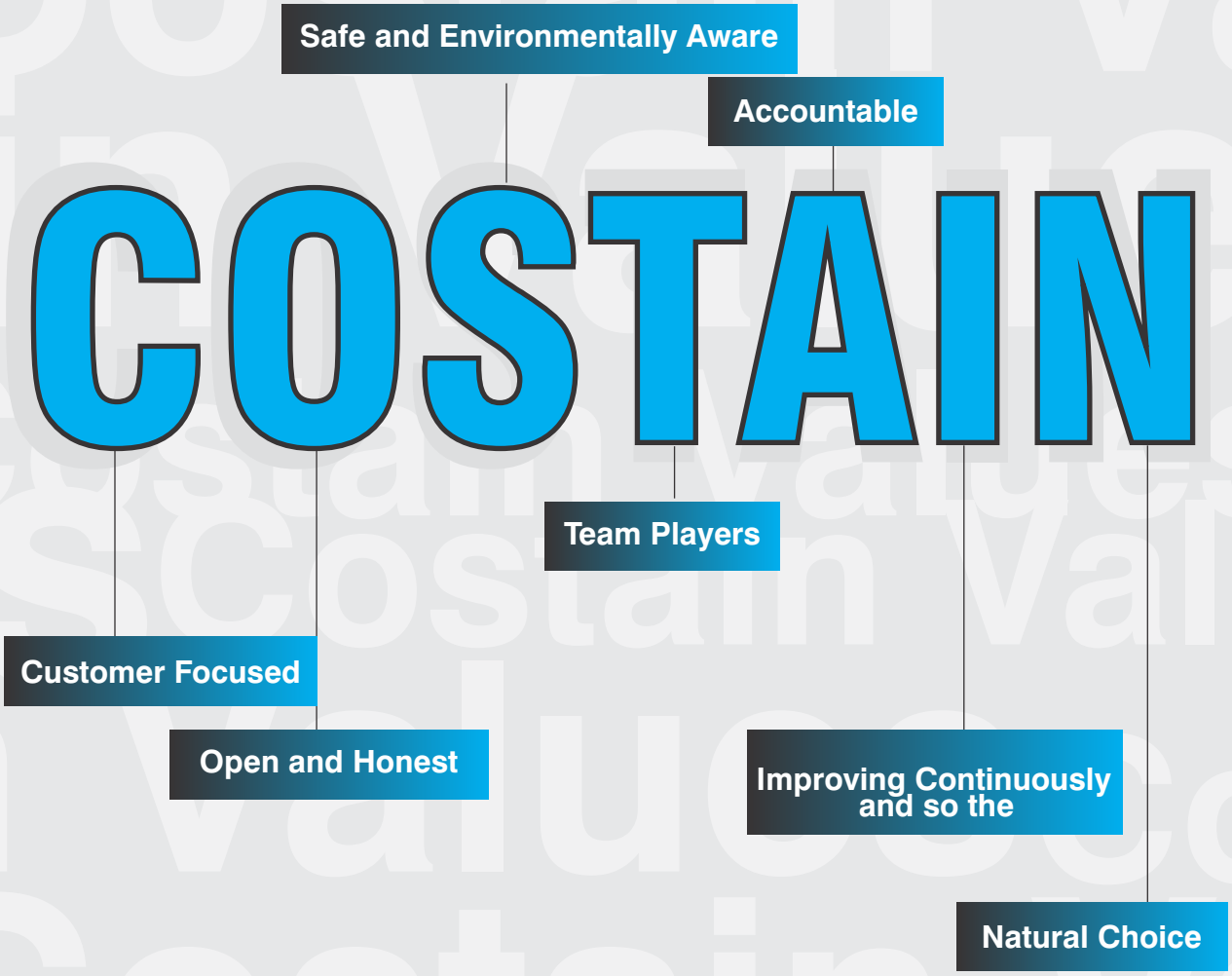
Costain Values

We are



COSTAIN

On the right track

Vision
To be the leader in the delivery of sustainable engineering and construction solutions that meet our customers' needs.
Mission
Seen as an automatic choice for projects requiring innovation, initiative, teamwork and managerial skills.
Objectives
To develop a sustainable business through growth, which delivers profitability to our shareholders, value to our customers and a rewarding career for our staff.
Strategy
To have skilled teams committed to a common management system using tools and guides to provide a consistent approach to best practice and best value.

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Directors, Officers and Professional Advisers

Chairman
Mr. Orikolade Karim

Vice Chairman
Mr. Phillip Wharton (British)

Managing Director/ Chief Executive Officer
Mr. Ayodeji Karim

Directors
Mr. Harm Ploeger (Dutch) resigned with effect from 23rd April 2012
Dr. Oladimeji Bada

COMPANY SECRETARY: Mrs. Lara Coker

REGISTERED OFFICE:
174, Funso Williams Avenue (Formerly Western Avenue)
Ebute-Metta, Lagos
Phone No: 01-7748540
Tel/Fax: 01-5876204, 01-5801870-4
E-mail: info@costainwa.com

REGISTRARS & TRANSFER OFFICE
First Registrars Nigeria Limited
Plot 2, Abebe Village Road
Iganmu, Lagos
Phone No: 7743309, 5851418, 5456142 and 2701078-9
Fax: 5850552, 2701071-2
E-mail: info@firstregistrarsnigeria.com

INDEPENDENT AUDITORS:

PKF Professional Services
PKF House,
205A, Ikorodu Road, Obanikoro
Lagos.

Akintola Williams Deloitte
235, Ikorodu Road
Ilupeju
Lagos.

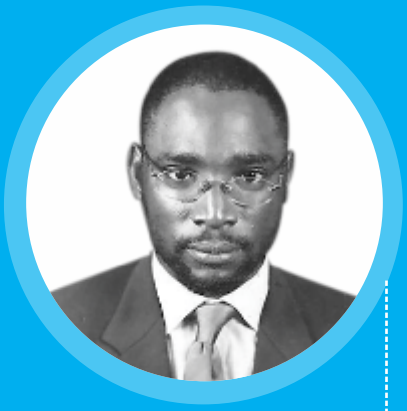
BANKERS:
Ecobank Nigeria Plc
First Bank of Nigeria Plc
Zenith Bank Plc
Keystone Bank Plc

S/N	MANAGEMENT	POSITION
1	AYODEJI KARIM	MANAGING DIRECTOR/ CEO
2	SIVASANKARAN KUNNATH	CHIEF FINANCIAL OFFICER
3	LARA COKER	COMPANY SECRETARY
4	CLEMENT ONAYO	GEN. MANAGER, NEW BUSINESS
5	EMMANUEL SAGBELE	HEAD,HUMAN RESOURCES
6	SHADE AGBEDE	COMMERCIAL MANAGER
7	SOJI ADETU	HEAD, ESTIMATING & PLANNING
8	CHUKWUEMEKA ASHIMOLE	HEAD, FINANCE
9	RAHMAN ALARAPE	HEAD, PROCUREMENT AND SUPPLY
10	DR. HELEN KEHNNY	HEAD, MEDICAL
11	OLADIMEJI KAZEEM	HEAD, INFORMATION TECHNOLOGY
12	BONA BIDOKWU	REGIONAL HEAD, OPERATIONS (S/EAST)
13	GABRIEL ETUK	REGIONAL HEAD, OPERATIONS (WEST)
14	FEMI OMOGBAI	REGIONAL HEAD, OPERATIONS,(CWA, GHN)
15	AYOOLA AYOTUNDE	GEN. MANAGER, FURNITURE & JOINERY
16	RICHARD KEMPENEER	HEAD, PLANT & TRANSPORT

The Board Of Directors

Mr. Orikolade Karim, Chairman

Appointed to the Board of Directors as Non-Executive, Deputy Chairman on the 14th of February 2007 and became the Chairman of the Board of Directors on the 21st November 2008. He is serves as Director in seven (7) companies which include Shoreline Energy International Ltd, Schlumberger Testing & Production Services Nigeria Ltd and Chairman, Nigerian Ropes Plc.



Mr. Philip Wharton, Vice Chairman

Appointed to the Board of Directors as Managing Director Executive/ Chief Executive Officer on 17th February 2006. In addition to his position as the MD/ CEO, he was appointed as the Deputy Chairman on the 21st of November 2008. He is a Quantity Surveyor and has held many positions as Managing Director of Miller Patterson and CDL Limited, both subsidiaries of SIG Plc and President/ CEO of SIG Southwest as well as Aggreko International Power Projects.

Mr. Ayodeji Karim, Managing Director/ CEO

Appointed to the Board of Directors as the Executive Director, Operations on the 14th of February 2007 and became the Managing Director of the company in June 2009. On 1st of December 2009, he was appointed Managing Director/ Chief Executive Officer. He was until his appointment with the company, the Chief Executive Officer of Fortis Construction.

Dr. Oladimeji Bada, Non-Executive Director

Appointed to the Board as Non-Executive Director on 7th January 2010. He is presently a director in Linetrale Oil, one of the largest oil and gas trading companies. He is also a consultant to Oriental Energy, a foremost indigenous Nigerian exploration and production company, where he has been involved in different aspects of their various acreages negotiation with multinational oil companies and the Ministry of Petroleum Resources.

	Results for the year ended 31st March, 2012	
	2012 '000	2011 '000
Turnover	7,392,139	9,196,545
(Loss)/Profit before Taxation And exceptional item	(1,928,098)	967,869
(Loss)/Profit after Taxation	(1,928,098)	(880,822)
Loss)/Profit for the Year	(1,928,098)	(1,247,256)
Share Capital	542,191	542,191
Shareholders Fund	4,679,703	6,608,218
(Loss)/Earnings per Share (Kobo)	(171)	(115)

	Results for the year ended 31st March, 2011	
	2011 '000	2010 '000
Turnover	9,196,545	9,644,641
Profit Before Taxation and exceptional items	967,869	53,273
Profit/(Loss) After Taxation and Exceptional Items	(880,822)	53,273
Profit/(Loss) for the Year	(1,247,256)	33,402
Share Capital	542,191	542,191
Shareholders Fund	6,608,218	7,846,021
Earnings /(Loss) per Share (Kobo)	(115)	7

NOTICE IS HEREBY GIVEN that the 63rd & the 64th ANNUAL GENERAL MEETING of Costain (West Africa) Plc will be held at the Mainland Hotel, Oyingbo, Lagos on **Tuesday, 14th May 2013** at 11a.m prompt for the following purposes:

ORDINARY BUSINESS:

1. To lay before the Meeting the audited Financial Statements for the years ended 31st March 2011 and 31st March 2012 together with the Reports of the Directors, Auditors and Audit Committee thereon;
2. To re-elect Directors;
3. To appoint PKF Professional Services as the new Independent Auditors in place of Akintola Williams Deloitte who had indicated their intention to resign at the conclusion of the Audit for the year ended 31st March 2012;
4. To authorize the Directors to fix the remuneration of the Independent Auditors;
5. To elect members of the Audit Committee.

SPECIAL BUSINESS:

1. To approve the remuneration of the Directors;
2. To propose the publication and dispatch of subsequent Audited Financial Statements and Notices through additional methods, including internet and electronic publications.

Notes:

1. **Voting and Proxies**
   A member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a member of the Company.

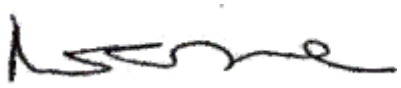
   A proxy form is attached to the Annual Report and Financial Statements. If the proxy form is to be valid for the purposes of the meeting, it must be duly stamped by the Commissioner of Stamp Duties in accordance with the Stamp Duties Act (Cap S.8 Laws of the Federation of Nigeria 2004) and should be deposited at the Registrar's Office, First Registrars Nigeria Limited, Plot 2, Abebe Village Road, Iganmu, Lagos not less than 48 hours before the time for holding the meeting.

2. **Closure of Register of Members and Transfer Book**
   The Register of Members and Transfer Books of the Company will be closed from Tuesday 30th April 2013 to Tuesday, 7th May 2013 (both dates inclusive) for the purpose of up-dating the Register of Members.

3. **Nomination for the Audit Committee**
   In accordance with Section 359(5) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, any shareholder may nominate another shareholder as a member of the Audit Committee, by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting.

DATED THIS 26th Day of February, 2013

BY ORDER OF THE BOARD



Lara Coker (Mrs.)
Company Secretary
174, Funso Williams Avenue
Ebute-Metta,
Lagos.

Chairman's Address

Dear fellow shareholders, distinguished guests, ladies and gentlemen, I am pleased to welcome you to the 63rd and 64th Annual General Meetings of our esteemed company, Costain (West Africa) Plc, taking place here at the Mainland Hotel, Oyingbo, Lagos on this day, Tuesday, the 14th of May 2013.

Before going into the main items on the Agenda for this AGM as contained on page….of the Annual Report and Accounts for the Year ended 31st March 2011 and on page…. of the Accounts for the Year ended 31st March 2012, please permit me to briefly give you some background on why there is a delay in the holding of our Annual General Meeting and why two Annual General Meetings are being held together.

You will recall that in 2010, the Company purchased a new Enterprise Resource Package that was meant to manage all business activities, unfortunately, the package did not perform to the required expectation and this fact was only discovered when preparations were already in top gear for the auditing of the 2011 financial year end. It was discovered at that stage that not information fully migrated into the new system which led to a total review of the software and a back integration from the old system. As may be imagined, the process took some months to achieve as our auditors had to review all information presented afresh.

By the time the 2011 year-end report was completed sometime in August 2012, your board took the decision that bearing in mind the financial cost of hosting an Annual General Meeting; it was in the better interest of the company, bearing the situation it found itself to immediately prepare the 2012 Financial report and present same jointly so that we could recover lost reporting time.

Your company appreciates the anxiety that you have faced especially as the shares of the company were also suspended during the years in review due to our delay in fulfilling our obligation to file returns to regulatory authorities at the right time. This is to assure all that steps have been put in place to ensure that we do no encounter the problems faced with our information system again with its attendant consequences on the business.

The Economy and Business Environment

With the general elections held in the country in April 2011, there was a decline in business activities as the economy seemed to anxiously await the conclusion of the general elections. The Nigerian economy during the years in review was now fully affected by the weakening world economy crisis which had led to a steady decrease in private sector lending with one of the first industries to be affected being the construction industry. It is however expected that there would be an increase in private sector lending by next year especially for the informal sector in order to boost the economy. Again, the expressed intention of the Central Bank of

Nigeria and the Ministry of Finance to align monetary and fiscal policies is a step in the right direction for the economy, but the key challenge is swift implementation for the economy to be jump-started.

There were different levels of security concerns across the country in the years under review with some parts of the country witnessing very serious and aggressive security challenges thereby affecting the movement of people and services. In addition, these security concerns put pressure on investment decision of potential clients. In general, concerns over the Presidential Election, underperformance of the annual budget, labour unrest and a climate of risk aversion were responsible for inflation and economic slowdown.

Nonetheless, I believe that the Federal Government continual effort to put in place policies that would promote a positive environment for business and investment is an indicator to show that Nigeria is on the right path.

Review of Operations

In the course of the years under review, due to our inability to satisfactorily resolve contractual matters we have had to demobilize from a number of projects we were engaged in with the attendant result of laying off a large number of our staff off and the consequent impact on our turnover and projected profits.

"The expressed intention of the Central Bank of Nigeria and the Ministry of Finance to align monetary and fiscal policies is a step in the right direction for the economy, but the key challenge is swift implementation for the economy to be jump-started."

However, during the years under review, we were awarded the contract for the Construction of the Faculty of Science Complex of Lagos State University, Ojo, Sewage Improvement Project and a residential development both in Accra, Ghana, secured by our subsidiary, CWA (Ghana) Limited, a residential Development in Maitama, Abuja to mention a few . Your Board will continue to strive to win new jobs that will put your company back to its winning ways.

Our Results

Distinguished Shareholders, though the 2011 financial report shows a significant increase in our turnover, and an improvement of the gross margin such gains were eroded in the 2012 financial year when the full impact of site demobilizations and unresolved contractual disputes with some clients had to be taken into account in order to provide our shareholders with the state of the company's financial affair.

The reports under review are disappointing but the good news, if I may say so, is that all debts have now being provided for in our books so that going forward, your company will be starting on a clean slate.

Though your company remains in touch with some clients who continue to maintain their intention to fulfill their contractual obligations to your company as soon as their own financial situation improves, your board has however taken the painful decision to provide for the amounts so that when it is recovered, it will be a good record for our books.

Changes in the Board

Since after the last AGM, some changes occurred in the Board of your Company. Mr. Godfrey Mitchell, Mr. Mark Stephens and Mr. Harm Ploeger resigned their appointments from the Board with effect from 13th July 2011, 1st September 2011 and 23rd April 2012 respectively.

Conclusion

Esteemed Shareholders, I acknowledge and appreciate your steadfast understanding and support. I want to assure you that the Board, Management and staff are working in your best interest to regain lost grounds and to start the company on a new road that will lead to improvement in performance and profitability of our great Company.

I thank our partners in progress; our Bankers, our suppliers and of course, our Clients, without whom our achievements so far could not have been possible.

Thank you and God bless you all.

MR. ORIKOLADE KARIM
Chairman, Board of Directors
26th February 2013.

Distinguished Ladies and Gentlemen,

I wish to welcome you to the 63rd and 64th Annual General Meetings of your Company.

The last three years have been the toughest years of business for Costain since it started operations within Nigeria in 1948. It has been unprecedented due to the almost impossible situation regarding lending in the banking sector and Government Policies since 2009. We have striven to mitigate the situation wherever possible but it has proved a very costly business both in cash terms and Human resources.

In this period Private Client Business crashed to almost zero with agreed financing being withdrawn from Clients by the banks causing major cash flow problems. Projects were stopped during construction due to none payment of accounts and many Contracts were put on hold as Clients tried to raise money elsewhere. Eventually we had to demobilise on nearly all our Private Client Projects after being owed many hundreds of millions of Naira for work already completed. On top of that we then had to make many hundreds of workers redundant and provide money for their redundancy, thus incurring additional costs that could have been applied to other needs of the business.

Due to this situation we looked to Government/State business to replace our Private Client base. This took a longer period of time than envisaged and at a far greater cost. However we were successful in securing a number of projects that enabled your business to continue and move forward. During the period 2011 and 2012 Government/State priorities were changing and as a consequence we started to suffer payment problems as Government/State budgets were cut back and central allocations delayed. These were costs that we were unable to envisage and costs which both Government/States refused to pay. So we were left with huge wage bills that could not be funded out of Margins and major losses were recorded in the years under review.

Actions were taken to reduce staffing costs and over 80% of expatriates were terminated and returned to their Countries of origin along with a further reduction of local staff all of which significantly reduced the wage bill of the Company without compromising on standards as most of the staff were attached to projects that were stopped. Head office head count was reduced significantly to take into account the reduction in the quantum of work being handled

by the company.Our labour force salaries were not reduced as they are agreed on a National Union basis however during this time salaries were sometimes delayed due to our cash position.

I have painted this picture to give you a background of what has been happening in the last few years at your Company, Costain and to enable you to see were we have been and where we are now. As we speak we are now up to date with salaries of all our remaining staff , we are paying down the redundancy payments still owed to former staff on a basis agreed with the unions and whilst we are not out of the tunnel yet at least we can see a light at the end of it.

We are working our way through a number of litigations with former Clients and subcontractors to ensure that the claims of either party are properly determined. We have recognised the worse case situation within our accounts. Should there be any improvements on this situation it will be reflected in the future on our bottom line.

Some clients for a number of Projects that had stopped are starting to discuss with us about restarting these projects in the future. This is to re-assure the shareholders that we will only restart projects if we are able to reach agreement on new pricing that takes into account price increases that have occurred since the projects stopped. We have also experienced some movement in our Government/State projects that are now starting to move forward again. We did successfully complete our Nigerian railway project and indeed carried out further work in addition to the original contract. We are however still out of pocket on some of our invoices on this project.

RESULTS

It can be seen quite clearly from our results the effects that all the previous matters discussed has had on the Company. We do feel however that we have reached a point where we can now move forward and start to see a gradual improvement over the coming years that will enable Costain to reposition itself in the market. Your Board and Staff are unrelenting in this ambition and will strive to achieve this in the shortest possible period. We have never given up hope and will always do our utmost to continue the Costain legacy

CURRENT PROJECTS

- Construction of Luxury Apartments at Milverton Road, Lagos
- Construction of 14 floors residential building for Rainbow Town Development Limited, Port-Harcourt
- Construction of International Market and Trade Centre at Abakaliki
- Construction of Head Office Building for Media Trust, Abuja
- Construction of 7 storey Residential Development ,Abuja
- Construction of Faculty of Science Complex, at the Lagos State University, Ojo
- Refurbishment of Central Bank of Nigeria, Yola Branch Building
- Construction of Meta TP1-Substructure work at Cadbury Nigeria Plc, Agidingbi
- Construction of 13 floors residential building for Rainbow Town Development Limited, Port-Harcourt

MANAGEMENT

During the period under review we had to make some tough decisions but did not shrink from doing so and our Operations Director Mr Mark Stevens was released along with our Plant General Manager , IT manager ,Personnel Manager and other Senior Managers. Mr. Harm Ploeger, the Finance Director also resigned his appointment during the period under review.

We thank them for their contributions to the business and wish them all the best for the future. The Company has found suitable replacements for these positions by either promoting staff internally or by sharing the responsibility for the positions amongst existing capable staff. Mr. Sivasankaran Kunnath was appointed the Chief Financial Officer of the Company on 26th July 2012 and was appointed to the Board of the Company on 26th February 2013.

CONCLUSION

We have come through a torrid period in the Company's history but we believe we have learnt many hard lessons that will stand us in good stead for the future. Our major shareholder Shoreline Energy International has stood by us in this difficult time and is continuing to do so in the future for which we thank them and in particular our Chairman Mr Kola Karim. Without their support and backing, things would have been tougher and more difficult. The future is still challenging but we believe in Costain and Nigeria and Costain will emerge a stronger and better business in the future.

AYODEJI KARIM
Managing Director/ CEO

Directors' Report

For the years ended 31st March 2013 and 31st March, 2012.

1. Legal Status

The Company was incorporated on 16th July, 1948 under the name Costain (West Africa) Limited and became a quoted Company on 13th March, 1974. Upon coming into effect of the Companies and Allied Matters Act 1990, it was changed to Costain (West Africa) Plc.

2. Principal Activities

The principal activities of the Company are building and civil engineering contractors throughout the Federal Republic of Nigeria and also operate subsidiary Companies which, are into property development and furniture and joinery.

3. Board of Directors

The list of the current Directors of the Company is published in this Annual Report (**see page 6**). The full Board met 4 times in the course of the years under review.

After the last Annual General Meeting, there has been no change in the composition of the Board of Directors.

The Directors to retire by rotation and in accordance with the provisions of the Articles of Association of our Company are Messrs. Oladimeji Bada and Mark Stephens*****. Being eligible, they have offered themselves for re-election.

4. Record of Directors' Attendance

In line with the provisions of Section 258(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria 2004, the record of Directors' attendance at Board Meetings during the year under review is available at this Annual General Meeting for inspection.

5. Directors' Interest in Shares

The interest of the Directors in the Issued Share Capital of the Company as recorded in the Register of Members and/ or notified by the Directors for the purpose of Section 275 of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004 and disclosed in accordance with the Listing Rules of the Nigerian Stock Exchange are as follows:-

	Number of Shares	
	At 31st March 2012	At 31st March 2011
Mr. Orikolade Karim	169,324,010 & 75,179	169,324,401 & 75,179
Mr. Phil Wharton	-	-
Mr. Ayodeji Karim	-	-
Mr. Harm Ploeger	-	-
Mr. Godfrey Mitchell	-	-
Mr. Mark Stephens	100,000	-
Dr. Oladimeji Bada	-	-

Mr. Orikolade Karim has an indirect holding in the Company through Shoreline Energy International Limited and Shoreline Power Co. Ltd, companies in which he has substantial interests.

6. Directors' Interest in Contracts

None of the Directors' notified the Company for the purposes of Section 227 of the Companies and Allied Matters Act Cap.C20 Laws of the Federation of Nigeria 2004 of any disclosable interest in contracts involving the Company.

7. Analysis of Shareholding

The Issued and fully paid-up Share Capital is N 542,191,490 comprising of 1,084,382,980 Ordinary Shares of 50 kobo each.

Type of Holders	No. of Holders	Holdings
Corporate	1,551	279,511,331
Foreign	38	165,634,320
Individuals	50,151	639,237,329
Total	**51,740**	**1,084,382,980**

List of Shareholders with 5% Holdings and above

Account No.	Name	Holdings	%
3751171	Stanbic Nom./AMCON/ FBN Plc	350,808,406	32.35
3734824	Shoreline Energy Int'l Ltd	163,809,305	15.11
		514,617,711	**47.46**

Range Analysis As At 31st March 2012

Range			No of Holders	Holders%	Units	Units%
1	-	1,000	27,846	53.82	19,946,065	1.84
1,001	-	5,000	14,725	28.46	43,523,539	4.01
5,001	-	10,000	5,345	10.33	40,032,952	3.69
10,001	-	50,000	3,031	5.86	66,526,929	6.14
50,001	-	100,000	388	0.75	29,836,410	2.75
100,001	-	500,000	305	0.59	64,033,849	5.91
500,001	-	1,000,000	38	0.07	28,847,777	2.66
1,000,001	-	5,000,000	48	0.09	87,398,501	8.06
5,000,001	-	10,000,000	6	0.01	39,815,503	3.67
10,000,001	-	100,000,000	6	0.01	149,803,744	13.81
100,000,001	-	1,084,382,980	2	0.00	514,617,711	47.46
			51,740	**100.00**	**1,084,382,980**	**100.00**

8. Dividend Payment and Bonus History

Dividend:

PMT NO	AMT	YR END	PAYABLE DATE
22	5K	1993	30/09/1994
23	15K	1994	19/06/1995
24	25K	1995	29/07/1996
25	20K	1996	14/07/1997

Bonus:

YEAR	BONUS RATE
1959	
1977	
1980	1 FOR 2
1983	1 FOR 2
1995	1 FOR 2

SHARE CAPITALISATION HISTORYY

YEAR	AUTHORISED (N)		ISSUED & FULLY PAID-UP (N)		CONSIDERATION
	INCREASE	CUMMULATIVE	INCREASE	CUMMULATIVE	CASH/BONUS
1948	150,000	150,000	73,600	73,600	CASH
1949	250,000	400,000	0	73,600	-
1952	200,000	600,000	0	73,600	-
1959	400,000	1,000,000	265,650	339,250	BONUS ISSUE
1974	300,000	1,300,000	425,750	765,000	CASH
1977	1,300,000	2,600,000	1,225,000	1,990,000	BONUS ISSUE
1978	-	2,600,000	460,000	2,450,000	CASH
1980	1,075,000	3,675,000	1,225,000	3,675,000	BONUS ISSUE
1982	1,837,500	5,512,500	0	3,675,000	-
1983	-	5,512,500	1,837,500	5,512,500	BONUS ISSUE
1992	24,487,500	30,000,000	14,000,000	19,512,500	CASH
1994	70,000,000	100,000,000	0	19,512,500	-
1995	-	100,000,000	9,756,250	29,268,750	BONUS ISSUE
1995	-	100,000,000	50,691,250	79,960,000	CASH
2005	650,000,000	750,000,000	0	79,960,000	-
2007	-	750,000,000	0	79,960,000	-

9. Fixed Assets

Information on fixed assets during the year ended 31st March 2011 is shown in note 7 on page 31, while for the year ended 31st March 2012 is shown in note 7 on page 55. In the opinion of the Directors, the market value of the Company's properties is not less than the value shown in the financial statements.*******

10. Suppliers

The Company's significant local suppliers are:

Dapple Ventures
Zetahilon Ventures
Tiamin Multi Services Global Limited
Lafarge Cement Wapco Nigeria Plc
Flour Mills Nigeria Plc
Alco Marketing Limited
Afrigate Energy Limited
Bethanis Nigeria Limited
GMI Global Services
Melyvn Nickson Nig. Ltd
Nigeria Wire Limited

11. Gifts and Donations

There were no gifts or donations made during the years under review.

In compliance with Section 38(2) of the Companies and Allied Matters Act, Cap.C20, Laws of the Federation of Nigeria, no donations were made to any political party, political association or for any political purpose during the years under review.

12. Employment and Employees

Costain (West Africa) Plc is a staunch believer in giving equal opportunities and does not discriminate on any grounds. Thus It is the policy of the Company that there should be no discrimination in considering applications for employment including those from disabled persons. The Company gives equal opportunities to every employee to widen their experience and knowledge and to qualify for promotion in furtherance of their careers.

As at March 31st 2012, our staff strength was 1,094 comprising of 1,065 male employees and 29 female employees. Also, we provide employment opportunities to the physically challenged persons as we have nine (9) physically challenged persons in our employ.

Human Capital Development

We undertake continuous training and skills upgrade of the staff at all levels in order to achieve competitive advantage and sustainable business success. We provide an enabling environment for employees to develop themselves and to unlock their potentials with a view to achieving uncommon results. Employees are effectively motivated for optimum performance and this creates better attitude in the workplace. Above all the Company trains its employees from time to time to expose them to international best practices in human capital development.

During the year under review, different cadres of employees cutting across different departments of the company received internal and external trainings conducted by competent and qualified organizations and trainers.

13. Health, Safety and Welfare

The Company takes the health, safety and welfare of its employees very seriously, with a strong conviction that a healthy workforce will always be highly efficient and productive at all times. Consequently, there are on-site clinics manned by qualified medical personnel in all our offices and project sites that provide primary health care round the clock for employees at work. Also, we are in retainer ship agreement with some top health care providers to look after the health care needs of employees and their dependants.

As a good corporate entity, we recognize the threat posed by ill-health and diseases, thus, in the year under review, we carried out periodic health awareness programs such as Seminar & health talk on Hepatitis B Prevention in partnership with Roche, gave free Hepatitis screening and Meningitis Vaccine for all Site workers. The Company also partook in the Nigeria Heart Foundation World Heart Day Road Show on 14th September 2010.

We comply with relevant statutory provisions and regulations on health, safety and welfare matters as well as providing the training and education required to enable compliance by employees. Our commitment to high safety standards is evident as we were in attendance at Seminars for "Occupational Health and Safety in Construction" organized by the Industrial Training Fund from 13th-15th July 2010 and "Managing Issues of Safety and Employee in Accident Prevention" by NECA. Furthermore, fire drills are occasionally held to test run our level of alertness and promptness to emergencies.

Also between 8th and 9thJanuary 2012, an annual Anti-Helminthic (de-worming) exercise was done for all staff and further Health Talk on Health awareness in February and March 2012.

We are confident to state that Inspectors from Ministry of Health and Fire service commend our efforts in maintaining a safe and healthy working environment.

14. Quality Policy Statement

We are fully committed to providing consistent and high quality services to our clients. This has further informed our decision to engage in the on-going quality management system which is designed and structured to meet the requirements of the international standards (ISO 9001: 2008) and is in consonance with statutory and regulatory requirements.

The qualification of the international standards (ISO 9001:2008) will assist to ensure that we:

(a) Improve our ability to consistently meet our clients' expectations;
(b) Increase clients' and other stakeholders' confidence in our company;
(c) Improve our competitive position;
(d) Improve employees' commitment to quality at all levels;
(e) Are committed to continued quality improvement.

There are no post Balance Sheet events which could have had a material effect on the state of affairs of the Company as at 31st March 2012 and on the profit to that date, which have not been provided for.

16. Corporate Social Responsibility

We conduct our business with due regard to integrity and in accordance with the relevant Laws and Regulations in place. As an integral part of the society where we operate, we strive as much as is practicable to give back to the society.

The management of Costain maintains appropriate anti-corruption/ bribery policies as it is our belief that corruption is a menace in the society. Accordingly, Costain does not give or receive bribes, directly or indirectly to obtain improper advantages for business or any financial gain.

Furthermore, our business is conducted with integrity and due regard to the legitimate Interest of all stakeholders. In pursuit of this, we have adopted policies such as Nigeria Local Content Policy, Fraud and Malpractice Policy, Environmental Polity, Health and Safety Policy etc.

17. Corporate Governance

The Directors of the Company are committed to ensuring that corporate governance is observed. The Company maintains a high standard of corporate governance and best practices. The Company's businesses are conducted responsibly and in compliance with relevant Laws and Regulation.

However, the stipulated time for the filings of our Financial Reports and some other post listing reports were contravened in the Years under review. This was a result of circumstances which have been communicated to the Regulatory bodies and but are now under control.

In conformity with the code of best practice in corporate governance, the Directors have established the following committees and met in the Years under review as follows:

SN	NAME OF COMMITTEE	MEMBERS	NUMBER OF SITTINGS	NUMBER OF ATTENDANCE
1	Executive Board	Mr. Orikolade Karim - Chairman	6	5
		Mr. Philip Wharton - Member		4
		Mr. Ayodeji Karim - Member		5
		Mr. Harm Ploeger - Member		4
		Mr. Mark Stephens - Member		1
		Mr. Godfrey Mitchell - Member		1
		Dr. Oladimeji Bada - Member		6
2	Board Committee on Projects	Mr. Ayodeji Karim - Chairman	12	12
		Mr. Mark Stephens - Member		12
		Mr. Harm Ploeger - Member		12
3	Health, Safety & Environment Committee	Mr. Mark Stephens - Chairman	5	5
		Mr. Tunji Ladigbolu - Member		5
		Dr. Helen Khenny - Member		5
		Mr. Emeka Ashimole - Member		5
4	Board Committee on Human Resources	Mr. Ayodeji Karim - Chairman	3	3
		Mr. Harm Ploeger - Member		3
		Mr. Lanre Adesegha - Member		3
5	Board Remuneration Committee	Mr. Orikolade Karim - Chairman	1	1
		Mr. Philip Wharton - Member		1
		Mr. Ayodeji Karim - Member		1
6	Audit Committee	Mr. E. Nnaemeka - Chairman	4	4
		Mr. Godfrey Mitchell - Member		2
		Mr. Philip Wharton - Member		1
		Mr. Olukayode Otukoya- Member		4
		Dr. Oladimeji Bada - Member		3

18. Audit Committee

The Audit Committee consists of two (2) shareholders' representatives and two (2) non executive Directors of the Company but Mr. Philip Wharton was nominated to replace Mr. Godfrey Mitchell during the previous AGM held on 13th July 2011. The Committee is chaired by a shareholders' representative and met four (4) times during the years under review.

The Committee in the conduct of its affairs reviews the overall risk management and control systems, financial reporting arrangements and standards of business conduct. It provides independent monitoring of internal control and the internal audit department of the Company. Members have direct access to the internal Audit Department and the Independent Auditors.

The statutory functions of the Committee are as provided in Section 359(6) of the Companies and Allied Matters Act, Cap.C20, Laws of the Federation of Nigeria, 2004.

19. Independent Auditors

Messrs Akintola Williams Deloitte and Messrs PKF Professional Service serve respectively as the Independent Auditors during the years under review. Messrs Akintola Williams Deloitte's Report was signed by……., a partner in the Firm with Institute of Chartered Accountant of Nigeria (ICAN) membership number…….. and Messrs PKF Professional Service's Report was signed by……., a partner in the Firm with Institute of Chartered Accountant of Nigeria (ICAN) membership number……..

Dated this 26th Day of February 2013

By Order of the Board

Lara Coker (Mrs.)
Company Secretary
Costain (West Africa) Plc
174, Funso Williams Avenue
Ebute Metta, Lagos.

Statement of Directors' Responsibilities

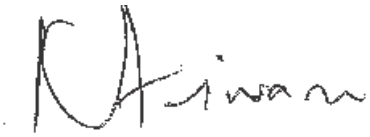
The Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, requires the Directors to prepare Annual Financial Statements, which give a true and fair view of the state of the financial affairs of the Company and of the profit or loss for the financial year.

The Directors' responsibilities include ensuring that:

- Appropriate internal controls are established both to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- The Company keeps proper accounting records, which disclose with reasonable accuracy the financial position of the Company and, which ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act, Cap C20, Laws of the Federal Republic of Nigeria, 2004;
- That the Company has used suitable accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed; and
- The financial statements are prepared on a going concern basis unless it is presumed that the Company will not continue in business.

The Directors accept responsibility for the preparation of these financial statements in conformity with the relevant Laws and Accounting Standards.

Nothing has come up to the knowledge of the Directors to indicate that the Company will not remain a going concern for at least twelve (12) months from the date of this statement.



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Mr. Sivasankaran Kunnath
Chief Financial Officer

.....

Mr. Ayodeji Karim
Managing Director/ CEO

To the Members of Costain (West Africa) Plc

In accordance with the provisions of Section 359(6) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, we the Members of the Audit Committee of Costain (West Africa) Plc, having carried out our statutory functions under the Act, hereby report that:

(a) The accounting and reporting policies of the Company are in accordance with the legal requirements and agreed ethical practices.
(b) The scope and planning of both external and internal Audit of the year ended 31st March 2011 are satisfactory. The internal audit programmes reinforce the Company's internal control system.
(c) Having reviewed the independent auditors' findings and recommendations on accounting procedures and internal controls, we are satisfied with management's responses thereon.

Finally, we acknowledge the co-operation of management and staff in the conduct of our duties.

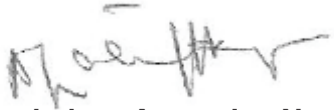
Members of the Audit Committee are:-

Ezechukwu Augustine Nnaemeka	(Shareholders' Representative)	- Chairman
Mr. Orikolade Karim	(Directors' Representative)	- Member
Mr. Olukayode Peter Otukoya	(Shareholders' Representative)	- Member
Dr. Oladimeji Bada	(Directors' Representative)	- Member

The Company Secretary, Mrs. Lara Coker serves as the Secretary to the Committee.

*In the course of the year, Mr. Philip Wharton replaced Mr. Orikolade Karim as one of the Directors' Representatives.

Dated 11th Day of July 2012



Ezechukwu Augustine Nnaemeka
Chairman, Audit Committee

Report of the Audit Committee

To the Members of Costain (West Africa) Plc

In accordance with the provisions of Section 359(6) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, we the Members of the Audit Committee of Costain (West Africa) Plc, having carried out our statutory functions under the Act, hereby report that:

(a) The accounting and reporting policies of the Company are in accordance with the legal requirements and agreed ethical practices.
(b) The scope and planning of both external and internal Audit of the year ended 31st March 2012 are satisfactory. The internal audit programmes reinforce the Company's internal control system.
(c) Having reviewed the independent auditors' findings and recommendations on accounting procedures and internal controls, we are satisfied with management's responses thereon.

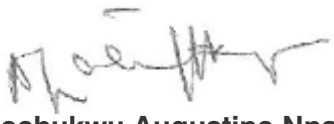
Finally, we acknowledge the co-operation of management and staff in the conduct of our duties.

Members of the Audit Committee are:-

Ezechukwu Augustine Nnaemeka	(Shareholders' Representative)	- Chairman
Mr. Philip Wharton	(Directors' Representative)	- Member
Mr. Olukayode Peter Otukoya	(Shareholders' Representative)	- Member
Dr. Oladimeji Bada	(Directors' Representative)	- Member

The Company Secretary, Mrs. Lara Coker serves as the Secretary to the Committee.

Dated 14th Day of February 2013



Ezechukwu Augustine Nnaemeka
Chairman, Audit Committee

CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2011

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Report of the Independent Auditors

To the Members of Costain (West Africa) Plc

Deloitte.

Akintola Williams Deloitte

We have audited the accompanying consolidated financial statements of **Costain (West Africa) Plc and its subsidiaries,** set out on pages on pages 2 to 21, which comprise the consolidated balance sheet as at 31 March 2011, consolidated profit and loss account, statement of cash flows and the statement of value added for the year then ended, the summary of significant accounting policies, financial summary and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

The Directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Companies and Allied Matters Act, Cap C20, LFN 2004, and for such internal control as the Directors determine are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 auditors' 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 auditors consider 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 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 audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of **Costain (West Africa) Plc and subsidiaries** as at 31 March, 2011, and of its financial performance and its cash flows for the year then ended; Costain (West Africa) Plc and its subsidiaries have kept proper books of account, which are in agreement with the consolidated balance sheet and profit and loss account, in the manner required by the Companies and Allied Matters Act, Cap C20, LFN 2004, and, in accordance with the Statements of Accounting Standards issued by the Financial Reporting Council of Nigeria.

Emphasis of matter

We draw attention to Note 2 to the consolidated financial statements concerning the net current liabilities as at 31 March 2011, and of the loss and cash outflows for the year then ended. Our opinion is not qualified in respect of this matter.

Akintola Williams Deloitte

Chartered Accountants
Lagos, Nigeria
2 August, 2012

The following are the summary of significant accounting policies adopted by the Group In the preparation of its consolidated financial statements:

1. Accounting basis

The consolidated financial statements have been prepared under the historical cost basis as modified by the inclusion of fixed assets at professional revaluation.

2. Basis of consolidation

The Group accounts comprise those of Costain (West Africa) Plc its subsidiaries; Furniture and Joinery Limited and CWA Ghana Limited together with its share of the profit or loss after tax of the associated company, Trans Amadi Facilities Limited. Where subsidiaries and associates do not have a year end of 31 March appropriate adjustments are made prior to consolidating their results.

3. Investment in associated company

An associate is a company, other than a subsidiary, in which the group interest is considered to be substantial and over which the Group is able to exert considerable influence, having due regard to the disposition of the other shareholders.

4. Turnover

4.1 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Contract Revenue

Turnover from contracts is calculated on the percentage of completion method. Revenue is apportioned to each accounting period on the basis of the proportion of the contract executed during that period to the total of the contract value.

Dividend Income

Dividend income is recognised when the Company's right to receive payment is established.

Jobbings Revenue

Jobbings represents the amounts invoiced to third parties on sale of furniture.

Interest Income and expenses

Interest income and expenses are recognised in the statement of income for all instruments measured at amortised cost using the effective interest method.

5. Stocks

Stocks are valued at the lower of cost and net realisable value. Cost comprises suppliers' Invoice price and where appropriate freight and other charges incurred to bring the

materials to their location and condition and it is valued using weighted average cost. Goods in transit are valued at invoice price. Tools are depreciated at 10% of the balance outstanding at the end of the year.

6. Work-in-progress

Work in progress is valued on the basis of the Group engineers' estimate, less progress payments received. Claims received arising on contracts are accounted for when agreed. In the case of unprofitable contracts, full provision is made for foreseeable losses. Retentions are accounted for on receipt.

7. Fixed assets

Fixed assets are stated at cost or professional valuation plus subsequent addition at cost less accumulated depreciation.

8. Depreciation of fixed assets

Depreciation is provided to write off the cost or revalued amounts of fixed assets on a straight line basis at the following annual rates:

	%
Plant and Equipment:	
Light	331/3
Heavy	10
Motor Vehicles:	
Cars and buses	331/3
Trailers and lorries	161/2
Furniture and fittings	20
Office equipment	331/3
Leasehold property:	
50 years and above	2
Below 50 years	Over the unexpired period
Freehold land	Nil

9. Foreign currencies

The Group's functional currency is the Nigeria Naira. In preparing the balance sheet of the group, transactions in currencies other than the Nigeria Naira are recorded at the average rate of exchange as at the balance sheet date and the profit and loss are recorded at the average rate from the date of incorporation to the balance sheet date.

10. Deferred taxation

Deferred taxation, which is principally from timing differences in the recognition of items for accounting and tax purposes, is calculated using the liability method. This represents taxation at the current rate of corporate income tax on the difference between the net book value of qualifying fixed assets and their corresponding tax written down value.

11. Debtors

Debtors are stated after making specific provisions for balances considered bad or doubtful of recovery.

12. Retirement benefit scheme

The Group operates a defined contribution pension scheme covering all eligible employees in accordance with the Pension Reform Act 2004. The Group and the employees contribute 7½% each of the staffs' relevant emoluments. The costs are charged to the profit and loss account In addition, the Group also provides for a staff terminal gratuity scheme. The benefits under the scheme are related to employees' length of service and terminal remunerations. The costs are charged to the profit and loss account.

13. Investments

Investments are stated at cost less any diminution in value thereof.

14. Taxation

Income tax payable is provided on taxable profits at the current statutory rate.

15. Provisions

Provisions are recognised when the Group has a present obligation whether legal or constructive, as a result of 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.

16. Dividend

The proposed dividend for the year is recognised only when declared and approved by the shareholders at the Annual General Meeting.

17. Earnings per share

Earnings per share are calculated based on the profit/(loss) after taxation and the number of issued and fully paid ordinary shares at the end of each financial year.

18. Risk management

The existing code of corporate governance has been designed to mitigate risks, both identified and anticipated. In respect of risk identified, provision is only made for the amount the Directors consider prudent in relation to probable cash flow. For anticipated risks, appropriate controls are instituted by management to mitigate such risk.

Consolidated Profit and Loss Account

For The Year Ended 31 March 2011

	Note	Group 2011 N'000	Group 2010 N'000	Company 2011 N'000	Company 2010 N'000
Turnover	3	9,196,545	9,644,641	8,894,561	9,547,194
Direct costs		(7,173,834)	(8,703,915)	(6,847,238)	(8,559,500)
		2,022,711	940,726	2,047,323	987,694
Administrative expenses		(1,212,975)	(1,273,486)	(1,157,861)	(1,251,762)
Interest received and other income	4	316,147	480,252	323,178	476,094
Interest expenses		(158,014)	(94,219)	(155,139)	(94,219)
Profit before taxation and exceptional item	5	967,869	53,273	1,057,501	117,807
Exceptional item	6	(1,848,691)	-	(1,848,691)	-
(Loss)/profit before taxation		(880,822)	53,273	(791,190)	117,807
Taxation	7	(366,434)	(19,871)	(365,464)	(19,871)
(Loss)/profit after taxation before non-controlling interest		(1,247,256)	33,402	(1,156,654)	97,936
Non-controlling interest	19	(194)	-	-	-
(Loss)/profit after taxation transferred to revenue reserve	21	**(1,247,450)**	**33,402**	**(1,156,654)**	**97,936**
(Loss)/earnings per share - kobo		**(115)**	**7**	**(107)**	**9**

The accounting policies on pages 30 to 32 and the explanatory notes on pages 36 to 47 form part of these consolidated financial statements.

Consolidated Balance Sheet

As at 31 March 2011

	Note	Group 2011 N'000	Group 2010 N'000	Company 2011 N'000	Company 2010 N'000
FIXED ASSETS	8	6,064,908	5,449,135	5,689,935	5,152,076
LONG TERM INVESTMENTS	9	2,000,000	2,004,060	2,058,549	2,006,060
CURRENT ASSETS					
Stocks	10	39,531	50,538	13,005	23,550
Work in progress	11	3,525,402	2,886,582	2,964,435	2,886,582
Trade debtors	12	20,388	3,058	-	3,058
Other debtors and prepayments	13	956,299	1,785,587	950,038	1,785,587
Amount due from related parties	28	1,009,107	900,862	1,423,782	1,285,842
Bank and cash balances	23	239,481	1,093,776	224,688	1,093,776
TOTAL CURRENT ASSETS		5,790,208	6,720,403	5,575,948	7,078,395
CREDITORS: Amounts falling due within one year					
Trade creditors		829,355	1,124,593	782,074	1,124,593
Other creditors and accruals	14	4,402,641	4,080,506	3,853,788	4,078,905
Bank overdrafts	23	280,370	714,363	278,496	714,363
Dividend payable	24	-	2,900	-	2,900
Bank Loans	15	1,239,654	-	1,207,818	-
Taxation	6	55,999	17,262	55,436	17,262
		6,808,019	5,939,624	6,177,612	5,938,023
Net current (liabilities) / assets		(1,017,811)	780,779	(601,664)	1,140,372
TOTAL ASSETS LESS CURRENT LIABILITIES		7,047,097	8,233,974	7,146,820	8,298,508
Provision for liabilities and charges					
Staff retirement benefit	16	438,879	387,953	438,879	387,953
NET ASSETS		**6,608,218**	**7,846,021**	**6,707,941**	**7,910,555**
CAPITAL AND RESERVES					
Share capital	17	542,191	542,191	542,191	542,191
Revaluation reserve	18	1,687,349	1,733,309	1,687,349	1,733,309
Exchange difference reserve		605	-	-	-
Non-controlling interest	19	55,002	-	-	-
Share premium	20	9,409,456	9,409,456	9,409,456	9,409,456
Revenue reserve	21	(5,086,385)	(3,838,935)	(4,931,005)	(3,774,401)
SHAREHOLDERS FUNDS		**6,608,218**	**7,846,021**	**6,707,941**	**7,910,555**

The consolidated financial statements on pages 33 to 47 were approved by the Board of Directors on 17th July, 2012 and signed on its behalf by:

Mr Ayodeji Karim

Dr Oladimeji Bada

} Directors

The accounting policies on pages 30 to 32 and the explanatory notes on pages 36 to 47 form part of these consolidated financial statements.

Consolidated Statement Of Cash Flows

For The Year Ended 31 March 2011

	Note	Group 2011 N'000	Group 2010 N'000	Company 2011 N'000	Company 2010 N'000
Cash flows from operating activities					
Cash receipts from customers		8,845,683	9,361,918	9,132,085	9,260,313
Cash paid to employees and suppliers		(9,010,618)	(8,946,447)	(9,353,842)	(9,050,358)
		(164,935)	415,471	(221,757)	209,955
Income tax paid	6	(16,393)	(21,269)	(15,986)	(21,269)
VAT paid		-	-	-	-
Net cash provided by operating activities	22	(181,328)	394,202	(237,743)	188,686
Cash flows from investing activities					
Purchase of fixed assets	8	(1,364,674)	(2,433,262)	(1,239,728)	(2,225,746)
Interest received	4	10,859	142,124	10,859	142,124
Purchase of investments		-	(4,060)	(52,489)	(6,060)
Proceeds from sale of fixed assets		33,201	25,790	33,201	25,790
Net cash provided by investing activities		(1,320,614)	(2,269,408)	(1,248,157)	(2,063,892)
Cash flows from financing activities					
Loan obtained	15	1,582,843	-	1,548,725	-
Loan repaid	15	(343,189)	-	(340,907)	-
Interest paid	5	(158,014)	(94,219)	(155,139)	(94,219)
Net cash provided by financing activities		1,081,640	(94,219)	1,052,679	(94,219)
Net decrease in cash and cash equivalents		(420,302)	(1,969,425)	(433,221)	(1,969,425)
Cash and cash equivalents at 1 April		379,413	2,348,838	379,413	2,348,838
Cash and cash equivalents at 31 March	23	**(40,889)**	**379,413**	**(53,808)**	**379,413**

1. The Company

1.1 Legal Form

The company was incorporated as a private limited liability company on 16 July 1948 and became a public company on 13 March 1974.

Principal Activities

The Company is permitted by its regulations to carry on civil engineering, general construction of road, railway, and airport construction. The Company is permitted to perform project management and development, construction in oil, gas, residential works and building construction that are usually or commonly dealt in by persons carrying on any similar business or that it might find useful to realise its set objectives.

The ownership structure is as follows:

	Units Held	%
Overseas shareholders	514,298,346	47.43
Nigerian shareholders	570,084,634	52.57
	1,084,382,980	**100**

1.2 Critical judgments and key sources of estimation in economic uncertainty

The application of the percentage of completion method in accordance with the Statement of Accounting Standard 5 – Construction Contracts, is dependent upon an adequate estimating process and the ability to reliably estimate costs to completion of long term contracts. There were limitations in budgeting for long term contracts, caused by high rates of inflation together with fluctuations in the rate of inflation and in exchange rates, both of which affect commodity prices.

Furthermore, as a consequence of the recent turmoil in capital and credit markets both globally and in Nigeria, there exists as at the date of these consolidated financial statements, economic uncertainties surrounding the continual availability, and cost, of credit both for the entity and its counterparties. There is the potential for economic uncertainties to continue in the foreseeable future and, as a consequence, the potential that contracts may not be completed at their expected, budgeted profits in the ordinary course of business.

1.3 Use of Estimates and Judgement

The preparation of financial statements in conformity with SAS requires Management to make judgement, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and the associated assumptions are based on historical experience and other factors that are reasonable under the circumstances, the results of which form the basis of making the judgement about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2. Going concern considerations

As at 31 March 2011, the Company had net current liability of N601.6m (2010 – net current assets N1,140.7m), and incurred a loss of N1,156.6m (2010 - N97.9m profit) and had net cash outflows of N433.2m (2010 - N1,969.4m) for the year then ended. These conditions indicate that the going concern status of the Company is threatened. These consolidated financial statements have, however, been prepared on a going concern basis as a significant shareholders entity, Shoreline Energy International Limited, has indicated that it will continue to support the Company for the foreseeable future.

3. Turnover

i) **Analysis of turnover by geographical areas:**
All building and civil engineering contracts were executed in Nigeria and Ghana. Operations in Ghana accounted for less than five per cent of the total contract work performed; therefore no separate segmentation data is disclosed.

ii) Analysis of turnover by activity:

	Group		Company	
	2011 N'000	2010 N'000	2011 N'000	2010 N'000
Contracts	9,136,331	9,547,194	8,894,561	9,547,194
Jobbings	60,214	97,447	-	-
	9,196,545	**9,644,641**	**8,894,561**	**9,547,194**

		Group		Company	
		2011 N'000	2010 N'000	2011 N'000	2010 N'000
4.	**Interest received and other income**				
	Investment income	-	-	14,528	-
	Interest received	10,859	142,124	10,859	142,124
	Exchange gain	26,116	56,729	19,072	56,729
	Write back old dividends payable	2,900	-	2,900	-
	Profit on sale of fixed assets	-	1,274	-	1,274
	Insurance claim	5,118	-	5,118	-
	Others (note 4.1)	271,154	280,125	270,701	275,967
		316,147	**480,252**	**323,178**	**476,094**

4.1 Other income predominantly relates to prior year provisions no longer required.

		Group		Company	
		2011	2010	2011	2010
5.	**(Loss)/profit before taxation**	**N'000**	**N'000**	**N'000**	**N'000**
	The (loss)/profit before taxation is stated after charging/(crediting);				
	Depreciation	644,683	490,897	597,651	477,218
	Directors' emoluments	41,000	38,055	41,000	38,055
	Auditors' remuneration	19,788	19,600	17,000	18,000
	Interest paid	158,014	94,219	155,139	94,219
	Staff retirement benefit	62,875	128,962	62,875	128,962
	Interest received	10,859	142,124	10,859	142,124
	Write back old dividends payable	2,900	-	2,900	-
	Exchange gain	26,116	56,729	-	56,729
	Loss/profit on sale of fixed assets	24,834	1,274	24,834	1,274

6. Exceptional item

	Group		Company	
	2011 N'000	2010 N'000	2011 N'000	2010 N'000
Back duty assessment on withholding tax and value added tax	135,783	-	135,783	-
Provision for contrast costs doubtful of recovery	1,712,908	-	1,712,908	-
	1,848,691	**-**	**1,848,691**	**-**

The back duty amount is in respect of additional withholding tax, value added tax charges together with the related penalties imposed by the Federal Inland Revenue Services for the audits of 2006 – 2009 financial years.

		Group		Company	
		2011	2010	2011	2010
7.	**Taxation**	N'000	N'000	N'000	N'000
7.1	Per profit and loss account				
	Education tax	3,350	19,871	2,380	19,871
	Income tax	51,780	-	51,780	-
	Withholding tax written off	311,304	-	311,304	-
		366,434	**19,871**	**365,464**	**19,871**
7.2	**Per balance sheet:**				
	At 1 April	17,262	18,660	17,262	18,660
	Charge for the year	366,434	19,871	365,464	19871
		383,696	38,531	382,726	38,531
	Withholding tax written off	(311,304)	-	(311,304)	-
	Payment during the year	(16,393)	(21,269)	(15,986)	(21,269)
	At 31 March	**55,999**	**17,262**	**55,436**	**17,262**

7.3 Income tax and education tax are based on the Companies Income Tax Act (LFN Cap 60) as amended to date and Education Tax Act 1993 respectively. As a result of unrelieved losses and capital allowances the company and its subsidiaries are not liable to income tax.

7.4 The computation of deferred taxation resulted in deferred tax asset of N284m (2010: N1, 186m), which is not recognised in these consolidated financial statements, as it is not probable that future taxable profit will be available against which the timing differences can be utilised.

The decrease in the deferred tax asset was due to the reduction of the carried forward loss for 2011 year of assessment from N1,205m to Nil and unabsorbed capital allowance from N2,328m to 216m by the Federal Inland Revenue Service.

8. Fixed assets

8.1 Group

	Land and buildings N'000	Capital work in progress N'000	Plant and equipment N'000	Motor vehicles N'000	Furniture and fittings N'000	Total N'000
Cost / valuation						
At 1 April 2010	2,291,925	333,818	3,105,849	784,991	65,777	6,582,360
Additions during the year	40,000	219,540	839,571	258,920	6,643	1,364,674
Disposal	-	-	(133,260)	(93,713)	-	(226,973)
At 31 March 2011	**2,331,925**	**553,358**	**3,812,160**	**950,198**	**72,420**	**7,720,061**
Depreciation						
At 1 April 2010	56,017	-	664,549	365,516	47,143	1,133,225
Charge for the year	25,009	-	413,976	197,991	7,707	644,683
Disposal	-	-	(62,453)	(60,302)	-	(122,755)
At 31 March 2011	**81,026**	**-**	**1,016,072**	**503,205**	**54,850**	**1,655,153**
Net book value						
At 31 March 2011	**2,250,899**	**553,358**	**2,796,088**	**446,993**	**17,570**	**6,064,908**
At 1 April 2010	**2,235,908**	**333,818**	**2,441,300**	**419,475**	**18,634**	**5,449,135**

8.2 Company

	Land and buildings N'000	Capital work in progress N'000	Plant and equipment N'000	Motor vehicles N'000	Furniture and fittings N'000	Total N'000
Cost / valuation						
At 1 April 2010	2,101,581	333,818	2,977,392	784,991	65,776	6,263,558
Additions	40,000	219,540	749,097	231,091	-	1,239,728
Disposal	-	-	(133,260)	(93,713)	-	(226,973)
At 31 March 2011	**2,141,581**	**553,358**	**3,593,229**	**922,369**	**65,776**	**7,276,313**
Depreciation						
At 1 April 2010	54,161	-	644,662	365,516	47,143	1,111,482
Charge for the year	21,236	-	377,610	192,427	6,378	597,651
Disposal			(62,453)	(60,302)	-	(122,755)
At 31 March 2011	**75,397**	**-**	**959,819**	**497,641**	**53,521**	**1,586,378**
Net book value						
At 31 March 2011	**2,066,184**	**553,358**	**2,633,410**	**424,728**	**12,255**	**5,689,935**
At 1 April 2010	**2,047,420**	**333,818**	**2,332,730**	**419,475**	**18,633**	**5,152,076**

8.3 Land and buildings, plant and equipment, motor vehicles and furniture and fittings were professionally revalued by Messrs RCO Okafor & Co, Chartered Surveyors & Valuers in March 2005.

8.4 Abuja Life Camp was professionally valued by RCO Okafor & Co. Chartered Surveyors and Valuers in March 2009.

The valuations were based on open market value between a willing buyer and a willing seller. The surpluses on revaluations have been credited to the revaluation reserve.

Subsequent additions were stated at cost. The revaluation of fixed assets is done when it is considered necessary by the Directors.

8.5 The depreciation charge for the year is included in the financial statements as follows:	Group 2011 N'000	Group 2010 N'000	Company 2011 N'000	Company 2010 N'000
Contract cost	577,726	427,066	531,256	415,198
Administration expenses	66,957	63,831	66,395	62,020
	644,683	**490,897**	**597,651**	**477,218**

			Group		Company	
			2011	2010	2011	2010
			N'000	N'000	N'000	N'000
9.	**Long-term investments**					
	Unquoted shares at cost:					
	Subsidiaries:	**Holding %**				
	CWA Furniture and Joinery Limited	100	-	-	2,000	2,000
	CWA Ghana Limited	51	-	4,060	56,549	4,060
	Foundation Engineering (Nigeria) Limited	100	-	2,853	-	2,853
			-	6,913	58,549	8,913
	Provision for diminution in value		-	(2,853)	-	(2,853)
			-	4,060	58,549	6,060
	Associates:					
	Trans Amadi Facilities Limited	51	2,000,000	2,000,000	2,000,000	2,000,000
			2,000,000	**2,004,060**	**2,058,549**	**2,006,060**

The financial statements of CWA Ghana Limited,a private company limited by shares in which the company has 51% controlling interest,was consolidated in these financial statements for the first time as this subsidiary has commenced operations which is material to the Group.

The Company's investment in Foundation Engineering (Nigeria) Limited has been disposed of to Shoreline Energy Limited.

The financial statements of Trans Amadi Facilities Limited, are not consolidated in these financial statements as this entity is not controlled by Costain (West Africa) PLC.

The investment in associate is recognised at cost, no dimunition in value in respect of the Group's share of the net loss amounting to N43.3m (2010: N57.1m) was accounted for as the company has an indemnification against such losses from Shoreline Energy International Limited.

The associate company has gross current assets of N210.5m (2010: N285.9m), gross liabilities of N142.9m (2010: N166.9m), Net asset N708.1m (2010: N705.3m) and revenue of N11.1m (2010: N45.4m).

		Group		Company	
		2011	2010	2011	2010
10.	**Stocks**	**N'000**	**N'000**	**N'000**	**N'000**
	Raw materials	30,852	52,685	4,318	25,777
	Spare parts and tools	11,954	5,916	10,936	5,836
	Stationery and other stocks	9,750	5,875	10,776	5,875
	Goods in transit	-	-	-	-
		52,556	64,476	26,030	37,488
	Provision for obsolete stocks	(13,025)	(13,938)	(13,025)	(13,938)
		39,531	**50,538**	**13,005**	**23,550**

		Group		Company	
		2011	2010	2011	2010
11.	**Work-in-progress**	N'000	N'000	N'000	N'000
	Work-in-progress	6,298,325	3,828,438	5,737,358	3,828,438
	Provision for W-I-P	(2,772,923)	(941,856)	(2,772,923)	(941,856)
		3,525,402	**2,886,582**	**2,964,435**	**2,886,582**
12.	**Trade debtors**				
	Trade debtors	20,388	246,556	-	246,556
	Provision for doubtful debts	-	(243,498)	-	(243,498)
		20,388	**3,058**	**-**	**3,058**
13.	**Other debtors and prepayments**				
	Other debit balances	249,252	974,995	249,252	974,995
	Prepayment	106,116	127,159	99,855	127,159
	Withholding tax recoverable (Note 13.1)	486,828	636,800	486,828	636,800
	Value Added tax receivable	114,103	46,633	114,103	46,633
		956,299	**1,785,587**	**950,038**	**1,785,587**

Included within other debit balances are advances to suppliers of N156.8m (2010: N355.8m) and assets under importation of N8.0m (2010: N431.7m).

		Group		Company	
		2011	2010	2011	2010
13.1	**Withholding tax recoverable**	N'000	N'000	N'000	N'000
	At 1 April	636,800	551,388	636,800	551,388
	Addition during the year	161,332	85,412	161,332	85,412
	Amount utilised	-	-	-	-
	Withholding tax written off	(311,304)	-	(311,304)	-
	At 31 March	**486,828**	**636,800**	**486,828**	**636,800**
14.	**Other creditors and accruals**				
	Withholding tax payable	379,585	268,212	379,585	268,212
	Payment received in advance	3,364,089	3,522,818	2,733,261	3,522,818
	Value Added tax payable	134,803	-	134,803	-
	Other credit balances	240,215	155,004	232,812	153,403
	Staff pension (Note 14.1)	183,064	63,942	183,064	63,942
	Accruals	100,885	70,530	190,263	70,530
		4,402,641	**4,080,506**	**3,853,788**	**4,078,905**

		Group		Company	
		2011	2010	2011	2010
		N'000	N'000	N'000	N'000
14.1	**Staff Pension**				
	At 1 April	63,942	29,936	63,942	29,936
	Provision for the year	132,889	66,615	132,889	66,615
	Payments during the year	(13,767)	(32,609)	(13,767)	(32,609)
	At 31 March	**183,064**	**63,942**	**183,064**	**63,942**
15.	**Term loan**				
	Balance brought forward	-	-	-	-
	Additions during the year	1,582,843	-	1,548,725	-
	Repayments during the year	(343,189)	-	(340,907)	-
		1,239,654	**-**	**1,207,818**	**-**

The term loan comprises:

N700.0m from Guaranty Trust Bank Plc. which was acquired on January 18, 2011 to settle outstanding obligation of N695m arising from a call on the bond value for N725m in respect of Dangote Cement project. The interest rate is 14% per annum and the tenor is 24 months including a moratorium period of 6 months. Security on the loan is the form of the legal ownership of the landed property located on Jeremiah T Useni way Abuja.

N293.0m from Ecobank plc. which was acquired on July 26, 2010, this relates to a lease facility for the purchase of equipment. The interest rate is 17% per annum. The loan is due for repayment in 18 months. Security on the loan is the form of the legal mortgage on the properties of Costain situated at Plot 174, Funsho Williams Avenue, Ebute Metta, Lagos.

		Group		Company	
		2011	2010	2011	2010
		N'000	N'000	N'000	N'000
16.	**Staff retirement benefit**				
	At 1 April	387,953	294,507	387,953	294,507
	Charge during the year	62,875	128,962	62,875	128,962
	Payments during the year	(11,949)	(35,516)	(11,949)	(35,516)
	At 31 March	**438,879**	**387,953**	**438,879**	**387,953**

The Company and its subsidiaries make provision for staff terminal gratuity scheme. The benefits under the scheme are related to the employees' length of service and terminal remunerations. The costs are charged to the profit and loss account.

Agreements were reached on 30 November 2011 by the National Joint Industrial Council for the Building and Civil Engineering Industry in Nigeria to liquidate the accumulated staff retirement benefits and settle staff retirement benefit and gratuities on annual basis going forward. All past obligations per the terms of the agreement are expected to be liquidated by 1 October 2013.

		Group		Company	
		2011	2010	2011	2010
17.	**Share capital**	N'000	N'000	N'000	N'000
	Authorised				
	1,500,000,000 ordinary shares of 50k each	**750,000**	**750,000**	**750,000**	**750,000**
	Issued and fully paid:				
	1,084,382,980 ordinary shares of 50k each	**542,191**	**542,191**	**542,191**	**542,191**
18.	**Revaluation reserve**				
	At 1 April	1,733,309	1,733,309	1,733,309	1,733,309
	Transfer on disposal (note 18.1)	(45,960)	-	(45,960)	-
	At 31 March	**1,687,349**	**1,733,309**	**1,687,349**	**1,733,309**

18.1 This relates to revalued assets disposed off during the year.

		Group		Company	
		2011	2010	2011	2010
19.	**Non controlling interest**	N'000	N'000	N'000	N'000
	Share of profit				
	CWA Ghana limited	194	-	-	-
		194	**-**	**-**	**-**
	Balance sheet				
	At 1 April	-	-	-	-
	On consolidation during the year	54,808	-	-	-
	Share of profit	194	-	-	-
	At 31 March	**55,002**	**-**	**-**	**-**
20.	**Share premium**				
	At 1 April and 31 March	**9,409,456**	**9,409,456**	**9,409,456**	**9,409,456**
21.	**Revenue reserve**				
	At 1 April	(3,838,935)	(2,992,663)	(3,774,401)	(2,992,663)
	Prior year adjustment (Note 21.1)	-	(879,674)	-	(879,674)
	Transfer from profit and loss account	(1,247,450)	33,402	(1,156,654)	97,936
	At 31 March	**(5,086,385)**	**(3,838,935)**	**(4,931,055)**	**(3,774,401)**

21.1 **Prior year adjustment**

The adjustment relates to the incorrect application of contract accounting in 2008 that resulted in costs not being fully matched to revenue.

		Group		Company	
		2011	2010	2011	2010
22.	**Reconciliation of net (loss) / profit after tax to net cash used by operating activities**	N'000	N'000	N'000	N'000
	(Loss) / profit after taxation	(1,247,256)	33,402	(1,156,654)	97,936
	Adjustments for non-cash and operating items :				
	Depreciation	644,683	490,897	597,651	477,218
	Interest on loan	158,014	94,219	155,139	94,219
	Interest received	(10,859)	(142,124)	(10,859)	(142,124)
	(Loss)/profit on sale of fixed assets	24,834	(1,274)	24,834	(1,274)
	Prior year adjustment	-	(879,674)	-	(879,674)
	Change in minority interests	55,002	-	-	-
	Adjustment for fixed assets transferred to subsidiary	-	-	-	103,221
	Withholding tax written off	311,304	-	311,304	-
	Exceptional item	135,783	-	135,783	-
	Working capital changes:				
	Decrease in stock	11,007	61,110	10,545	88,098
	Increase in work in progress	(638,820)	(617,367)	(77,853)	(617,367)
	(Increase)/decrease in debtors	(17,330)	(2,210)	3,058	(2,210)
	Decrease in other debtors and prepayment	517,984	114,803	524,245	114,803
	(Increase)/decrease due from intercompany	(108,245)	292,610	(137,940)	(92,370)
	(Decrease)/increase in trade creditors	(295,238)	281,192	(345,196)	281,192
	Increase/(decrease) in other creditors and accruals	188,146	576,570	(360,900)	574,970
	Increase in staff retirement benefits	50,926	93,446	50,926	93,446
	Movement in tax payable	38,737	(1,398)	38,174	(1,398)
	Total adjustments	1,065,928	360,800	918,911	90,750
	Net cash provided by operating activities	**(181,328)**	**394,202**	**(237,743)**	**188,686**
23.	**Cash and cash equivalents**				
	Cash and bank balance	239,481	1,093,776	224,688	1,093,776
	Bank overdrafts	(280,370)	(714,363)	(278,496)	(714,363)
		(40,889)	**379,413**	**(53,808)**	**379,413**
24.	**Dividend payable**	**-**	**2,900**	**-**	**2,900**

This relates to unpaid and unclaimed dividend payable to shareholders in respect of dividends previously declared by Costain (West Africa) PLC which have now been written off.

		Group		Company	
		2011 N'000	2010 N'000	2011 N'000	2010 N'000
25.	**Information regarding Directors and employees**				
a.	**Directors**				
25.1	Emoluments				
	Chairman	-	-	-	-
	Other directors	41,000	38,055	41,000	38,055
		41,000	**38,055**	**41,000**	**38,055**
	As:				
	Fees	2,250	2,250	2,250	2,250
	Executives	41,000	38,055	41,000	38,055
		43,250	**40,305**	**43,250**	**40,305**
	Emoluments of the highest paid Director	**13,577**	**12,630**	**13,577**	**12,630**

The Chairman waived his Director's fee during the year.

25.2 The number of Directors, excluding the Chairman, whose emoluments were within the following ranges are:

N		N	Number	Number	Number	Number
6,000,001	-	7,000,000	1	2	1	2
7,000,001	-	8,000,000	-	-	-	-
8,000,001	-	9,000,000	-	-	-	-
9,000,001	-	10,000,000	-	-		-
10,000,001	-	14,000,000	3	2	3	2

25.3 No payment was made to any Director, past or present, in respect of pensions or compensation for loss of office.

b. Employees

25.4 The average number of persons employed as at 31 March:

	Group		Company	
	2011 Number	2010 Number	2011 Number	2010 Number
Contract (typically three months or less)	1,713	2,206	1,628	2,189
Administration	891	1,200	784	1,167
	2,604	**3,406**	**2,412**	**3,356**

The cost relating to the above was:

	Group		Company	
	2011 Number	2010 Number	2011 Number	2010 Number
Wages and salaries	607,116	563,321	553,731	538,109
Pension	132,889	66,615	132,889	66,615
Gratuity	62,976	132,688	62,976	132,688
	802,981	**762,624**	**749,596**	**737,412**

25.5 Number of employees whose emoluments excluding allowances and provident fund contributions were within the following ranges:

N		N	Group 2011 Number	Group 2010 Number	Company 2011 Number	Company 2010 Number
60,001	-	100,000	469	596	464	596
100,001	-	150,000	1,225	1,923	1,189	1,923
150,001	-	200,000	320	405	316	384
200,001	-	250,000	145	165	140	157
250,001	-	300,000	123	78	85	78
300,001	-	400,000	157	98	78	93
400,001	-	500,000	39	38	37	27
500,001	-	600,000	38	24	28	24
600,001	-	700,000	11	10	11	9
700,001	-	800,000	10	17	10	17
800,001	-	900,000	15	9	15	8
900,001	-	1,000,000	4	4	4	3
1,000,001	and	above	48	39	35	37
			2,604	**3,406**	**2,412**	**3,356**

26. Guarantees and other financial commitments

26.1 Staff retirement benefit scheme

i The Company and its subsidiaries operate defined contribution pension schemes covering all eligible employees in accordance with the Pension Reform Act 2004. The Group and staff contribute 7.5% each of the staff relevant emoluments. The costs are charged to the profit and loss account.

ii In addition, the Company and its subsidiaries also provide for a staff terminal gratuity scheme. The benefits under the scheme are related to the employees' length of service and terminal remunerations. The costs are charged to the profit and loss account.

iii Short-term employee benefits are amounts payable to employees that fall due wholly within twelve months after the end of the period in which the employee renders the related service.

iv The cost of short-term employee benefits are recognised as an expense in the period when the economic benefit is given, as an employment cost. Unpaid short-term employee benefits as at the end of the accounting period are recognised as an accrued expense and any short-term benefit paid in advance are recognised as prepayment to the extent that it will lead to a future cash refund or a reduction in future cash payment.

26.2 Social Security and National Insurance Trust (SSNIT)

Under a National Deferred Benefit Pension Scheme, the Company contributes 13% of employees' basic salary to SSNIT for employee pensions on behalf of its Ghanaian employees. The Company's obligation is limited to the relevant contributions, which are settled on due dates. The pension liabilities and obligations, however, rest with SSNIT.

26.3 Contingent liabilities

i No provision has been made in these consolidated financial statements for contingent liabilities totaling N51.5m (2010 - N140.3m) in respect of pending litigations as 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 significant.

ii No provision was made in these consolidated financial statements for contingent liabilities totaling N3.7bn (2010 - N2.2bn) in respect of advance payment guarantees from Keystone Bank and Guaranty Trust Bank Plc.

26.4 Capital commitments

Capital expenditure authorised by the directors but not contracted was Nil (2010 - Nil).

26.5 Other financial commitments

The Directors are of the opinion that all known liabilities and commitments which are relevant in assessing the Group's state of affairs have been taken into account in the preparation of these consolidated financial statements.

27. Retentions

Retention assets are included in trade and other receivables. Retentions outstanding at 31 March 2011 amounted to N647m (2010 - N510.1m).

28. Holding company and related party transactions

Shoreline Energy International Limited holds 47.43% (2010 - 47.43%) interest in Costain (West Africa) Plc.

The Group had transactions with related parties in the form of transfers of funds and payments for goods on behalf of each other. The balances due from related companies are as follows:

	Group		Company	
	2011 N'000	2010 N'000	2011 N'000	2010 N'000
CWA Furniture and Joinery Limited	-	-	414,917	384,980
CWA Ghana Limited	-	-	341	-
Shoreline Energy International Limited	1,009,107	900,862	1,008,524	900,862
	1,009,107	**900,862**	**1,423,782**	**1,285,842**

29. Comparative figures

Certain comparative figures have been restated in line with the presentation in the current year.

30. Risk Management

30.1 Customer base

The Group has diversified its customer base to include clients from the industrial and production sector, the oil and gas sector, private individuals, Federal, State and Local governments and government agencies, etc. This within the existing customer portfolio is to prevent the occurrence of any unanticipated risk in a particular customer cluster or business line.

The selection of clients or contracts to be executed is done by executive management based on the liquidity analysis of the prospective customers.

The Group has commenced ventures in countries other than Nigeria to mitigate country risks.

30.2 Debt Recovery

Management is proactive in the recovery of payments, especially debts that are overdue. An aged analysis of debtors is carried out by management on a periodic basis and efforts are geared towards recovery of all existing debts.

30.3 Finance

Management has established sound banking relationships to ensure availability of funds in case there is delay in payment which companies in the construction industry are often subjected to.

Consolidated Value Added Statement

For The Year Ended 31 March 2011

	Group				Company			
	2011		2010		2011		2010	
	N'000	%	N'000	%	N'000	%	N'000	%
Turnover	9,196,545		9,644,641		8,894,561		9,547,194	
Other income	316,147		480,252		323,178		476,094	
Bought-in materials and services								
- Local	(8,788,030)		(8,723,880)		(8,506,543)		(8,596,632)	
VALUE ADDED	**724,662**	**100**	**1,401,013**	**100**	**711,196**	**100**	**1,426,656**	**100**
Applied as follows:								
In payments to employees: Salaries, wages and other benefits	802,981	111	762,624	54	749,596	105	737,412	52
In payment to government:								
Taxation	366,434	51	19,871	-	365,464	52	19,871	1
Providers of capital:								
Interest expenses	158,014	22	94,219	7	155,139	22	94,219	7
Retained for future replacement of assets and expansion of business								
Depreciation	644,683	89	490,897	35	597,651	84	477,218	33
(Loss)/profit for the year	(1,247,450)	(173)	33,402	4	(1,156,654)	(163)	97,936	7
	724,662	**100**	**1,401,013**	**100**	**711,196**	**100**	**1,426,656**	**100**

Value added represents the wealth created by the efforts of the company and its employees. This statement shows the allocation of the wealth between employees, providers of capital, government and that retained by the company for the future creation of wealth.

Consolidated Financial Summary

31 March

	Group			Company	
	2011 N'000	2010 N'000	2009 N'000	2008 N'000	2007 N'000
ASSETS EMPLOYED					
Fixed assets	6,064,908	5,449,135	3,531,285	1,746,542	1,108,782
Investment	2,000,000	2,004,060	2,000,000	-	458
Net current (liabilities) / assets	(1,017,811)	780,779	3,455,515	(1,292,778)	(1,083,742)
Non-current liabilities	(438,879)	(387,953)	(294,507)	(1,386,144)	(1,267,479)
	6,608,218	**7,846,021**	**8,692,293**	**(932,380)**	**(1,241,981)**
CAPITAL AND RESERVES					
Share capital	542,191	542,191	542,191	79,960	79,960
Revaluation reserve	1,687,349	-	-	-	-
Exchange difference reserve	605	-	-	-	-
Minority Interest	55,002	1,733,309	1,733,309	1,247,516	1,291,132
Share premium	9,409,456	9,409,456	9,409,456	44,189	44,189
Revenue reserve	(5,086,385)	(3,838,935)	(2,992,663)	(2,304,045)	(2,657,262)
	6,608,218	**7,846,021**	**8,692,293**	**(932,380)**	**(1,241,981)**
TURNOVER	9,196,545	9,644,641	6,274,115	3,814,900	3,016,397
(Loss)/profit before taxation	(745,039)	53,273	(574,787)	380,516	114,263
(Loss)/profit after taxation	**(1,247,450)**	**33,402**	**(615,124)**	**353,217**	**107,963**
Per Share Data:					
(Loss)/earnings per share - Kobo	(115)	3	(57)	221	68
Net assets/(liabilities) per share - Naira	6	7	15	(6)	(777)

Note:

1. (Loss)/earnings per share are based on (loss) / profit after tax and the number of issued and fully paid ordinary shares at the end of each financial year.

2. Net assets/(liabilities) per share are based on the net assets/ (liabilities) and the number of issued and fully paid ordinary shares at the end of each financial year.

Notes

CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH

2012

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Report of the Independent Auditors

To the Members of Costain (West Africa) Plc

PKF

Accountants &
business advisers

We have audited the accompanying consolidated financial statements of **Costain (West Africa) Plc and its subsidiaries,** set out on pages 57 to 74, which comprise the consolidated balance sheet as at 31 March 2012, and consolidated income statement, cash flows statement and statement of value added for the year then ended and significant accounting policies, financial summary and other explanatory information.

Directors' Responsibility for the consolidated Financial Statements
The Directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Companies and Allied Matters Act, Cap C20, LFN 2004, and for such internal control as the Directors determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated 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 about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 the Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of **Costain (West Africa) Plc. and its subsidiaries** as at 31 March, 2012, and of its financial performance and its cash flows for the year then ended; Costain (West Africa) Plc and its subsidiaries have kept proper books of account, which are in agreement with the consolidated balance sheet and income statement, in the manner required by the Companies and Allied Matters Act, Cap C20, LFN 2004, and, in accordance with the Statements of Accounting Standards issued by the Financial Reporting Council of Nigeria.

Emphasis of Matter
We draw attention to Note 3 to the consolidated financial statements concerning the working capital deficiency as at 31 March 2012, and of the persistent losses and cash outflows for the year then ended. Our opinion is not qualified in respect of these matters.

Other Matters
The consolidated financial statements of Costain (West Africa) Plc. for the year ended 31 March 2011 were audited by another auditor who expressed an unmodified opinion on those statements on 2 August 2012.

PKF Professional Services
Chartered Accountants
Lagos, Nigeria
26 February, 2013

The following are the summary of significant accounting policies adopted by the Group in the preparation of its consolidated financial statements:

1. Accounting basis

The consolidated financial statements have been prepared under the historical cost basis as modified by the inclusion of fixed assets at professional revaluation.

2. Basis of consolidation

The consolidated financial statements comprise those of Costain (West Africa) Plc its wholly owned subsidiary - Furniture and Joinery Limited and CWA Ghana Limited .

Where subsidiaries do not have a year end of 31 March, appropriate adjustments are made prior to consolidating their results.

3. Investment in associated company

An associate is a company, other than a subsidiary, in which the group interest is considered to be substantial and over which the Group is able to exert considerable Influence, having due regard to the disposition of the other shareholders.

4. Turnover

4.1 **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Contract Revenue

Turnover from contracts is calculated on the percentage of completion method. Revenue is apportioned to each accounting period on the basis of the proportion of the contract executed during that period to the total of the contract value.

Jobbing Revenue

Jobbings represents the amounts invoiced to third parties on sale of furniture.

Interest Income and Expenses

Interest income and expenses are recognized in the statements of income for all instruments measured at amortised cost using the effective interest method.

5. Stocks

Stocks are valued at the lower of cost and net realisable value. Cost comprises suppliers' invoice price and where appropriate freight and other charges incurred to bring the materials to their location and condition and it is valued using weighted average cost. Goods in transit are valued at invoice price. Tools are depreciated at 10% of the balance outstanding at the end of the year.

6. Work-in-progress

Work in progress is valued on the basis of the Group engineers' estimate, less progress payments received. Claims received arising on contracts are accounted for when agreed. I n the case of unprofitable contracts, full provision is made for foreseeable losses. Retentions are accounted for on receipt.

7. Fixed assets

Fixed assets are stated at cost or professional valuation plus subsequent addition at cost less accumulated depreciation.

8. Depreciation of fixed assets

Depreciation is provided to write off the cost or revalued amounts of fixed assets on a straight line basis at the following annual rates:

	%
Plant and Equipment:	
Light	$33^{1}/_{3}$
Heavy	10
Motor Vehicles:	
Cars and buses	$33^{1}/_{3}$
Trailers and lorries	$16^{1}/_{2}$
Furniture and fittings	20
Office equipment	$33^{1}/_{3}$
Leasehold property:	
50 years and above	2
Below 50 years	Over the unexpired period
Freehold land	Nil

9. Foreign currencies

Transactions in foreign currencies are recorded in Naira at the rates of exchange ruling at the dates of the transactions. Balances in foreign currencies are converted to Naira at the rates of exchange ruling at the balance sheet date. Gains / losses arising therefrom are taken to the profit and loss account.

10. Deferred taxation

Deferred taxation, which is principally from timing differences in the recognition of items for accounting and tax purposes, is calculated using the liability method. This represents taxation at the current rate of corporate income tax on the difference between the net book value of qualifying fixed assets and their corresponding tax written down value.

11. Debtors

Debtors are stated after making specific provisions for balances considered bad or doubtful of recovery.

12. Retirement benefit scheme

The Group operates a defined contribution pension scheme covering all eligible employees in accordance with the Pension Reform Act 2004. The Group and the employees contribute 7½% each of the staffs' relevant emoluments. The costs are charged to the profit and loss account

In addition, the Group also provides for a staff terminal gratuity scheme. The benefits under the scheme are related to employees' length of service and terminal remunerations. The costs are charged to the profit and loss account.

13. Investments

Investments are stated at cost less any diminution in value thereof.

14. Taxation

Income tax payable is provided on taxable profits at the current statutory rate.

15. Provisions

Provisions are recognised when the Group has a present obligation whether legal or constructive, as a result of past a event for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

16. Dividend

The proposed dividend for the year is recognised only when declared and approved by the shareholders at the Annual General Meeting.

17. Earnings per share

Earnings per share are calculated based on the profit / (loss) after taxation and the number of issued and fully paid ordinary shares at the end of each financial year.

18. Risk management

The existing code of corporate governance has been designed to mitigate risks, both identified and anticipated. In respect of risk identified, provision is only made for the amount the Directors consider prudent in relation to probable cash flow. For anticipated risks, appropriate controls are instituted by management to mitigate such risk.

Consolidated Profit and Loss Account

For The Year Ended 31 March 2012

	Note	Group 2012 N'000	Group 2011 N'000	Company 2012 N'000	Company 2011 N'000
Turnover	4	**7,392,139**	9,196,545	**6,375,884**	8,894,561
Direct Cost		**(8,055,625)**	(7,173,834)	**(7,038,132)**	(6,847,238)
		(663,486)	2,022,711	**(662,248)**	2,047,323
Administrative expenses		**(1,057,646)**	(1,212,975)	**(883,085)**	(1,157,861)
Interest received and other income	5	**29,264**	316,147	**29,264**	323,178
Interest expenses		**(236,230)**	(158,014)	**(228,052)**	(155,139)
(Loss)/profit before taxation and exceptional item	6	**(1,928,098)**	967,869	**(1,744,121)**	1,057,501
Exceptional item	7	**-**	(1,848,691)	**-**	(1,848,691)
Loss before taxation	6	**(1,928,098)**	(880,822)	**(1,744,121)**	(791,190)
Taxation	8	**-**	(366,434)	**-**	(365,464)
Loss after taxation before non - controlling interest		**(1,928,098)**	(1,247,256)	**(1,744,121)**	(1,156,654)
Non - controlling interest	20	**75,283**	(194)	**-**	-
Loss after taxation transferred to revenue reserve	22	**(1,852,815)**	(1,247,450)	**(1,744,121)**	(1,156,654)
Loss per share (kobo)		**(171)**	(115)	**(161)**	(107)

The accounting policies on pages 54 to 56 and the explanatory notes on pages 60 to 72 form part of these consolidated financial statements.

Consolidated Balance Sheet

As At 31 March 2012

	Note	Group 2012 N'000	Group 2011 N'000	Company 2012 N'000	Company 2011 N'000
FIXED ASSETS	9	**5,451,420**	6,064,908	**5,129,108**	5,689,935
LONG TERM INVESTMENTS	10	**1,445,500**	2,000,000	**1,504,049**	2,058,549
CURRENT ASSETS					
Stocks	11	**25,452**	39,531	**13,857**	13,005
Work in progress	12	**3,125,620**	3,525,402	**3,075,949**	2,964,435
Trade debtors	13	**18,099**	20,388	-	-
Other debtors and prepayments	14	**1,633,489**	956,299	**1,524,534**	950,038
Amount due from related parties	28	**998,733**	1,009,107	**1,361,996**	1,423,782
Bank and cash balances	24	**138,978**	239,481	**136,048**	224,688
TOTAL CURRENT ASSETS		**5,940,371**	5,790,208	**6,112,384**	5,575,948
CREDITORS: Amounts falling due within one year					
Bank overdrafts	24	**336,971**	280,370	**336,380**	278,496
Trade creditors		**1,448,703**	829,355	**1,133,019**	782,074
Other creditors and accruals	15	**4,350,333**	4,402,641	**4,305,460**	3,853,788
Amount due to related company	28	**14,719**	-	-	-
Bank loans	16	**839,003**	1,239,654	**839,003**	1,207,818
Taxation	8	**51,436**	55,999	**51,436**	55,436
		7,041,165	6,808,019	**6,665,298**	6,177,612
NET CURRENT LIABILITIES		**(1,100,794)**	(1,017,811)	**(552,914)**	(601,664)
TOTAL ASSETS LESS CURRENT LIABILITIES		**5,796,126**	7,047,097	**6,080,243**	7,146,820
CREDITORS: Amount falling due after one year					
Bank loans	16	**(610,000)**	-	**(610,000)**	-
Provision for liabilities and charges					
Staff retirement benefit	17	**(506,423)**	(438,879)	**(506,423)**	(438,879)
NET ASSETS		**4,679,703**	6,608,218	**4,963,820**	6,707,941
CAPITAL AND RESERVES					
Share capital	18	**542,191**	542,191	**542,191**	542,191
Revaluation reserve	19	**1,687,349**	1,687,349	**1,687,349**	1,687,349
Exchange difference reserve		**188**	605	**-**	-
Non - controlling interest	20	**(20,281)**	cbbem55,002	**-**	-
Share premium	21	**9,409,456**	9,409,456	**9,409,456**	9,409,456
Revenue reserve	22	**(6,939,200)**	(5,086,385)	**(6,675,176)**	(4,931,055)
SHAREHOLDERS FUND		**4,679,703**	6,608,218	**4,963,820**	6,707,941

The consolidated financial statements on pages 57 to 74 were approved by the Board of Directors on 26 February, 2013 and signed on its behalf by:

Mr. Ayodeji Karim _____ } **Directors**

}

Dr Oladimeji Bada _____ }

The accounting policies on pages 54 to 56 and the explanatory notes on pages 60 to 72 form part of these consolidated financial statements.

Consolidated Statement Of Cash Flows

For The Year Ended 31 March 2012

	Note	Group 2012 N'000	Group 2011 N'000	Company 2012 N'000	Company 2011 N'000
Cash flows from operating activities					
Cash receipts from customers		**7,823,383**	8,845,683	**6,293,543**	9,132,085
Cash paid to employees and suppliers		**(8,454,823)**	(9,010,618)	**(6,983,053)**	(9,353,842)
		(631,440)	(164,935)	**(689,510)**	(221,757)
Income tax paid	7	**(4,563)**	(16,393)	**(4,000)**	(15,986)
Net VAT paid		**-**	-	**-**	-
Net cash provided by operating activities	23	**(636,003)**	(181,328)	**(693,510)**	(237,743)
Cash flows from investing activities					
Purchase of fixed assets	9	**(72,236)**	(1,364,674)	**(44,163)**	(1,239,728)
Interest received	5	**90**	10,859	**90**	10,859
Disposal/ (purchase) of investments	10	**554,500**	-	**554,500**	(52,489)
Proceeds from sale of fixed assets		**23,425**	33,201	**23,425**	33,201
Net cash provided by investing activities		**505,779**	(1,320,614)	**533,852**	(1,248,157)
Cash flows from financing activities					
Loan obtained	16	**2,012,814**	1,582,843	**2,012,814**	1,548,725
Loan repaid	16	**(1,803,465)**	(343,189)	**(1,771,629)**	(340,907)
Interest paid	6	**(236,230)**	(158,014)	**(228,052)**	(155,139)
Net cash provided by financing activities		**(26,881)**	1,081,640	**13,133**	1,052,679
Net decrease in cash and cash equivalents		**(157,105)**	(420,302)	**(146,525)**	(433,221)
Cash and cash equivalents at 1 April		**(40,889)**	379,413	**(53,808)**	379,413
Cash and cash equivalents at 31 March	24	**(197,994)**	(40,889)	**(200,333)**	(53,808)

1. The Company

1.1 Legal Form

The company was incorporated as a private limited liability company on 16 July 1948 and became a public company on 7 March 1991.

1.2 Principal Activities

The company is permitted by its regulations to carry on civil engineering, general construction of road, railway and airport construction. The Company is permitted to perform project management and development, construction in oil and gas, residential works and building construction that are usually or commonly dealt in by persons carrying on any similar business or that it might find useful to realise its set objectives.

The ownership structure is as follows:

	Units Held	%
Overseas shareholders	514,298,346	47.43
Nigerian shareholders	570,084,634	52.57
	1,084,382,980	**100**

2. Estimates and Judgements

2.1 Critical judgments and key sources of estimation in economic uncertainty

The application of the percentage of completion method in accordance with the Statement of Accounting Standard 5 – Construction Contracts, is dependent upon an adequate estimating process and the ability to reliably estimate costs to completion of long term contracts. There were limitations in budgeting for long term contracts, caused by high rates of inflation together with fluctuations in the rate of inflation and in exchange rates, both of which affect commodity prices.

Furthermore, as a consequence of the recent turmoil in capital and credit markets both globally and in Nigeria, there exists as at the date of these consolidated financial statements, economic uncertainties surrounding the continual availability, and cost, of credit both for the entity and its counterparties. There is the potential for economic uncertainties to continue in the foreseeable future and, as a consequence, the potential that contracts may not be completed at their expected, budgeted profits in the ordinary course of business.

2.2 Use of Estimates and Judgement

The preparation of financial statements in conformity with SAS requires management to make judgement, estimate and assumptions that affect the application of policies and reported amount of assets, liabilities, income and expenses. The estimates and the associated assumptions are based on historical experience and other factors that are reasonable under the circumstances, the result of which form the basis of making the judgement about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

3. Going concern consideration

As at 31 March 2012, the Company had net current liabilities of N536 million (2011: N602 million), and incurred a loss of N1,727 million (2011: N1,156 million) and had net cash outflows of N146 million (2011: N433 million) for the year then ended. These conditions indicate that the going concern status of the Company is threatened. These consolidated financial statements have been prepared on a going concern basis as a significant shareholders entity, Shoreline Energy International Limited, has indicated that it will continue to support the Company for the foreseeable future.

4. Turnover

Segment analysis:

All building and civil engineering contracts were executed in Nigeria and Ghana.

i) Analysis of turnover by activity:

	Group		Company	
	2012 N'000	2011 N'000	2012 N'000	2011 N'000
Contracts	**7,392,139**	9,136,331	**6,375,884**	8,894,561
Jobbings	**-**	60,214	-	-
	7,392,139	9,196,545	**6,375,884**	8,894,561

ii) Analysis of turnover by geographical location:

	Nigeria N'000	Ghana N'000
Turnover	**6,393,355**	**998,784**
Loss before taxation	**-1,757,022**	**(153,730)**
Net assets/(liabilities)	**4,754,056**	**-55,647**

5. Interest received and other income

Investment income	**-**	-	-	14,528
Interest received	**90**	10,859	**90**	10,859
Exchange gain	**143**	26,116	**143**	19,072
Write back old dividends payable	**-**	2,900	-	2,900
Insurance claim	**21,534**	5,118	**21,534**	5,118
Others (note 5.1)	**7,496**	271,154	**7,496**	270,701
	29,263	316,147	**29,263**	323,178

5.1 Other income predominantly relates to prior year provisions no longer required.

6. Profit before taxation

	Group		Company	
	2012 N'000	2011 N'000	2012 N'000	2011 N'000
The profit/ (loss) before taxation is stated after charging/(crediting);				
Depreciation	**612,021**	644,683	**567,212**	597,651
Directors' emoluments	**46,868**	41,000	**46,868**	41,000
Auditors' remuneration	**11,338**	19,788	**10,000**	17,000
Interest paid	**236,230**	158,014	**228,052**	155,139
Staff retirement benefit	**77,207**	62,875	**77,207**	62,875
Interest received	**(90)**	(10,859)	**(90)**	(10,859)
Write back old dividends payable	**-**	(2,900)	**-**	(2,900)
Exchange gain	**(143)**	(26,116)	**(143)**	(19,072)
Loss on sale of fixed assets	**14,353**	24,834	**14,353**	24,834

7. Exceptional item

Back duty assessment on withholding tax and value added tax	**-**	135,783	**-**	135,783
Provision for contract cost doubtful of recovery	**-**	1,712,908	**-**	1,712,908
	-	1,848,691	**-**	1,848,691

The back duty amountis in respect of additional withholding tax, value added tax charges together with the related penalties imposed by the Federal Inland Revenue Services for the audits of 2006 - 2009 financial years.

		Group		Company	
		2012 N'000	2011 N'000	2012 N'000	2011 N'000
8.	**Taxation**				
8.1	Per profit and loss account				
	Education tax	-	3,350	-	2,380
	Income tax	-	51,780	-	51,780
	Withholding tax written off	-	311,304	-	311,304
		-	366,434	-	365,464
8.2	**Per balance sheet:**				
	At 1 April	**55,999**	17,262	**55,436**	17,262
	Charge for the year	-	366,434	-	365,464
		55,999	383,696	**55,436**	382,726
	Withholding tax written off	-	(311,304)	-	(311,304)
	Payment during the year	**(4,000)**	(16,393)	**(4,000)**	(15,986)
	At 31 March	**51,436**	55,999	**51,436**	55,436

8.3 Income tax and education tax are based on the Companies Income Tax Act (LFN Cap 60) as amended to date and Education Tax Act 1993 respectively. As a result of unrelieved losses and capital allowances the company and its subsidiaries are not liable to income tax. Also, the company is exempted from minimum tax provision as it has more than 25% imported equity share capital in line with Section 28 A(3b) of CITA.

8.4 The computation of deferred taxation resulted in deferred tax asset of N396,056,607 (2011: N284 million), which is not recognised in these consolidated financial statements, as it is not probable that future taxable profit will be available against which the timing differences can be utilised.

9. Fixed assets

9.1 Group

	Land and buildings N'000	Capital work in progress N'000	Plant and equipment N'000	Motor vehicles N'000	Furniture and fittings N'000	Total N'000
Cost / valuation						
At 1 April 2011	2,331,925	553,358	3,812,160	950,198	72,420	7,720,061
Additions during the year	-	19,757	19,358	32,887	234	72,236
Disposal	-	-	(33,596)	(88,419)	-	(122,015)
Adjustments	-	-	(11,524)	(27,581)	(865)	(39,970)
At 31 March 2012	2,331,925	573,115	3,786,398	867,085	71,789	7,630,312
Depreciation						
At 1 April 2011	81,026	-	1,016,072	503,205	54,850	1,655,153
Charge for the year	25,200	-	411,219	168,443	7,159	612,021
Disposal	-	-	(14,806)	(69,431)	-	(84,237)
Adjustments	-	-	(3,396)	(476)	(173)	(4,045)
At 31 March 2012	106,226	-	1,409,089	601,741	61,836	2,178,892
Net book value						
At 31 March 2012	**2,225,699**	**573,115**	**2,377,309**	**265,344**	**9,953**	**5,451,420**
At 31 March 2011	2,250,899	553,358	2,796,088	446,993	17,570	6,064,908

Adjustment relates to conversion of opening balance to closing rate.

9.2 Company

	Land and buildings N'000	Capital work in progress N'000	Plant and equipment N'000	Motor vehicles N'000	Furniture and fittings N'000	Total N'000
Cost / valuation						
At 1 April 2011	2,141,581	553,358	3,593,229	922,369	65,776	7,276,313
Additions	-	19,757	15,728	8,678	-	44,163
Disposal	-	-	(33,596)	(88,419)	-	(122,015)
At 31 March 2012	2,141,581	573,115	3,575,361	842,628	65,776	7,198,461
Depreciation						
At 1 April 2011	75,397	-	959,819	497,641	53,521	1,586,378
Charge for the year	21,201	-	376,453	163,601	5,957	567,212
Disposal	-	-	(14,806)	(69,431)	-	(84,237)
At 31 March 2012	96,598	-	1,321,466	591,811	59,478	2,069,353
Net book value						
At 31 March 2012	**2,044,983**	**573,115**	**2,253,895**	**250,817**	**6,298**	**5,129,108**
At 31 March 2011	2,066,184	553,358	2,633,410	424,728	12,255	5,689,935

9.3 Land and buildings, plant and equipment, motor vehicles and furniture and fittings were professional revalued by Messrs RCO Okafor & Co, Chartered Surveyors & Valuers in March 2005.

9.4 Abuja Life Camp was professionally valued by RCO Okafor & Co. Chartered Surveyors and Valuers in March 2009.

The valuations were based on open market value between a willing buyer and a willing seller. The surpluses on revaluations have been credited to the revaluation reserve.

Subsequent additions were stated at cost. The revaluation of fixed assets is done when it is considered necessary by the Directors.

	Group		Company	
9.5 The depreciation charge for the year is included in the financial statements as follows:	**2012 N'000**	**2011 N'000**	**2012 N'000**	**2011 N'000**
Contract cost	**579,635**	577,726	**540,054**	531,256
Administrative expenses	**32,386**	66,957	**27,158**	66,395
	612,021	644,683	**567,212**	597,651

10. Long-term investments

Unquoted shares at cost:

Subsidiaries:	**Holding %**				
CWA Furniture and Joinery Limited	100	**-**	-	**2,000**	2,000
CWA Ghana Limited	51	**-**	-	**56,549**	56,549
		-	-	**58,549**	58,549
Associates:					
Trans Amadi Facilities Limited	51	**1,445,500**	2,000,000	**1,445,500**	2,000,000
		1,445,500	2,000,000	**1,504,049**	2,058,549

The financial statement of CWA Ghana Limited, a private company limited by shares in which the company has 51% controlling interest, was consolidated in these financials.

The financial statements of Trans Amadi Facilities Limited, are not consolidated in these financial statements as this entity is not controlled by Costain (West Africa) Plc.

The investment in associate is recognised at cost, no diminution in value in respect of the Group's share of the net loss amounting to N43.3 million in 2011 was accounted for as the company has an indemnification against such losses from Shoreline Energy International Limited. However, in 2012, the Group share of profit in Trans Amadi Facilities is N2.79 million.

The associate company has gross current assets of N333.36 million (2011: N210.5 million), gross liabilities of N140.08 (2011: N142.9 million), Net asset of N769.75 million (2011: N708.1 million) and revenue of N122.03 million (2011: N11.1 million).

		Group		Company	
		2012 N'000	2011 N'000	2012 N'000	2011 N'000
11.	**Stocks**				
	Raw materials	**40,998**	30,852	**16,955**	4,318
	Spare parts and tools	**5,568**	11,954	**5,568**	10,936
	Stationery and other stocks	**5,729**	9,750	**5,729**	10,776
		52,295	52,556	**28,252**	26,030
	Provision for obsolete stocks	**(26,843)**	(13,025)	**(14,395)**	(13,025)
		25,452	39,531	**13,857**	13,005
12.	**Work-in-progress**				
	Work-in-progress	**5,898,543**	6,298,325	**5,848,872**	5,737,358
	Provision for work in progress	**(2,772,923)**	(2,772,923)	**(2,772,923)**	(2,772,923)
		3,125,620	3,525,402	**3,075,949**	2,964,435
13.	**Trade debtors**				
	Trade debtors	**18,099**	20,388	**-**	-
	Provision for doubtful debts	**-**	-	**-**	-
		18,099	20,388	**-**	-
14.	**Other debtors and prepayments**				
	Other debit balances	**304,810**	249,252	**197,261**	249,252
	Prepayment	**86,521**	106,116	**85,405**	99,855
	Withholding tax recoverable (Note 14.1)	**1,102,000**	486,828	**1,102,000**	486,828
	Value added tax receivable	**140,158**	114,103	**139,868**	114,103
		1,633,489	956,299	**1,524,534**	950,038

Included within other debit balances are advances to suppliers of N216 million (2011: N156.8m) and assets under importation of N32.4m (2011: N8.0m).

		Group		Company	
		2012 N'000	2011 N'000	2012 N'000	2011 N'000
14.1	**Withholding Tax recoverable**				
	At 1 April	**486,828**	636,800	**486,828**	636,800
	Deduction during the year	**926,476**	161,332	**926,476**	161,332
	Amount utilised	**-**	-	**-**	-
	Provision for withholding tax irrecoverable	**(311,304)**	(311,304)	**(311,304)**	(311,304)
	At 31 March	**1,102,000**	486,828	**1,102,000**	486,828
15.	**Other creditors**				
	Withholding tax payable	**303,809**	379,585	**303,809**	379,585
	Payment received in advance	**2,689,147**	3,364,089	**2,679,746**	2,733,261
	Value added tax payable	**135,678**	134,803	**134,975**	134,803
	Other credit balances	**735,702**	240,215	**735,443**	232,812
	Staff pension (Note 15.1)	**261,490**	183,064	**261,490**	183,064
	Accruals	**224,507**	100,885	**189,997**	190,263
		4,350,333	4,402,641	**4,305,460**	3,853,788

		Group		Company	
		2012 N'000	2011 N'000	2012 N'000	2011 N'000
15.1	**Staff Pension**				
	At 1 April	**183,064**	63,942	**183,064**	63,942
	Provision for the year	**91,093**	132,889	**91,093**	132,889
	Payment during the year	**(12,667)**	(13,767)	**(12,667)**	(13,767)
	At 31 March	**261,490**	183,064	**261,490**	183,064
16	**Term loan**				
	Ecobank Nigeria Plc	**624,205**	324,856	**624,205**	293,020
	First Bank of Nigeria	**214,798**	214,798	**214,798**	214,798
	Guaranty Trust Bank	**610,000**	700,000	**610,000**	700,000
		1,449,003	1,239,654	**1,449,003**	1,207,818
16.1	At 1 April	**1,239,654**	-	**1,207,818**	-
	Additions during the year	**2,012,814**	1,582,843	**2,012,814**	1,548,725
	Repayment during the year	**(1,803,465)**	(343,189)	**(1,771,629)**	(340,907)
	At 31 March	**1,449,003**	1,239,654	**1,449,003**	1,207,818
	Due within one year	**839,003**	-	**839,003**	-
	Due after one year	**610,000**	-	**610,000**	-

The term loan comprises:

N700 million from Guaranty Trust Bank Plc. Which was acquired on 18 January 2011 to settle outstanding obligation of N695 million arising from a call on the bond value for N725 million in respect of Dangote Cement project.The interest rate is 14% per annum and the tenor is 24 months including a moratorium period of 6 months. Security on the loan is the form of the legal ownership of the landed property located on Jeremiah T. Useni way Abuja. The balance on the loan is as stated above.

N293 million from Ecobank Plc for lease facility was fully repaid in January 2012. However, total facility of N2.01 billion for bonds and guarantees was received during the year. The guarantee fee is 0.25% flat payable upfront upon issuance of the guarantee and on every anniversary of the guarantee issued. The guarantee expires September 30, 2012. Security on the bonds and guarantee is the form of the legal mortgage on the properties of Costain situated at Plot 174, Funsho Williams Avenue, Ebute Metta, Lagos.

N214 million from First Bank Plc. The facility from First Bank Plc, has been transferred to Asset Management Corporation of Nigeria (AMCON) on 28 February 2011.

		Group		Company	
		2012 N'000	2011 N'000	2012 N'000	2011 N'000
17.	**Staff retirement benefit**				
	At 1 April	**438,879**	387,953	**438,879**	387,953
	Charge during the year	**77,207**	62,875	**77,207**	62,875
	Payments during the year	**(9,663)**	(11,949)	**(9,663)**	(11,949)
	At 31 March	**506,423**	438,879	**506,423**	438,879

The Company and its subsidiaries make provision for staff terminal gratuity scheme. The benefits under the scheme are related to the employees' length of service and terminal remunerations. The cost are charged to the profit and loss account.

Agreements were reached on 30 November 2011 by the National Joint Industrial Council for the Building and Civil Engineering Industry in Nigeria to liquidate the accumulated staff retirement benefits and settle staff retirement benefit and gratuities on annual basis going forward. All past obligations per the terms of the agreement are expected to be liquidated by 1 October 2013.

		Group		Company	
		2012 N'000	2011 N'000	2012 N'000	2011 N'000
18.	**Share capital**				
	Authorised				
	1,500,000,000 ordinary shares of 50k each	**750,000**	750,000	**750,000**	750,000
	Issued and fully paid:				
	1,084,382,980 ordinary shares of 50k each	**542,191**	542,191	**542,191**	542,191
19.	**Revaluation reserve**				
	At 1 April	**1,687,349**	1,733,309	**1,687,349**	1,733,309
	Transfer on disposal (Note19.1)	**-**	(45,960)	**-**	(45,960)
	At 31 March	**1,687,349**	1,687,349	**1,687,349**	1,687,349
19.1	This relates to revalued assets disposed off during the year.				
20.	**Non controlling interest**				
	Share of (loss)/profit				
	CWA Ghana Limited	**(75,283)**	194	-	-
		(75,283)	194	-	-
	Balance sheet				
	At 1 April	**55,002**	-		
	On consolidation during the year	**-**	54,808		
	Share of (loss)/profit for the year	**(75,283)**	194	-	-
		(20,281)	55,002	-	-
21.	**Share premium**				
	At 31 March	**9,409,456**	9,409,456	**9,409,456**	9,409,456
22.	**Revenue reserve**				
	At 1 April	**(5,086,385)**	(3,838,935)	**(4,931,055)**	(3,774,401)
	Transfer from profit and loss account	**(1,852,815)**	(1,247,450)	**(1,744,121)**	(1,156,654)
	At 31 March	**(6,939,200)**	(5,086,385)	**(6,675,176)**	(4,931,055)

	Group		Company	
	2012 N'000	2011 N'000	2012 N'000	2011 N'000
23. Reconciliation of net (loss)/profit after tax to net cash provided by operating activities				
Loss after taxation	**-1,852,815**	(1,247,256)	**(1,744,121)**	(1,156,654)
Adjustments for non-cash and operating items :				
Depreciation	**612,021**	644,683	**567,212**	597,651
Interest on loan	**236,230**	158,014	**228,052**	155,139
Interest received	**(90)**	(10,859)	**(90)**	(10,859)
Loss on sale of fixed assets	**14,353**	24,834	**14,353**	24,834
Translation adjustment on fixed assets	**35,925**	-	**-**	-
Change in minority interests	**(75,283)**	55,002	**-**	-
Withholding tax written off	**-**	311,304	**-**	311,304
Exceptional item	**-**	135,783	**-**	135,783
Increase/(decrease) in taxation	**(4,563)**	38,737	**(4,000)**	38,174
Exchange difference	**(417)**	-	-	-
Working capital changes:				
Decrease/(Increase) in stock	**14,079**	11,007	**(852)**	10,545
Decrease/(Increase) in work in progress	**399,782**	(638,820)	**(111,514)**	(77,853)
Decrease/(Increase) in debtors	**2,289**	(17,330)	**-**	3,058
(Increase)/decrease in other debtors and prepayment	**(677,190)**	517,984	**(574,496)**	524,245
Decrease/(increase) in due from intercompany	**10,374**	(108,245)	**61,786**	(137,940)
Increase/(decrease) in trade creditors	**619,348**	(295,238)	**350,945**	(345,196)
(Decrease)/increase in other creditors and accruals	**(52,308)**	188,146	**451,672**	(360,900)
Increase in due to related company	**14,719**	-	-	-
Increase in staff retirement benefits	**67,544**	50,926	**67,544**	50,926
Total adjustments	**1,216,813**	1,065,928	**1,050,612**	918,911
Net cash provided by operating activities	**(636,002)**	(181,328)	**(693,509)**	(237,743)
24. Cash and cash equivalents				
Cash and bank balance	138,978	239,481	136,048	224,688
Bank overdraft	-336,971	-280,370	-336,380	-278,496
	(197,993)	(40,889)	**(200,332)**	(53,808)

		Group		Company	
		2012 N'000	2011 N'000	2012 N'000	2011 N'000
25.	**Information regarding Directors and employees**				
a.	**Directors**				
25.1	Emoluments				
	Chairman	**-**	-	**-**	-
	Other directors	**46,868**	41,000	**46,868**	41,000
		46,868	41,000	**46,868**	41,000
	As:				
	Fees	**2,000**	2,250	**2,000**	2,250
	Executives	**46,868**	41,000	**46,868**	41,000
		48,868	43,250	**48,868**	43,250
	Emoluments of the highest paid Director	**14,250**	13,577	**14,250**	13,577

The Chairman waived his Director's fee during the year.

25.2 The number of Directors, excluding the Chairman, whose emoluments were within the following ranges are:

				Number	Number	Number
N		N				
6,000,001	-	7,000,000	-	1	-	1
7,000,001	-	8,000,000	-	-	-	-
8,000,001	-	9,000,000	-	-	-	-
9,000,001	-	10,000,000	-	-	-	-
10,000,001	-	14,000,000	**2**	3	**2**	3

25.3 No payment was made to any Director, past or present, in respect of pensions or compensation for loss of office.

b. Employees

25.4 The average number of persons employed as at 31 March:

	Group		Company	
	2012 Number	2011 Number	2012 Number	2011 Number
Contract (typically three months or less)	762	1,713	712	1,628
Administration/ others	363	891	359	784
	1,125	**2,604**	**1,071**	**2,412**
	N'000	**N'000**	**N'000**	**N'000**
The cost relating to the above was:				
Wages and salaries	**467,597**	607,116	**354,248**	553,731
Pension	**91,093**	132,889	**91,093**	132,889
Gratuity	**77,207**	62,976	**77,207**	62,976
	635,897	802,981	**522,548**	749,596

25.5 Number of employees whose emoluments excluding allowances and provident fund contributions were within the following ranges:

			Group		Company	
			2012	2011	2012	2011
N		N	Number	Number	Number	Number
60,001	-	100,000	3	469	3	464
100,001	-	150,000	8	1,225	8	1,189
150,001	-	200,000	205	320	200	316
200,001	-	250,000	335	145	302	140
250,001	-	300,000	144	123	139	85
300,001	-	400,000	142	157	139	78
400,001	-	500,000	56	39	52	37
500,001	-	600,000	26	38	26	28
600,001	-	700,000	43	11	43	11
700,001	-	800,000	31	10	30	10
800,001	-	900,000	11	15	11	15
900,001	-	1,000,000	14	4	13	4
1,000,001	and	above	107	48	105	35
			1,125	**2,604**	**1,071**	**2,412**

26. Guarantees and other financial commitments

26.1 Staff retirement benefit scheme

i The Company and its subsidiary operate a defined contribution pension scheme covering all eligible employees in accordance with the Pension Reform Act 2004. The Group and staff contribute 7.5% each of the staffs relevant emoluments. The costs are charged to the profit and loss account.

ii In addition, the Company and its subsidiary also provide for a staff terminal gratuity scheme. The benefits under the scheme are related to the employees' length of service and terminal remunerations. The costs are charged to the profit and loss account.

iii Short-term employee benefits are amounts payable to employees that fall due wholly within twelve months after the end of the perod in which the employee renders the related service.

iv The cost of short term employee benefits are recognised as an expense in the period when the economic benefit is given, as an employment cost . Unpaid short term employee benefits as at the end of the accounting period are recognised as an accrued expense and any short term benefit paid in advance are recognised as prepayment to the extent that it will lead to a future cash refund or a reduction in future cash payment.

26.2 Social Security and National Insurance Trust (SSNIT)

Under a National Deferred Benefit Pension Scheme, the company contributes 13% of employees' basic salary to SSNIT for employee pensions on behalf of its Ghanian employees. The Company's obligation is limited to the relevant contributions, which are settled on due dates. The pension liabilities and obligations, however, rest with SSNIT.

26.3 Contingent Liabilities

No provision has been made in these consolidated financial statements for contingent liabilities totalling N1.52 billion (2011 - N51.5m) in respect of pending litigations as 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 significant.

26.4 Capital commitments

Capital expenditure authorised by the directors but not contracted was Nil (2011 - Nil).

26.5 Other financial commitments

The Directors are of the opinion that all known liabilities and commitments which are relevant in assessing the Group's state of affairs have been taken into account in the preparation of these consolidated financial statements.

27. Retentions

Retentions assets are included in trade and other receivables. Retentions outstanding at 31 March 2012 amounted to N m (2011 - N647m).

28. Holding company and related party transactions

The Group had transactions with related parties in the form of transfers of funds and payments for goods on behalf of each other. The balances due from related companies are as follows:

	Group		Company	
	2012 N'000	2011 N'000	2012 N'000	2011 N'000
Due from related party				
CWA Furniture and Joinery Limited	**-**	-	**359,683**	414,917
CWA Ghana Limited	**-**	-	**3,580**	341
Shoreline Energy International Limited	**998,733**	1,009,107	**998,733**	1,008,524
	998,733	1,009,107	**1,361,996**	1,423,782
Due to related company				
Fortis construction Ltd	**14,719**	-	-	-
	14,719	-	**-**	-

Shoreline Energy International

Shoreline Energy International owns 43.7% of the shares of Costain (West Africa) Plc. Transactions during the year relate to transfer of fund and payment for services.

CWA Furniture and Joinery Limited

Costain (West Africa) Plc owns 100% shares of CWA Furniture and Joinery Limited. Transactions during the year relate to payment of services. Invoiced transactions worth of N79 million were made to Costain (West Africa) Plc by CWA Furniture and Joinery Limited during the year.

28. CWA Ghana Limited

Costain (West Africa) Plc owns 51% shares of CWA Ghana Limited. Transactions during the year relate to transfer of fund. N3.2 million were transferred by Costain (West Africa) Plc to CWA Ghana Limited.

Trans Amadi Facility Limited

Costain (West Africa) Plc sold N555 million out of N2 billion worth of shares in Trans Amadi Facility to Shoreline Energy International during the year. Costain (West Africa) Plc. investment in Trans Amadi is now N1.445 billion.

Shoreline Power Limted

One of the directors of Costain (West Africa) Plc is also a director in Shoreline Power Limited. Costain (West Africa) Plc rented three terrace houses and two bungalows for five years from Shoreline Power Limited for a term of five years. N26 million was charged to profit and loss during the year. There is a balance of N53 million prepaid to Shoreline Power Limited.

29. Comparative figures

Certain comparative figures have been restated in line with the presentation in the current year.

30. Risk Management

30.1 Customer base

The company has diversified its customer's base to include clients from the industrial and production sector, the oil and gas sector, private individuals, Federal, State and Local governments and government agencies, etc. This within the existing customer portfolio is to prevent the occurrence of any unanticipated risk in a particular customer cluster or business line.

The selection of clients or contracts to be executed is done by executive management based on the liquidity analysis of the prospective customers.
The company has commenced ventures in countries other than Nigeria to mitigate country risks.

30.2 Debt Recovery

Management is proactive in the recovery of payments, especially debts that are overdue. An aged analysis of debtors is carried out by management on a periodic basis and efforts are geared towards recovery of all existing debts.

Consolidated Statement Of Value Added

For The Year Ended 31 March 2012

	Group				Company			
	2012 N'000	%	2011 N'000	%	2012 N'000	%	2011 N'000	%
Turnover	**7,392,139**		9,196,545		**6,375,884**		8,894,561	
Other income	**29,264**		316,147		**29,264**		323,178	
	7,421,403		**9,512,692**		**6,405,148**		**9,217,739**	
Bought-in materials and services					-		-	
- Local	**(5,828,694)**		(8,788,030)		**(5,978,839)**		(8,506,543)	
VALUE (ERODED)/ADDED	**(1,592,709)**	**100**	724,662	100	**(426,309)**	**(100)**	711,196	100
Applied as follows:								
In payments to employees:								
Salaries, wages and other benefits	**635,897**	**40**	802,981	111	**522,548**	**123**	749,596	106
In payment to government:								
Taxation	**-**	**-**	366,434	50	**-**	**-**	365,464	51
Providers of capital:								
Interest expenses	**236,230**	**15**	158,014	22	**228,052**	**52**	155,139	22
Retained for future replacement of assets and expansion of business								
Depreciation	**(612,021)**	**(38)**	644,683	89	**567,212**	**133**	597,651	84
Loss for the year	**(1,852,815)**	**(116)**	(1,247,450)	(172)	**(1,744,121)**	**(409)**	(1,156,654)	(163)
	(1,592,709)	**(100)**	724,662	100	**(426,309)**	**(100)**	711,196	100

Value added represents the wealth created by the efforts of the company and its employees. This statement shows the allocation of the wealth between employees, providers of capital, government and that retained by the company for the future creation of wealth.

Consolidated Financial Summary

31 March

	Group			Company	
	2012 N'000	**2011 N'000**	**2010 N'000**	**2009 N'000**	**2008 N'000**
ASSETS EMPLOYED					
Fixed assets	5,451,420	6,064,908	5,449,135	3,531,285	1,746,542
Investment	1,445,500	2,000,000	2,004,060	2,000,000	-
Net current (liabilities)/assets	(1,100,794)	(1,017,811)	780,779	3,455,515	(1,292,778)
Other long - term liabilities	(1,116,423)	(438,879)	-387,953	(294,507)	(1,386,144)
	4,679,703	**6,608,218**	**7,846,021**	**8,692,293**	**(932,380)**
CAPITAL AND RESERVES					
Share capital	542,191	542,191	542,191	542,191	79,960
Revaluation reserve	1,687,349	1,687,349	-	-	-
Exchange difference reserve	188	605	-	-	-
Minority interest	(20,281)	55,002	1,733,309	1,733,309	1,247,516
Share premium	9,409,456	9,409,456	9409456	9,409,456	44,189
Revenue reserve	(6,939,200)	(5,086,385)	(3,838,935)	(2,992,663)	(2,304,045)
	4,679,703	**6,608,218**	**7,846,021**	**8,692,293**	**(932,380)**
TURNOVER	7,392,139	9,196,545	9,644,641	6,274,115	3,814,900
(Loss)/profit before taxation	(1,928,098)	(880,822)	53,273	(574,787)	380,516
(Loss)/profit after taxation	**(1,852,815)**	(1,247,450)	33,402	(615,124)	353,217
Per Share Data:(kobo)					
(Loss)/earnings	(171)	(115)	3	(57)	221
Net assets/(liabilities)	432	609	724	802	(583)

Note:

1. (Loss)/earnings per share are based on (loss)/ profit after tax and the number of issued and fully paid ordinary shares at the end of each financial year.

2. Net assets / (liabilities) per share are based on the net assets/(liabilities) and the number of issued and fully paid ordinary shares at the end of each financial year.

Dividend

The Company did not declare dividend for more than twelve (12) years. However, the records reveal that some dividend warrants over the past years have not been presented to the bank for payment.

Shareholders who have challenges regarding past dividends are advised to contact the Registrar, First Registrars Limited, Plot 2, Abebe Village Road, Iganmu, Lagos.

E-Dividend

The Company did not declare any dividend in the current year. Regardless, our Shareholders are advised to embrace the e-Dividend payment. It is safe, fast, reliable and eliminates the incidence of lost dividend warrants among others. Shareholders are advised to contact the Registrars for further information and guidance.

Share Certificates

A number of Share Certificates have been returned as unclaimed because the address provided could not be located/traced. On the other hand, there are possibilities that there are some shareholders who are yet to receive their Certificates.

The affected shareholders are therefore advised to contact the Registrars, First Registrars, Plot 2, Abebe Village Road, Iganmu, Lagos. You are also enjoined to copy the Company Secretary, Costain (West Africa) Plc in your correspondence to the Registrars.

Notes

e-DIVIDEND/MONEY RETURN FORM

To:
The Registrar,
First Registrars Nigeria Limited
Plot 2, Abebe Village Road,Iganmu,
P.M.B. 12692,
Lagos.

Only Clearing banks are acceptable

I/we hereby request that from now on, all dividend warrants due to me/us from my/our holding(s) in all the companies ticked in column 1 be paid directly to my/our Bank named below.

I/We are yet to receive my/our return money/interest due to me/us in respect of the recent offer(s) of the company(ies) ticked in column 2 of the table. Please credit my account detailed below.

Shareholder's Full Name.....
Surname First

Shareholder's Address.....

.....

.....

Shareholder's Email.....

GSM Number.....

Unit applied for.....

Year of Purchase.....

Single Shareholder's/Company Signature.....

Joint Shareholder's/Company Signatures

(1).....

(2).....

Company Seal.....

Bank Name.....

Bank Branch Address.....

Bank Account Number.....

Branch Sort Code.....
Very Important

Bank's Authorised Signature & Stamp

(1).....
Please include page no.

(2).....
Please include page no.

First Registrars Nigeria Limited *...registrars of first choice*

Please tick coloum 1 for the e-dividend and 2 for the e-return money/interest

NAME OF COMPANY	1	2
2ND LAGOS STATE GOVT. REV. BOND		
AFRICAN PAINT PLC		
ANCHOR FUNDS		
ARM AGGRESSIVE GROWTH FUND		
ARM DISCOVERY FUND		
ASO SAVING AND LOANS PLC		
ASSOCIATED BUS COY. LTD (ABC)		
BANK PHB PLC		
BCN PLC		
BEDROCK FUND		
CHAMS NIGERIA PLC		
COSTAIN WEST AFRICA PLC		
DAAR COMMUNICATIONS PLC		
DEAP CAPITAL MANAGEMENT & TRUST PLC		
DOVE MEDIA PLC		
FAMAD PLC		
FBN HERITAGE FUND		
FIDELITY NIGFUND		
FIDELITY BANK PLC		
FIRST BANK OF NIGERIA PLC		
FRIESLANDFOODS WAMCO NIGERIA PLC		
JAIZ INTERNATIONAL PLC		
JULI PLC		
KAKAWA GUARANTEED INCOME FUND		
LONGMAN NIGERIA PLC		
NIGERIAN BREWERIES PLC		
OANDO PLC		
OASIS INSURANCE PLC		
PARTNERSHIP CAPITAL PLC		
PRESCO PLC		
PRESTIGE ASSURANCE PLC		
PZ INDUSTRIES PLC		
RAK UNITY PLC		
STACO INSURANCE PLC		
STANBIC IBTC BANK		
STANDARD ALLIANCE INSURANCE PLC		
STANBIC IBTC ETHICAL FUND		
STARCOMMS PLC		
THE IBTC GUARANTEED INCOME FUND		
THE IBTC NIGERIAN EQUITY FUND		
UNION DIAGNOSTIC AND CLINICAL SERVICES LTD		

CSCS ACCOUNT NOTIFICATION

To:

The Registrar,
First Registrars Nigeria Limited
Plot 2, Abebe Village Road,Iganmu,
P.M.B. 12692,
Lagos.

Please credit my account at CentralSecurities Clearing Systems Ltd (CSCS) withall allotments including bonuses due to me frommy holdings in the companies as ticked at theright hand column:

Personal Data

Surname: .....

Other Names: .....

Address: .....

.....

.....

Mobile Phone: .....

E-mail: .....

Shareholder's Signature:

1. .....

2. .....

Corporate Seal/Stamp.....
For Corporate shareholders

CSCS Details

Stockbroker: .....

Clearing House Number: .....

Please attach a copy of your cscs statement to this form as evidence that a CSCS Account has been opened for you

website:www.firstregistrarsnigeria.com;
E-mail: info@firstregistrarsnigeria.com

Tick	NAME OF COMPANY	Account No.
	LAGOS STATE GOVT. BOND	
	ANCHOR FUND-FUND	
	ARM AGGRESSIVE GROWTH FUND	
	ARM DISCOVERY FUND	
	ASO-SAVINGS AND LOANS PLC	
	ASSOCIATED BUS COMPANY PLC	
	BANK PHB PLC	
	BCN PLC-MARKETING COMPANY	
	BEDROCK FUND-FUND	
	CHAMS NIGERIA LIMITED-CHAMS	
	COSTAIN WEST AFRICA PLC	
	DAAR COMMUNICATIONS PLC	
	DEAP CAPITAL MANAGEMENT & TRUST PLC	
	ECOBANKTRANSNATIONAL INCORPORATION	
	FAMAD NIGERIA PLC-FOOTWARE COMPANY	
	FBN HERITAGE FUND	
	FIDELITY BANK PLC	
	FIRST BANK OF NIGERIA PLC	
	FIRSTINLAND BANK PLC	
	FRIESLANDFOODS WAMCO NIGERIA PLC	
	HONEYWELL FLOUR MILLS PLC	
	IBTC NIGERIAN EQUITY FUND	
	JAIZ INTERNATIONAL PLC-BANKING	
	JULI PHARMACY NIGERIA PLC	
	KAKAWA GUARANTEED INCOME FUND	
	LONGMAN NIGERIA PLC	
	NIGERIAN BREWERIES PLC	
	OANDO PLC	
	OCEANIC VINTAGE FUND	
	PARTNERSHIP INVESTMENT CO. LTD	
	PENIEL MICROFINANCE BANK LTD	
	PRESCO PLC	
	PRESTIGE ASSURANCE PLC	
	PZ - PATERSON ZOCONIS INDUSTRY PLC	
	STACO INSURANCE PLC	
	STANBIC IBTC ETHICAL FUND	
	STANBIC IBTC GUARANTEED INVEST. FUND	
	STANBIC IBTC NIGERIAN EQUITY FUND	
	STANDARD ALLIANCE INSURANCE PLC	
	STARCOMMS PLC	
	UNION DIAGNOSTIC AND CLINICAL SERVICES	

e-SHARE NOTIFIER SUBSCRIPTION FORM

Shareholder's Account Information

Instructions

Please fill the form and return to the address below

The Registrar,
First Registrars Nigeria Ltd.
2, Abebe Village Road, Iganmu
P. M. B. 12692 Lagos. Nigeria.

Last Name (in block letters)

First Name Other Names

Address Line 1

Address Line 2

City State

Country Postal Code

Mobile Telephone

Email Address

Signature Corporate Stamp/Seal

Charges:

Individual:	N 1000 per annum
Corporate Bodies:	N 2000 per annum
Stockbrokers :	N 5000 per annum

NOTE: All payments should be made into **Account No. 1912030017374** in any First Bank branch nationwide and a copy of the payment slip attached to this form upon submission.

Tick	NAME OF COMPANY	Account No.
	LAGOS STATE GOVT. BOND	
	ANCHOR FUND-FUND	
	ARM AGGRESSIVE GROWTH FUND	
	ARM DISCOVERY FUND	
	ASO-SAVINGS AND LOANS PLC	
	ASSOCIATED BUS COMPANY PLC	
	BANK PHB PLC	
	BCN PLC-MARKETING COMPANY	
	BEDROCK FUND-FUND	
	CHAMS NIGERIA LIMITED-CHAMS	
	COSTAIN WEST AFRICA PLC	
	DAAR COMMUNICATIONS PLC	
	DEAP CAPITAL MANAGEMENT & TRUST PLC	
	ECOBANKTRANSNATIONAL INCORPORATION	
	FAMAD NIGERIA PLC-FOOTWARE COMPANY	
	FBN HERITAGE FUND	
	FIDELITY BANK PLC	
	FIRST BANK OF NIGERIA PLC	
	FIRSTINLAND BANK PLC	
	FRIESLANDFOODS WAMCO NIGERIA PLC	
	HONEYWELL FLOUR MILLS PLC	
	IBTC NIGERIAN EQUITY FUND	
	JAIZ INTERNATIONAL PLC-BANKING	
	JULI PHARMACY NIGERIA PLC	
	KAKAWA GUARANTEED INCOME FUND	
	LONGMAN NIGERIA PLC	
	NIGERIAN BREWERIES PLC	
	OANDO PLC	
	OCEANIC VINTAGE FUND	
	PARTNERSHIP INVESTMENT CO. LTD	
	PRESCO PLC	
	PRESTIGE ASSURANCE PLC	
	PZ - PATERSON ZOCONIS INDUSTRY PLC	
	STACO INSURANCE PLC	
	STANBIC IBTC BANK PLC	
	STANDARD ALLIANCE INSURANCE PLC	
	STARCOMMS PLC	
	UNION DIAGNOSTIC AND CLINICAL SERVICES	

SHAREHOLDER ONLINE ACCESS REGISTRATION FORM

Shareholder's Account Information

Instructions

Please fill the form and return to the address below

The Registrar,
First Registrars Nigeria Ltd.
2, Abebe Village Road, Iganmu
P. M. B. 12692 Lagos. Nigeria.

Last Name (in block letters)

First Name Other Names

Address Line 1

Address Line 2

City State

Country Postal Code

Mobile Telephone

Email Address

Signature

Tick	NAME OF COMPANY	Account No.
	LAGOS STATE GOVT. BOND	
	ANCHOR FUND-FUND	
	ARM AGGRESSIVE GROWTH FUND	
	ARM DISCOVERY FUND	
	ASO-SAVINGS AND LOANS PLC	
	ASSOCIATED BUS COMPANY PLC	
	BANK PHB PLC	
	BCN PLC-MARKETING COMPANY	
	BEDROCK FUND-FUND	
	CHAMS NIGERIA LIMITED-CHAMS	
	COSTAIN WEST AFRICA PLC	
	DAAR COMMUNICATIONS PLC	
	DEAP CAPITAL MANAGEMENT & TRUST PLC	
	ECOBANKTRANSNATIONAL INCORPORATION	
	FAMAD NIGERIA PLC-FOOTWARE COMPANY	
	FBN HERITAGE FUND	
	FIDELITY BANK PLC	
	FIRST BANK OF NIGERIA PLC	
	FIRSTINLAND BANK PLC	
	FRIESLANDFOODS WAMCO NIGERIA PLC	
	HONEYWELL FLOUR MILLS PLC	
	IBTC NIGERIAN EQUITY FUND	
	JAIZ INTERNATIONAL PLC-BANKING	
	JULI PHARMACY NIGERIA PLC	
	KAKAWA GUARANTEED INCOME FUND	
	LONGMAN NIGERIA PLC	
	NIGERIAN BREWERIES PLC	
	OANDO PLC	
	OCEANIC VINTAGE FUND	
	PARTNERSHIP INVESTMENT CO. LTD	
	PRESCO PLC	
	PRESTIGE ASSURANCE PLC	
	PZ - PATERSON ZOCONIS INDUSTRY PLC	
	STACO INSURANCE PLC	
	STANBIC IBTC BANK PLC	
	STANDARD ALLIANCE INSURANCE PLC	
	STARCOMMS PLC	
	UNION DIAGNOSTIC AND CLINICAL SERVICES	

Proxy Form

63RD & 64TH ANNUAL GENERAL MEETING TO BE HELD at the Mainland Hotel, Oyingbo, Lagos on Tuesday 14th May, 2013 at 11.00 O' Clock.

*"I/We ……
(Name of Shareholder in block letters)

of……
being a member/members of Costain (West Africa) Plc hereby

appoint……
or Failing him the Chairman of the meeting Mr Orikolade Karim as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday 14th May, 2013, and at any adjournment thereof".

Dated this ……. day of.....2011

Shareholder's Signature.....

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 can not 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.

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

(a) Write your name in CAPITALS on the proxy form where marked.

(b) Write the name of your proxy (if any) where marked.

(c) Ensure that the form is signed by you and duly stamped by the Commisioner of Stamp Duty.

(d) Forward the proxy form so as to reach The Registrar, FIRST REGISTRARS NIGERIA LIMITED, PLOT 2, ABEBE VILLAGE ROAD, IGANMU, LAGOS not less than 48 hours before the time for holding the meeting.

(e) if executed by a corporate body, the proxy form must be sealed with the common seal.

Number of shares:		
RESOLUTIONS	**FOR**	**AGAINST**
To re-elect Directors (a) Mr. Harm Ploeger (b) Dr. Oladimeji Bada		
To elect Directors (a) Mr. Mark Stephens (b)		
To authorise the directors to fix remuneration of the Auditors		
To elect/re-elect members of the Audit Committee		
Special Business		
To approve the remuneration of the Directors		
Please indicate with 'x' in the appropriate box how you wish 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.		

Before posting the above Form, please tear off this part and retain it for admission to the meeting.

ADMISSION FORM

RC 672

PLEASE ADMIT_____
to the **63RD & 64TH Annual General Meeting** of **Costain (West Africa) Plc** which will be held at the Mainland Hotel, Oyingbo, Lagos on Tuesday 14th May, 2013 at 11.00 O' Clock.

This admission form must be produced by the shareholder or his Proxy in order to obtain entrance to the Annual General Meeting.
Lara Coker (Mrs)
Company Secretary

_____
Name of Shareholder

_____
Address of Shareholder

_____
Number of Shares Held

Notes

Notes