



FAN MILK LIMITED

Un-Audited Financial Statements for the nine months ended September 30, 2019

Statement of Comprehensive Income for the nine months ended September 30, 2019

	2019 GH¢'000	2018 GH¢'000
Revenue	330,096	284,466
Cost of Sales	(200,633)	(175,665)
Gross Profit	129,463	108,801
Sales and Distribution Costs	(62,697)	(54,651)
Administrative Expenses	(19,474)	(19,201)
Depreciation & Amortisation	(23,230)	(20,394)
Other Income	921	14,341
Operating Profit	24,984	28,895
Finance Income	3,857	917
Finance Cost	(2,086)	(823)
Net Profit before tax	26,755	28,989
Taxation	(7,518)	(7,627)
Net Profit after tax	19,237	21,362
Other Comprehensive Income	-	-
Total Comprehensive Income	19,237	21,362
Number of Shares outstanding	116,207,288	116,207,288
Earnings per Share	0.17	0.18

Statement of Financial Position as at September 30, 2019

	2019 GH¢'000	2018 GH¢'000
ASSETS		
Non-current assets		
Property, Plant and Equipment	186,628	199,762
186,628	199,762	
Current Assets		
Inventories	64,122	59,836
Tax	7,780	5,333
Trade and Other Receivables	16,436	15,093
Bank and Cash Balances	68,305	31,437
156,642	111,699	
TOTAL ASSETS	343,269	311,461

COMMENTS TO THE FINANCIAL STATEMENTS:

Strong Revenue growth of 23% in quarter 3 leading to year to date growth of 16%. Growth acceleration is the result of the focus in building purposeful brands and improving the distribution network. Gross Margin over Net Sales improves by 97bps compared to same period last year, as a result of continued focus in driving efficiency in operation despite the impact of inflation and currency depreciation. Operating costs increase slower than revenue growth with Administration expenses in line with last year as a result of focus on savings from operations. Operating margin declines by 14% and this is due to the asset sale in 2018 recognised in Other Income.

Statement of Changes in Equity

	2019 GH¢'000	2018 GH¢'000
EQUITY		
Stated capital	10,000	10,000
Retained earnings	243,811	233,038
TOTAL SHAREHOLDERS' EQUITY	253,811	243,038
LIABILITIES		
Non-current liabilities		
Deferred Tax	8,578	9,294
8,578	9,294	
Current liabilities		
Trade and Other Payables	77,831	56,058
Tax	-	0
Dividends	3,049	3,071
80,880	59,129	
TOTAL LIABILITIES	89,458	68,423
TOTAL EQUITY AND LIABILITIES	343,269	311,461

Statement of Cash Flows for the nine month ended September 30, 2019

	2019 GH¢'000	2018 GH¢'000
Cash Flows from Operating Activities		
Cash generated from Operations	39,393	46,110
Interest Paid	(2,086)	(823)
Interest Received	3,857	917
Tax Paid	(5,974)	(12,079)
Net Cash Generated from Operating Activities	35,190	34,125
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(8,755)	(37,242)
Right of Use - Lease Asset	(4,655)	-
Proceeds from sale of Property, Plant and Equipment	572	13,889
Net Cash used in Investing Activities	(12,838)	(23,353)
Cash Flows from Financing Activities		
Dividends Paid	(16)	(34)
Net Cash used in Financing Activities	(16)	(34)
(Decrease) in Cash and Cash Equivalents	22,336	10,738
Cash and Cash Equivalents at January 1	45,969	20,699
Cash and Cash Equivalents at September 30	68,305	31,437

Notes to the Financial Statement for the nine months ended September 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these quarterly financial statements are consistent to that of the most recent Annual Report and Accounts.

2. The financial statement have been prepared in accordance with International Financial Reporting Standards (IFRS).

3. Administrative expenses include:

	2019 GH¢'000	2018 GH¢'000
Directors Remuneration	2,187	2,312
Auditors Remuneration	182	164

4. Other Income

	2019	2018
Profit on Sale of Fixed Assets	81	13,266
Sale of Scraps & Sundry Income	138	229
Rent Income	702	846

TO THE BEST OF OUR KNOWLEDGE THE FINANCIAL STATEMENTS DO NOT CONTAIN UNTRUE STATEMENTS, MISLEADING FACTS OR OMIT MATERIAL FACTS

Dr. Charles Mensa
Board Chairman

Ziobeieton Yeo
Managing Director