5,584,764	100	5,183,102	100
Applied as follows:				
To pay employees:				
- Wages, salaries and other benefits	1,745,900	31	1,499,917	29
To pay providers of capital:				
- Interest on loans and bank overdrafts	36,386	1	200,690	4
To pay Government:				
- Income, deferred and education tax	510,319	9	359,959	7
To provide for enhancement of assets and growth:				
- Depreciation of fixed assets	1,746,379	31	1,650,092	32
- Retained earnings	1,545,780	28	1,472,444	28
	5,584,764	100	5,183,102	100

Value added represents the additional wealth the company has been able to create by its own and its employees' efforts. This statement shows the allocation of that wealth among employees, capital providers, government and that retained for future creation of more wealth.



Five-year financial summary

	2011 N'000	2010 N'000	2009 N'000	2008 N'000	2007 N'000
Assets employed					
Fixed assets	9,154,011	8,751,300	7,953,933	8,772,101	8,835,764
Net current assets	5,106,460	3,998,471	3,179,305	709,326	(777,947)
Deferred taxation	(1,491,778)	(1,609,609)	(1,423,197)	(1,115,291)	(953,040)
Staff gratuity	(1,596,097)	(1,323,357)	(1,185,691)	(1,076,570)	(939,724)
	11,172,596	9,816,805	8,524,350	7,289,566	6,165,053
Capital employed					
Share capital	249,986	249,986	249,986	249,986	227,260
Share premium	312,847	312,847	312,847	312,847	312,847
Revaluation reserve	898,957	898,957	898,957	898,957	898,957
Furnace rebuild reserve	2,429,942	2,429,942	2,429,942	2,429,942	2,429,942
Revenue reserve	7,280,864	5,925,073	4,632,618	3,397,834	2,296,047
Shareholders' funds	11,172,596	9,816,805	8,524,350	7,289,566	6,165,053
Profit and loss					
Turnover	12,726,227	11,168,096	10,561,248	9,075,941	7,032,235
Profit before taxation	2,056,099	1,832,403	1,813,400	1,453,360	1,056,841
Taxation	(510,319)	(359,959)	(428,624)	(260,670)	(190,589)
Profit after taxation	1,545,780	1,472,444	1,384,776	1,192,690	866,252
Per share data					
Earnings per share (kobo)	309	295	277	239	191
Net Asset per share (kobo)	2,235	1,963	1,705	1,458	1,356

Earnings per share are based on profit after taxation and issued and fully paid ordinary shares at the end of each year.

Additional information

1 Major shareholders

	Number of Shares of 50 kobo each	%
The following shareholders held more than 5% of the issued ordinary shares as at 31 December 2011:		
Frigoglass Industries (Nigeria) Limited	302,133,360	60.43
Delta Invest Holdings Limited	40,833,131	8.17
Delta State Ministry of Finance Incorporated	30,508,549	6.10

2 Registered range analysis

	Range No. of Holders	%	Units	%
1 - 5000	4238	71.07	6461132	1.29
5,001 - 10000	653	10.95	4441617	0.89
10,001 - 50000	793	13.30	16396184	3.28
50,001 - 100000	121	2.03	8274773	1.66
100,001 - 500000	122	2.05	22870376	4.57
500,001 - 1000000	16	0.27	11076469	2.22
1,000,001 and above	20	0.34	430451449	86.10
Grand Total	5963	100.00	499972000	100.00

3 Unclaimed dividends

Our records show that some dividend warrants have not been presented to the bank for payment.

Similarly, a number of share certificates posted to shareholders have been returned to us by the Post Office.

Shareholders concerned are advised to contact the FinRegistrar's at Iddo House, Iddo, Lagos. Telephone nos. (01) 8959003, 8506232.
E-mail: firstinland.registrars@finbankplc.com.ng

Share capital history

The issued and fully paid up share capital of the Company as at December 31, 2011 was N249,986,000

The share capital had been progressively increased over the years as follows:

Date	Authorized share capital increased		Issued and fully paid up share capital increased		Consideration
	From N	To N	From N	To N	
Nov 20, 1974	3,000,000	3,000,000	Cash		
Dec 13, 1974	3,000,000	5,000,000	3,000,000	5,000,000	Cash
Nov 25, 1975	5,000,000	6,000,000	5,000,000	6,000,000	Cash
Jul 23, 1977	6,000,000	6,625,000	6,000,000	6,625,000	Cash
Oct 2, 1980	6,625,000	14,625,000	6,625,000	14,625,000	Cash
Apr 19, 1984	14,625,000	20,625,000	14,625,000	20,625,000	Cash
Feb 23, 1990	20,625,000	35,625,000	20,625,000	34,972,250	Cash
May 24, 1994	35,625,000	80,625,000	34,972,250	79,972,250	Cash (Right Issue 3 : 2)
Sep 29, 1994	80,625,000	155,625,000	79,972,250	104,972,250	Bonus Issue 1 : 3
Sep 2, 1996	155,625,000	155,625,000	104,972,250	100,000,000	Pref Share Redemption
Mar 2, 1998	155,625,000	155,625,000	100,000,000	125,000,000	Bonus Issue 1 : 4
Jul 20, 1999	155,625,000	250,000,000	125,000,000	206,600,000	Merger of Delta & Guinea Glass
Feb 15, 2001	250,000,000	250,000,000	206,600,000	227,260,000	Bonus Issue 1 : 10
Apr 24, 2008	250,000,000	300,000,000	227,260,000	249,986,000	Bonus Issue 1 : 10

Proxy form

Beta Glass PLC (RC 13215)

I/We* _____
(BLOCK CAPITALS)

being a member of **Beta Glass PLC** hereby appoint** _____

or failing him, **CHIEF JOSEPH BABATUNDE OKE, OON** or failing him, **MR GEORGE PAPACHRISTOU** as my/our proxy to act and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Wednesday, July 4, 2012 and any adjournment thereof.

Resolutions	For	Against
To re-elect Mr Harry G David as a Director		
To re-elect Mr Kolapo A Lawson as a Director		
To re-elect Mr Justus C Uranta as a Director		
To elect Mr George Papachristou as a Director		
To declare a Dividend		

Resolutions	For	Against
To re-elect Prof Caleb Adeniyi Osuntogun as a member of the Audit Committee		
To re-elect Chief Simeon Akinyemi Odubiyi as a member of the Audit Committee		
To re-elect Mr Peter Knight Okoh as a member of the Audit Committee		

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

Dated this _____ day of _____ Shareholder's signature _____



NOTE:

A member (shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy and this form has been prepared to enable you exercise your right to vote in case you cannot personally attend the meeting.

Following the normal practice, the names of two Directors of the Company have been entered on the form to ensure that someone will be at the meeting to act as your proxy. If you wish, you may insert in the blank space on the form (marked**) the name of any person, whether a member (shareholder) of the Company or not who will attend the meeting and vote on your behalf instead of one of the Directors.

This proxy form should not be completed and sent to the address overleaf if the member will be attending the meeting personally.

Before forwarding the above form, please tear off the part below and retain it for admission to the meeting.

IF YOU ARE UNABLE TO ATTEND THE MEETING, READ THE FOLLOWING INSTRUCTIONS CAREFULLY:

- Write your name in CAPITALS on the proxy form where marked*
- Write the name of your proxy (if any) where marked**
- Ensure that the form is signed by you and duly stamped by the Commissioner of Stamp Duties.
- Forward the proxy form so as to reach the address shown overleaf not less than 48 hours before the time for holding the meeting.
- If executed by a corporate body, the proxy form must be sealed with the Common seal. This proxy form should not be completed and sent to the address overleaf if the member will be attending the meeting personally.



Please affix
postage stamp

**The Registrar
Fin Registrars Ltd.
Iddo House, Iddo.
Lagos, Nigeria**



Electronic Delivery Mandate Form

Beta Glass PLC (RC 13215)

I, Chief/Mr/Mrs _____

of _____

hereby agree to the electronic delivery of Annual reports and other statutory documents of Beta Glass Plc by choosing the option below:

The Company should forward the materials to the following e-mail address:

Name (Surname First) _____

Signature and Date _____

Please fill and return the completed form to either:

**The Managing Director
Fin Registrars Limited
Iddo House
Iddo
Lagos**

OR

**The Company Secretary
Beta Glass PLC
Iddo House
Iddo
Lagos**



Admission card

Beta Glass PLC (RC 13215)

Please admit _____

(shareholder's full name)

To be completed by shareholder or his duly appointed proxy to the **Annual General Meeting of Beta Glass PLC** which will be held at **Mainland Hotel, Ebute-Metta, Lagos** on **Wednesday, July 4, 2012** at **12.00 noon**

This admission card must be produced by the Shareholder or his proxy in order to be allowed to attend the Annual General Meeting.

Temidayo Olaofe (Mrs)

Company Secretary

Number of shares held

(To be completed by the Company's Official)



Beta Glass PLC (RC 13215)
Annual General Meeting to be held at
Mainland Hotel, Ebute-Metta, Lagos
on Wednesday, July 4, 2012 at 12.00 noon

Shareholder's full name _____

(To be completed by the Company's Official)

Signature of person attending _____

(To be signed in the presence of the Company's officials at the entrance to the Hall)

Number of shares held

(To be completed by the Company's Official)



e-Dividend form

Beta Glass PLC (RC 13215)

It is our pleasure to inform you that you can henceforth, collect your dividend through DIRECT CREDIT into your Bank Account. Consequently, we hereby request you to provide the following information to enable us process direct payment of your dividend (when declared) into your bank account.

Surname/company's name

Date (DD/MM/YYYY)

Other name (for individual shareholder)

Surname/company's name (in case of joint account)

Present postal address

City

State

E-mail address

Mobile (GSM) phone number

Bank name

Branch address

Bank account number

Branch code

Bank sort code

Name of stockbroker

CSCS account no.

Clearing house no. (CHN)

Please indicate which company you own shares in:

First Inland Bank Plc	
Capital Oil Plc	
Beta Glass PLC	
AG Leventis (Nig) Plc	
NPF Microfinance Bank Plc	
FinInsurance Co. Ltd.	
AG Homes Savings & Loans Ltd.	
Hallmark Paper Products	
Centage Savings & Loans Ltd.	
Kogi Savings & Loans Ltd.	

I/We hereby request that from now, all dividend warrant(s) due to me/us from my/our holding(s) in all the companies ticked above be credited to my/our bank named above.

Shareholder's signature or thumbprint

Shareholder's signature or thumbprint

Company seal/incorporated number
(corporate shareholder)

Authorised signature and stamp of banker(s)

AG Leventis Building
Iddo House
Iddo, PO Box 74155 Adeola Odeku
Victoria Island, Lagos, Nigeria
Tel: (01) 8959003, 8506232
Web: www.finbankplc.com



Notes

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Contact information

Beta Glass PLC

Registered office:

Iddo House, Iddo, Lagos, PO Box 159

Phone: +234 1 7740844,
+234 1 2806700

Fax: +234 1 2806701

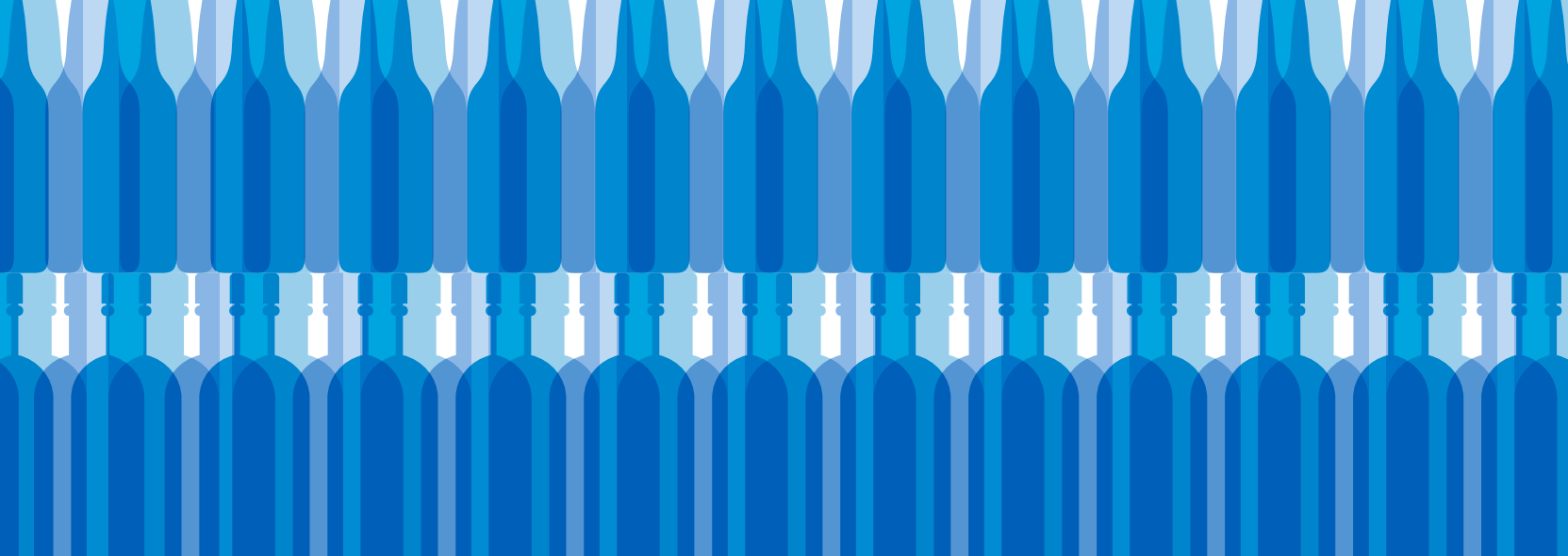
Works

Guinea Plant,

KM 32, Lagos Badagry Express Road,
Agbara Industrial Estate, Ogun State

Delta Plant,

KM 17, Warri-Patani Road, P.M.B 48,
Ughelli, Delta State



RC No. 13215



A Frigoglass Company

