

FAN MILK LIMITED

Un-Audited Financial Statements for the nine months ended September 30, 2020



Statement of Comprehensive Income for the nine months ended September 30, 2020

	2020 GH¢'000	2019 GH¢'000
Revenue	267,117	330,096
Cost of Sales	(172,577)	(200,633)
Gross Profit	94,540	129,463
Sales and Distribution Costs	(56,032)	(62,697)
Administrative Expenses	(18,176)	(19,474)
Depreciation & Amortisation	(23,873)	(23,230)
Other Income	846	921
Operating Profit	(2,694)	24,984
Finance Income	1,831	3,857
Finance Cost	(1,541)	(2,086)
Net Profit before tax	(2,404)	26,755
Taxation	-	(7,518)
Net Profit after tax	(2,404)	19,237
Other Comprehensive Income	-	-
Total Comprehensive Income	(2,404)	19,237
Number of Shares outstanding	116,207,288	116,207,288
Earnings per Share	(0.02)	0.17

Statement of Financial Position as at September 30, 2020

	2020 GH¢'000	2019 GH¢'000
ASSETS		
Non-current assets		
Property, Plant and Equipment	183,178	186,628
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Current Assets		
Inventories	108,138	64,122
Tax	6,726	7,780
Trade and Other Receivables	45,949	16,436
Bank and Cash Balances	41,241	68,305
	202,054	156,642
TOTAL ASSETS	385,232	343,269

COMMENTS TO THE FINANCIAL STATEMENTS:

Revenue for Fan Milk Ltd declined by 19%. This is as a result of the continued heavy impact of COVID 19 on our Outdoor Sales since April. Despite the strong measures put in place to attract and retain agents and vendors, the "away from home" business and industry remain severely frustrated by the pandemic and the low demand. The significant growth and potential in indoor channel, indulgence and fortified products has not been enough to compensate for the decline in the Outdoor channel due to COVID 19. The loss in revenue has strongly affected both the operating income and the net profit driving them into negative, in spite of measures put in place to reduce the operational costs.

Statement of Changes in Equity

	2020 GH¢'000	2019 GH¢'000
Stated capital	10,000	10,000
Retained earnings - January 1	249,590	224,574
Total comprehensive income	-2,404	19,237
Dividend for previous year	-	-
Retained earnings - September 30	247,186	243,811
Total equity	257,186	253,811

Statement of Cash Flows for the nine months ended September 30, 2020

	2020 GH¢'000	2019 GH¢'000
Cash Flows from Operating Activities		
Cash generated from Operations	21,362	39,393
Interest Paid	(1,541)	(2,086)
Interest Received	1,831	3,857
Tax Paid	(5,494)	(5,974)
Net Cash Generated from Operating Activities	16,158	35,190
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(14,648)	(8,755)
Right of Use - Lease Asset	-	(4,655)
Proceeds from sale of Property, Plant and Equipment	731	572
Net Cash used in Investing Activities	(13,917)	(12,838)
Cash Flows from Financing Activities		
Dividends Paid	(32)	(16)
Net Cash used in Financing Activities	(32)	(16)
(Decrease) in Cash and Cash Equivalents	2,210	22,336
Cash and Cash Equivalents at January 1	39,032	45,969
Cash and Cash Equivalents at September 30	41,242	68,305

Notes to the Financial Statement for the nine months ended September 30, 2020

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:

	2020 GH¢'000	2019 GH¢'000
Directors Remuneration	947	2,187
Auditors Remuneration	190	182
Donation	202	-

4. Other Income

	2020 GH¢'000	2019 GH¢'000
Profit on Sale of Fixed Assets	-	81
Sale of Scraps & Sundry Income	93	138
Rent Income	753	702

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