

# Samba Foods Ltd.

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## **UNAUDITED FINANCIAL STATEMENTS**

**FOR THE HALF - YEAR ENDED**

**JUNE 30, 2015**

**Management**

July 2015

**REPORT OF THE DIRECTORS  
 TO THE SHAREHOLDERS OF SAMBA FOODS LIMITED**

The Directors have the pleasure in submitting their annual report together with the Unaudited financial statements of the company for the half - year ended June 30, 2015 showing an accumulated deficit of GH¢578,747 made up as follows :

	GH¢
Balance January 1, 2015.	(316,741)
Prior Year Adjustment	-
Add: Net Profit/Loss after Tax transferred        }	
From Income Statement	(262,006)
Profit Available For Distribution	(578, 747)
Less: Dividend	-
Balance as at June 30, 2015	(578,747)

**DIVIDENDS**

The Directors do not recommend the payment of DIVIDEND for the half - year ended June 30, 2015.

**BUSINESS**

There has been no change in the nature of Business of the company.

**DIRECTORS**

The names of the Directors who have held office during the year are as follows:

- Leticia Osafo - Addo
- Kwame Osafo - Addo
- Awo Dede Osafo - Addo
- Charles Darko
- Fuseini Issah

**AUDITORS**

In accordance with section 134 (4) of the COMPANIES CODE 1963, ACT 179, Messrs Iaco Consult, Chartered Accountants, have indicated their willingness to continue in office as Auditors of the company.

By Order of the Board

  
 .....  
 Director

  
 .....  
 Director

STATEMENT OF FINANCIAL PERFORMANCE  
 FOR THE HALF - YEAR ENDED JULY 30, 2015

	NOTES	<b>HALF YEAR 2015 GH¢</b>	<b>FULL YEAR 2014 GH¢</b>
Income	12	124,417	398,486
Cost of Sales	13	<u>178,642</u>	<u>306,763</u>
Gross Profit / (Loss)		(54,225)	91,723
General & Admin Expenses		(70,601)	(103,474)
Other Income		-	-
Finance Charges	15	<u>(137,180)</u>	<u>(59,490)</u>
Net (Loss) / Profit Before Tax		(262,006)	(71,241)
Tax		=	=
Net (Loss) / Profit After Tax		<u>(262,006)</u>	<u>(71,241)</u>

STATEMENT OF ACCUMMULATED INCOME SURPLUS  
 FOR THE HALF - YEAR ENDED JULY 30, 2015

	<b>HALF YEAR 2015 GH¢</b>	<b>FULL YEAR 2014 GH¢</b>
Balance at 1st January	(316,741)	(245,500)
Prior Year Adjustment	-	-
Net (Loss) / Profit for the year	<u>(262,006)</u>	<u>(71,241)</u>
Balance at June 30	<u>(578,747)</u>	<u>(316,741)</u>
Loss per Share	<u>(0.04)</u>	<u>(0.28)</u>

STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2015

		HALF YEAR	FULL YEAR
		<b>2015</b>	<b>2014</b>
<b>Non Current Assets:</b>	NOTES	<b>GH¢</b>	<b>GH¢</b>
Intangible Assets	2	24,708	24,708
Tangible Fixed Assets	2	<u>2,666,718</u>	<u>2,603,870</u>
		<u>2,691,426</u>	<u>2,628,578</u>
<b>Current Assets:</b>			
Stocks	3	190,087	147,138
Receivables	4	61,488	45,934
Cash & Bank Balances	5	1,844,308	4,757
Taxation	9	<u>15,678</u>	<u>15,678</u>
		<u>2,111,561</u>	<u>213,507</u>
<b>Total Assets</b>		<u><u>4,802,987</u></u>	<u><u>2,842,085</u></u>

**LIABILITIES AND SHAREHOLDERS EQUITY**

**Current Liabilities**

Creditors	6	60,174	48,396
Bank Overdraft	7	-	-
Other Accounts Payable	8	-	3,000
Taxation	9		
		<u>60,174</u>	<u>51,396</u>

<b>Term Loan</b>	10	348,503	626,871
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**Shareholders Equity**

Capital Account	11	2,750,498	250,000
Capital Surplus		2,222,559	2,222,559
Income Surplus		<u>(578,747)</u>	<u>(316,741)</u>
		<u>4,394,310</u>	<u>2,155,818</u>

Directors' Advances		-	<u>8,000</u>
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<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>		<u>4,802,987</u>	<u>2,842,085</u>
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DIRECTOR

DIRECTOR

The accompanying NOTES 1-19 form an integral part of this Financial Statements and should therefore be read in conjunction therewith.

**STATEMENT OF CASH FLOW  
AS AT JUNE 30, 2015**

	<b>HALF YEAR 2015 GH¢</b>	<b>FULL YEAR 2014 GH¢</b>
Net Cash flow from operating activities	(179,800)	38,697
Servicing of Finance	(105,320)	(58,398)
Taxation	(3,925)	(3,925)
Cash flow used by/(from) investing activities		
- Purchase of fixed assets	(60,013)	(251,570)
- MOFA Equipment	=	=
Net Cash Outflow from Investing Activities	<u>(60,013)</u>	<u>(251,570)</u>
<b>Net Cash Inflow Before Financing</b>	<b>(349,058)</b>	<b>(275,196)</b>
Cash flow from / (used by) financing activities :-		
-Term Loan proceeds	-	219,970
-Shares proceeds	230,000	230,000
- Director's Advances	<u>(8,000)</u>	<u>8,000</u>
Net Cash Outflow from Financing Activities	<u>222,000</u>	<u>457,970</u>
<b>Total cash flow</b>	<b>(127,058)</b>	<b>182,774</b>
Effect of foreign Exchange rates	-	-
Effect of unrealised foreign Exchange difference		
	<u>(127,058)</u>	<u>182,774</u>
Change in cash and cash Equivalent	1,839,551	182,774
Opening balance of cash and cash equivalent	4,757	(178,017)
Closing balance of cash and cash equivalent	1,844,308	4,757

**STATEMENT OF CHANGES IN EQUITY**

<b>AS AT JUNE 30, 2015</b>	Balance as at January 1, 2015	Additions during the half year	<b>Balance as at June 30, 2015</b>
	GHC	GHC	<b>GHC</b>
Authorized Capital	1,000,000,000	-	<b>1,000,000,000</b>
Issued Capital	250,000	5,726,053	<b>5,976,053</b>
Stated Capital	250,000	2,500,498	<b>2,750,498</b>
Capital Surplus	2,222,559	-	<b>2,222,559</b>
Income Surplus	(316,741)	(262,006)	<b>(578,747)</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
 FOR THE HALF - YEAR ENDED JUNE 30, 2015**

NOTE 1 : ACCOUNTING POLICIES

- A) **Basis of Accounting**  
 These financial statements have been prepared in harmony with the international accounting standards.
- B) **Income Recognition**  
 Sales comprise the invoice value of goods supplied to customers less returns and trade discounts.
- C) **Fixed Assets and Depreciation**  
 Fixed Assets are stated at cost less depreciation.  
  
 Depreciation is calculated to write-off the cost of fixed assets over their estimated useful lives by applying a fixed annual rates to the cost of the related assets.  
  
 The rates applicable are:
- |                                    |               |
|------------------------------------|---------------|
| Land                               | Over 60 years |
| Motor Vehicles                     | 20%           |
| Factory Equipment                  | 20%           |
| Computers                          | 30%           |
| Office Equip, Furniture & Fittings | 15%           |
- D) **Stocks**  
 Stocks are stated at the lower of cost or net realisable value.
- E) **Accounts Receivable**  
 Debtors are stated after deducting provision for irrecoverable debts.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE HALF - YEAR ENDED JUNE 30, 2015**

NOTE 2 : COMPOSITION OF FIXED ASSETS

	<u>Land</u> GH¢	<u>Vehicles</u> GH¢	<u>Motor</u> <u>Equipm't</u> GH¢	<u>Factory</u> <u>Computers</u> GH¢	<u>Office</u> <u>Equip</u> <u>&amp;</u> <u>Furniture</u> GH¢	<u>MOFA</u> <u>Equip</u> GH¢	<u>Total</u> GH¢
COST / VALUATION:							
BALANCE - 01/01/15	2,494,767	44,600	324,148	10,050	6,799	163,675	3,044,039
VALUATION	-						-
ADDITION	-	-	<u>59,363</u>	-	<u>650</u>	-	<u>60,013</u>
COST / VALUATION	2,494,767	44,600	383,511	10,050	7,449	163,675	3,104,052
DISPOSAL							-
BALANCE - 30/06/15	<u>2,494,767</u>	<u>44,600</u>	<u>383,511</u>	<u>10,050</u>	<u>7,449</u>	<u>163,675</u>	<u>3,104,052</u>
DEPRECIATION RESERVE:							
BALANCE - 01/01/15	135,016	34,100	255,687	10,050	5,316	-	440,169
CHARGE FOR THE YEAR	-	<u>1,050</u>	<u>20,710</u>	-	<u>113</u>	-	<u>21,873</u>
TOTAL DEP RE RESERVE	135,016	35,150	276,397	10,050	5,429	-	462,042
DISPOSAL	-	-	-	-	-	-	-
BALANCE - 30/06/15	<u>135,016</u>	<u>35,150</u>	<u>276,397</u>	<u>10,050</u>	<u>5,429</u>	<u>-</u>	<u>462,042</u>
CARRYING VALUE							
As at 30/06/2015	<u>2,359,751</u>	<u>9,450</u>	<u>107,114</u>	<u>-</u>	<u>2,021</u>	<u>163,675</u>	2,642,010

Deferred Intangible Asset	<u>Note 3a</u>	<u>24,708</u>
Balance Carried To Statement Of Financial Condition		<u>2,666,718</u>

	<b>HALF YEAR</b>	<b>FULL YEAR</b>
NOTE 3a DEFERRED BUSINESS DEVELOPMENT EXPENDITURE	<b>2015</b>	<b>2014</b>
	GH¢	GH¢
Bal B/fwd	24,708	37,062
Addition -Current Period	-	-
	24,708	37,062
Amortisation	-	(12,354)
Bal C/fwd	24,708	24,708

This relates to expenses incurred to put rented factory premises to shape. The balance carried forward and any additions during the year is written off over the remaining life of the lease.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE HALF - YEAR ENDED JUNE 30, 2015**

	HALF YEAR 2015 GH¢	FULL YEAR 2014 GH¢
<b>NOTE 3 : STOCKS</b>		
Bottles	-	-
Raw Materials	80,600	-
Packaging Materials	89,137	118,700
Trading	<u>20,350</u>	<u>28,438</u>
	<u>190,087</u>	<u>147,138</u>
<b>NOTE 4 : RECEIVABLES</b>		
Trade Debtors	48,188	45,934
Rent Advance	13,300	-
Staff Debtors	=	=
	<u>61,488</u>	<u>45,934</u>
<b>NOTE 5 : CASH AT BANK/ HAND</b>		
Unibank	1,811,675	-
Zenith Bank	32,033	1,157
Cash on Hand	<u>600</u>	<u>3,600</u>
	<u>1,844,308</u>	<u>4,757</u>
<b>NOTE 6 : CREDITORS</b>		
Trade Creditors	60,174	48,396
Statutory	=	=
	<u>60,174</u>	<u>48,396</u>
<b>NOTE 7 : BANK OVERDRAFT</b>		
Stanbic Bank	-	-
GCB	-	-
ADB	=	=
	<u>=</u>	<u>=</u>
<b>NOTE 8 : OTHER ACCOUNTS PAYABLE</b>		
Salaries	-	-
Rent	-	-
Iaco Consult	-	3,000
Others	=	=
	<u>=</u>	<u>3,000</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
 FOR THE HALF- YEAR ENDED JUNE 30,  
 2015**

**NOTE 9 : TAXATION**

Year	Balance B/F GH¢	Charge for the Year GH¢	Total Liability GH¢	Tax Paid GH¢	<u>Balance</u> GH¢
2012	-	-	-	-	-
Adj	-	5,842	5,842	-	5,842
2013	5,842	-	5,842	17,595	(11,753)
2014	(11,753)	-	(11,753)	3,925	(15,678)
2015	(15,678)		(15,678)		(15,678)

<b>HALF YEAR</b>	<b>FULL YEAR</b>
<b>2015</b>	<b>2014</b>
<b>GH¢</b>	<b>GH¢</b>

**NOTE 10 : TERM LOAN**

Venture Capital Fund	198,503	198,503
Stanbic Bank	-	219,970
Interest	-	58,398
M.O.F.A - ADB	<u>150,000</u>	<u>150,000</u>
	<u>348,503</u>	<u>626,871</u>

M.O.F.A relates to the cost of imported factory equipment the value and interest of which have now been agreed. These are yet to be installed.

**NOTE 11 : STATED CAPITAL**

<u>2,750,498</u>	<u>250,000</u>
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This represents 5,976,053 Shares issued and fully paid out of the Authorized Shares of 1,000,000,000. There were no shares in Treasury. The Board passed a resolution to increase the stated capital to GHC 250,000 in 2014.

**NOTE 12 : SALES**

124,417	398,486
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NOTE 13 : COST OF SALES

Opening Stock	-	13,300
Purchases	191,724	173,486
Factory Wages	12,478	28,493
Overheads	<u>46,952</u>	<u>96,423</u>
Cost of Goods Produced	251,154	311,701
Add: Finished Goods b/f	28,438	23,500
Less: Raw Materials c/d	80,600	-
Less: Finished Goods c/d	<u>20,350</u>	<u>28,438</u>
	<u>178,642</u>	<u>306,763</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE HALF - YEAR ENDED JUNE 30,  
2015**

HALF YEAR 2015 GH¢	FULL YEAR 2014 GH¢
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NOTE 14 : OTHER INCOME	-	-
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NOTE 15 : Other Costs

Audit Fee	-	3,000
Salaries	21,404	4,486
Marketing & Communication	18,341	1,308
Travelling & Transport	4,729	500
Printing & Stationery	101	225

Vehicle Running Expenses	6,071	9,606
Rent	9,500	3,435
Electricity & Water	703	1,570
Cleaning & Sanitation	300	600
Board Expenses	3,489	-
Rates	-	1,400
Rep. & Mtce - Equipment	-	3,419
Registration & Licensing	4,800	6,737
Depreciation	<u>1,163</u>	<u>67,188</u>
	<u><u>70,601</u></u>	<u><u>103,474</u></u>

NOTE: Marketing and Communication cost of Ghc 18,341 is the marketing expense  
 Incurred during the launch of IPO

**NOTE 16 : FINANCIAL CHARGES**

Bank Charges	382	1,091
Interest Charges	31,478	58,398
Financial Consultancy	<u>105,320</u>	-
	<u><u>137,180</u></u>	<u><u>59,490</u></u>

**NOTE 17 : CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

There were no contingent liabilities or capital commitments at the end  
 of the year.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
 FOR THE HALF - YEAR ENDED JUNE 30, 2015**

	<b>HALF YEAR 2015 GH¢</b>	<b>FULL YEAR 2014 GH¢</b>
NOTE 18 : NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES		
Loss Before Interest and Taxation	(151,948)	(39,583)
Adjustment for Non Cash Items		
Other Income	-	-
Depreciation Charge	<u>21,873</u>	<u>96,736</u>
Changes in Current Assets and Liabilities	(130,075)	57,152
Stocks	(42,949)	21,262
Trade Accounts Receivable and Prepayments	(15,554)	(27,834)
Trade Accounts Payable and Accruals	8,778	(11,883)
Prior Year Adjustment	=	=
	<u>(179,800)</u>	<u>(128,563)</u>