

# 2022 ANNUAL REPORT

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**Camelot**

GHANA PLC

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## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE OF ANNUAL GENERAL MEETING OF CAMELOT GHANA PLC TO BE HELD AT 10:00HRS (GMT) ON WEDNESDAY, 21<sup>ST</sup> JUNE 2023 AT CHRIST THE KING PARISH, ACCRA.**

### **CAMELOT GHANA PLC**

**NOTICE IS HEREBY GIVEN** that the 24<sup>th</sup> **PHYSICAL** Annual General Meeting of Camelot Ghana PLC ('the Company') will be held on Wednesday, 21<sup>st</sup> June 2023 at 10:00hrs GMT to transact the following business:

#### **Ordinary Business:**

1. To receive and consider the Reports of the Directors, Auditors and the Audited Financial Statements for the year ended 31<sup>st</sup> December 2022.
2. To re-elect as Directors, Prof. Henry Mensah-Brown, and Mrs. Caroline Andah who will be retiring and are due for re-election.
3. To approve the remuneration of the Directors for the year ending 31<sup>st</sup> December 2023.
4. To authorize the Directors to fix the remuneration of the Auditors for the year ending 31<sup>st</sup> December 2023.

#### **BY ORDER OF THE BOARD**



**VANTAGE GOVERNANCE LTD  
COMPANY SECRETARY**

ACCRA: Dated this 31<sup>st</sup> day of May 2023

#### **Distribution**

All Members, All Directors and the External Auditors

#### **Note:**

- i. A member entitled to attend and vote at the AGM may appoint a proxy to attend (via online participation) and vote on his/her behalf. Such a proxy need not be a member of the Company. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting (via online participation). Where a member attends the meeting in person (participates online), the proxy shall be deemed to be revoked.
- ii. Completed proxy forms may be sent via email to [registrars@myumbbank.com](mailto:registrars@myumbbank.com) / [registrar.services@myumbbank.com](mailto:registrar.services@myumbbank.com) or deposited at the registered office of the Registrar of the Company, **UMB, 44 Kwame Nkrumah Avenue Okaishie, Accra** or posted to the Registrar at **UMB, P.O. Box GP 401, Accra** and arrive not later than 48hours before the appointed time of the meeting (**14:00hrs GMT on 19<sup>th</sup> June 2023**). A Form of Proxy is annexed to this notice.
- iii. The Annual Report may be viewed at [www.camelotprint.com](http://www.camelotprint.com)

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## DIRECTORS, OFFICIALS AND REGISTERED OFFICE

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### DIRECTORS

Mrs. Elizabeth Joyce Villars (Chairman)  
Mr. John Colin Villars (Group Managing Director)  
Mrs. Caroline Andah  
Prof. Robert Hinson  
Prof. Henry Mensah-Brown  
Mrs. Rachel Baddoo

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### REGISTERED OFFICE

Premises of Camelot Ghana Limited  
Osu- La Road (Opposite GCB Osu-Branch)  
P. O. Box M191Accra

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### SECRETARY

Vantage Governance Ltd  
No. 9, Abidjan Street  
East Legon, Accra

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### AUDITORS

**Baker Tilly Andah + Andah**  
Chartered Accountants  
18 Nyanyo Lane, Asylum Down  
P. O. Box CT 5443  
Cantonments, Accra

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### BANKERS

Access Bank Ghana Limited  
ADB Bank Limited  
Bank of Africa Ghana Limited  
Ecobank Ghana Limited  
FBN Bank Limited  
Fidelity Bank Ghana Limited  
First Atlantic Bank  
GCB Bank Limited  
NIB Bank  
UMB Bank Limited  
United Bank of Africa (Ghana) Limited  
Zenith Bank Ghana Ltd



## BOARD OF DIRECTORS

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### MRS. ELIZABETH JOYCE VILLARS

Mrs. Villars is the Founder and Board Chairman of Camelot Ghana Limited. She has worked as a Systems Consultant with West African Data Services Bureau (WADSB). She is the past president of the Association of Ghana Industries as well as a past president of the Governing Council of the Private Enterprise Foundation. She is currently the Chairman of the Steering Committee of Business Support Advocacy Challenge Fund (BUSAC). She was also a member of the Ghana Investment Advisory Council (GIAC) which was an advisory board formed to advise Ex-President John Agyekum Kuffour of the Republic of Ghana on foreign direct investment strategies for Ghana. In 2008 Mrs Elizabeth Joyce Villars was awarded the Order of the Volta Companion for her outstanding service under Ex-President J. A Kuffour, 2nd president of the Fourth Republic.



### MR. JOHN COLIN VILLARS

John is presently the CEO of CAMELOT Ghana plc. From previous work experience in Investment Banking (Corporate Finance), he was instrumental in the listing of Camelot Ghana Limited on the Ghana Stock exchange, in the country's first ever fully-underwritten IPO.

Subsequently, he worked in various roles in the company, and founded Camelot Security Solutions Limited (CSSL); the subsidiary in Nigeria. John holds a B.A in Business Admin (Finance & Accounting) from The American University in London (Richmond), a Post-Graduate Diploma in Industrial Financial Management from the Bergische Universitat Gesamthochschule (BUGH) in Germany. John has an LLB from University of London, and a Legal Practice Certificate (LPC) and MSc in Law, Business and Management from the University of Law. He is a Barrister and Solicitor of the Supreme Court of Ghana.



### MRS. CAROLINE ANDAH

Caroline Andah is a consult who has worked for over 30 years in Ghana's financial sector. She started her career at the Ministry of Finance and Economic Planning as an Economic Officer. She then moved to the private sector, worked at New World Investment Services as the Head of Brokerage, Research and General Operations, worked for several years at CDH, in various capacities including, Head of Corporate Finance and Head of Brokerage and Asset Management and was also the General Manager of HFC Investment Services responsible for both investment services and real estate development until she set up her own consulting firm, Hadna Trust Ltd, providing financial intermediation services including originating, structuring and arranging short and medium term facilities for small and medium scale enterprises.

Caroline holds an MBA in Finance from the University of Houston and a BA in Economics with Statistics from the University of Ghana.

She has served on several boards including the Council of the Ghana Stock Exchange. Currently, in addition to Camelot Ghana Ltd.'s Board, she serves on the Boards of Cirrus Oil Services Limited, and Keda Development Ltd.

## BOARD OF DIRECTORS

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### **PROF. HENRY MENSAH BROWN**

Dr. Henry Mensah Brown is currently a Senior Lecturer and Head of Department of Food Process Engineering in University of Ghana. He has an earned PhD in Chemical Engineering from Imperial College of Science, Technology & Medicine in London and an MBA in Finance from the University of Ghana. He is a member of the Advisory Board of the Institute of Applied Science & Technology of the University of Ghana. He was a Principal Consultant for Deloitte & Touche (West Africa) Limited and Director, Corporate Finance & Equity Research of Gold Coast Securities Limited. He was also the General Manager for the Domod Aluminium Company Limited. He is a member of the Technical Committee (TC22) for Oil and Gas Standards in Ghana and a member of the Ghana Institution of Engineers (GhIE).



### **PROF. ROBERT E. HINSON**

Dr. Robert Ebo Hinson is a Professor and immediate past head of the Department of Marketing and Entrepreneurship at the University of Ghana Business School. A holder of a doctorate degree in Marketing from the University of Ghana and a second in International Business from Aalborg University in Denmark, Robert is currently Acting Head of Hilla Limann Hall at the University of Ghana. Dr. Hinson's research has a quadruple focus on marketing and communications, information and technology management, service management; as well as social responsibility and sustainability management. Professor Hinson has been consultant to several institutions locally and internationally and chairs the board of TeleMedia Communications; a Ghanaian firm specializing in advertising and public relations.



### **MRS RACHEL BADDOO**

Mrs Rachel Baddoo attended the University of Ghana and the Ghana School of Law. She is a lawyer by profession with considerable experience in both Public and Private sectors including 5 years at the Attorney-General's office and 14 years at Merchant Bank (Ghana) Limited (now Universal Merchant Bank).

At Merchant Bank she was the Head of the Legal Department for 13 years and Secretary to the Board of Directors of the Bank for 10 years and for several years was Secretary to the Bank's subsidiary companies (Stockbrokers, Finance and Leasing and Investment Holdings). This gave her a wealth of experience with Investment, Capital Markets, Merger and Acquisitions, Due Diligence and related issues. Mrs Baddoo left Merchant Bank at the grade of General Manager, by which time as part of the Executive team, she had become experienced in handling and successfully managing complex and delicate issues.

Mrs Baddoo has attended numerous courses – related to legal, financial, corporate governance, managerial and leadership skills and has become knowledgeable not only as a lawyer in the financial world but as a competent manager.

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## BOARD OF DIRECTORS

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***(Cont)***

Currently she is in private legal practice and is an affiliate of MercLaw Associates, a law firm situated at the Roman Ridge Arcade, Accra. She is also a Notary Public and has set up R.B. Consult, a Company Secretarial and Advisory business.

Mrs Baddoo is currently a Board member of the Akrofi-Christaller Institute of Theology Mission and Culture, and St. Martin de Porres School, and immediate past Board Chairman of International Needs (Ghana), a Christian development oriented NGO.

Mrs Baddoo is married with three children and two grandchildren.

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## CHAIRMAN'S STATEMENT



### Introduction

Distinguished Shareholders, Ladies and Gentlemen, on behalf of Staff, Management and your Board of Directors, I am honoured to welcome you to the 24<sup>th</sup> Annual General Meeting of Camelot Ghana Plc and to present to you the Annual Report and Financial Statements for the year ended 31<sup>st</sup> December 2022.

### Economic Review

The year 2022 was yet another difficult year for the global economy, characterized by subdued growth and the free fall of our Ghana Cedi.

Ghana's annual inflation rate accelerated for the 15th straight month to 33.9% in August of 2022, from 31.7% in July, but below market forecasts of 34.3%. It was the highest reading since August of 2001, even after Ghana's central bank delivered a record 300bps rate hike during an emergency meeting in August. Prices continued to soar for both food (34.4% vs 32.3% in July), namely oils & fats and non-food items (33.6% vs 31.3%), of which transport and housing & utilities, with prices of imported goods rising more than domestic ones for the fifth month on the back of a sliding currency. On a monthly basis, consumer prices rose by 1.9%, the least in eight months, after a 3.1% rise in the prior month.

### Financial Performance

In spite of the exceptionally challenging macroeconomic environment, performance in the year 2022 was a mix of increase in sales revenue and increase in total loss. First and foremost, I want to say that we recognize the importance of meeting shareholder expectations and delivering long-term shareholder value is fundamental for a listed company. Despite the challenging nature of the year under review, the Company managed to improve upon performance in terms of Revenue. The value of sales was GHS 13.4million, which is 31% above that of the previous year. Camelot's financial performance showed signs of recovery, registering a profit before Interest and tax of GHS 1.13million, up by 38% compared to the year 2021. However, paid and accrued interest and tax expense for the period swept all the gains that our company made, thereby leaving us in a net loss of GHS 1.37million. Interest payment is as a result of the loan that the company acquired for the Flexo project. Our financial performance meant that the Board was not able to approve a final dividend for the year under review.

### Business Continuity

Turning now to the year ahead, the Board has a very positive view. We are confident that the bold initiatives we have outlined in both our Cheque and Flexo space, alongside our determination to find a suitable strategic partner to print jobs that we heather to would not accept in our mainstream business are game changers that will definitely propel Camelot to the next level. Global technological development is moving at a fast pace. Our inability to keep pace with it will spell the doom of the company. The opportunities that these advancements present have driven us to exploring new business opportunities such as the "Camverify" that is used in verifying cheques by the banks at a fee. This technology will help mitigate some of the current cheque frauds in the banking sector.

### Conclusion

I would like to place on record my thanks to the various stakeholders who have constantly engaged the Company in discussions and given us vital feedback. To Management and Staff for their outstanding efforts during the year. We have some of the best people in the industry working at Camelot and their efforts will continue to place the company in a strong position to capture the opportunities ahead. I would also like to thank my fellow board members for their support during the year. Finally, I thank all shareholders, once again, for giving us the generous opportunity to continue serving you in this capacity. I look forward to the years ahead with confidence.

Thank you

# REPORT OF THE DIRECTORS TO THE MEMBERS OF CAMELOT GHANA PLC

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The Directors have pleasure in submitting their report and financial statements of **CAMELOT GHANA LIMITED** for the year ended December 31, 2022.

## **Statement of Directors' Responsibilities**

The Directors are required in terms of the Companies Act, 2019 (Act 992) to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, the Board of Directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion that, based on the information and explanations given by management, the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Directors have reviewed the company's cash flow forecast for the year to December 31, 2023 and, in light of this review and the current financial position, they are satisfied that the company has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 6 to 8.

## **Incorporation**

The company was incorporated on 8<sup>th</sup> February, 1977 and obtained its certificate to commence business on same day. The company is domiciled in Ghana where it is incorporated as a public company limited by shares under the Companies Act, 2019 (Act 992). The address of the



# REPORT OF THE DIRECTORS TO THE MEMBERS OF CAMELOT GHANA LIMITED

FOR THE YEAR ENDED 31ST DECEMBER 2022

## Nature of business

Camelot Ghana Limited is a security printing, business forms manufacturing, and design facility, based in Accra and listed on the Ghana Stock Exchange. For over 40 years, Camelot has been a household name in security printing, business forms manufacturing, design, and commercial stationery printing in West Africa.

## Financial Statements and Dividends

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act, 2019 (Act 992). The accounting policies have been applied consistently compared to the prior year. The results for the year are set out in the statement of Comprehensive Income on page 10 of the financial statements.

## Results for the Year

	2022 GHS	2021 GHS
(Loss)/Profit for the year before taxation amounted to	(1,111,018)	24,337
from which is deducted taxation of	(267,820)	<u>(673,530)</u>
giving loss after taxation of	(1,378,838)	(430,157)
which is added to the balance brought forward on Retained Earnings of	858,983	1,289,140
leaving a balance to be carried forward on the Retained Earnings of	<u>(519,855)</u>	<u>858,983</u>

## Dividends

The group's dividend policy is to consider a final dividend in respect of each financial year. At its discretion, the board of directors may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the board of directors may pass on the payment of dividends. No dividend was declared or paid in the year under review.

## State of Affairs

The Directors consider the state of the company's affairs to be satisfactory.

## Particulars of Entries in the Interest Register

No director had any interest in contracts and proposed contracts with the Company during the period under review, hence there were no entries in the Interest Register as required by 194(6), 195(l)(a) and 196 of the Companies Act, 2019 (Act 992).

## Corporate Social Responsibility'

The company did not undertake any corporate social responsibility within the financial year.

## Events after the reporting period

The Directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

# REPORT OF THE DIRECTORS TO THE MEMBERS OF CAMELOT GHANA LIMITED

FOR THE YEAR ENDED 31ST DECEMBER 2022

## Going Concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly, the report and financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirement. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

## Litigation Statement

The company is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

## Audit Fee Payable

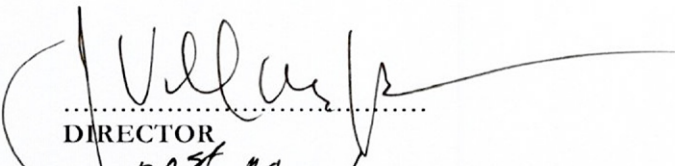
The agreed auditor's remuneration of GHS 80,454 inclusive of GET Fund, NHIL, COVID-19 Levy and VAT was outstanding at the reporting date.

## Auditors

Messrs Baker Tilly Andah + Andah are the auditors of the company having taken over from the PKF Accountants & Business Advisors during an Annual General Meeting (AGM) held on 25<sup>th</sup> May, 2021 and express their willingness to continue as the company's auditors.

## Approval of annual financial statements

The financial statements of the Company as identified above were approved by the Board of Directors on ....., 2023 and signed on their behalf by

  
.....  
DIRECTOR  
31<sup>st</sup> March 2023

  
.....  
DIRECTOR

# INDEPENDENT AUDITORS REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2022

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## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Camelot Ghana Limited which comprises the statement of financial position as at 31<sup>st</sup> December 2022 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies as set out on pages 15 to 35.

In our opinion, the accompanying financial statements of Camelot Ghana Limited present fairly, in all material respects, the financial position of the company as at 31<sup>st</sup> December, 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2019 (Act 992).

### Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the company in accordance with the International Code of Ethics for Professional Accountants (*including International Independence Standards*) (the Code) issued by the International Ethics Standards Board for Accountants (IESABA) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

Without qualifying our opinion, we draw attention to note 28 in the financial statements. Management has indicated that the subsidiary which was consolidated in the previous year has not been in operation and therefore decided to write it off.

### Key Audit Matters

Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion there on, and we do not provide a separate opinion on these matters.

There were no key audit matters identified during the course of the audit.

### Other information

Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work that we have performed, we conclude that there is a material misstatement of this other information, then we are required to report that fact. We have nothing to report in this regard.

# INDEPENDENT AUDITORS REPORT

## FOR THE YEAR ENDED 31ST DECEMBER 2022

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### Responsibilities of Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to error or fraud.

In preparing the financial statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## INDEPENDENT AUDITORS REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2022

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We are required to communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

Report on other legal and regulatory requirements

The Companies Act, 2019 (Act 992) requires that in carrying out our audit work, we consider and report on the following matters.

We confirm that:

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

The engagement partner on the audit resulting in the Independent auditor's report is SAMUEL ABIAW (ICAG/P/1454)

Baker Tilly Andah + Anda (ICAG/F/2023/122)  
Chartered Accountants  
18 Nyanyo Lane, Asylum Down Accra



**STATEMENT OF INCOME**

FOR THE YEAR ENDED 31ST DECEMBER 2022

	Note	2022 GHS	2021 GHS
<b>REVENUE</b>	<b>5</b>	13,414,453	10,240,542
Operating Cost of Sales	<b>6</b>	(8,575,153)	(6,784,542)
		-----	-----
<b>GROSS PROFIT</b>		4,839,300	3,456,000
Other Income	<b>7</b>	1,199,781	338,115
Administrative Expenses	<b>8</b>	(4,899,129)	(2,965,783)
		-----	-----
<b>OPERATING PROFIT</b>		1,139,952	828,332
Finance Cost	<b>9</b>	(2,250,970)	(584,959)
		-----	-----
<b>(LOSS)/PROFIT BEFORE TAX</b>		(1,111,018)	243,373
Taxation	<b>11</b>	(267,820)	(673,530)
		-----	-----
<b>Loss after tax for the Year</b>		(1,378,838)	(430,157)
<b>Other Comprehensive Income</b>			
Exchange diff on translating foreign operations		-	-
		-----	-----
<b>Total Comprehensive Income</b>		(1,378,838)	(430,157)
		=====	=====
<b>Profit attributable to:</b>			
Equity shareholders of the parent		-	(430,157)
Non – Controlling interest			
<b>Total comprehensive income attributable to:</b>			
Equity shareholders of the parent		-	(430,157)
Non – Controlling interest		-	-
Basic earnings	<b>12</b>	-	-
Diluted earnings per share	<b>12</b>	-	-

## STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31ST DECEMBER 2022

	Note	2022 GHS	2021 GHS
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property Plant & Equipment	13	11,207,309	11,907,141
Intangible Assets	14	28,477	28,451
Investment in Subsidiary	15	-	36,629
<b>TOTAL NON-CURRENT ASSETS</b>		<b>11,235,786</b>	<b>11,972,221</b>
<b>CURRENT ASSETS</b>			
Inventory	16	4,651,208	2,803,629
Trade and Other Receivables	17	2,464,757	1,887,185
Cash & Bank Accounts	18	449,543	472,674
Current Tax Asset	10 a	307,660	130,002
<b>TOTAL CURRENT ASSETS</b>		<b>7,873,168</b>	<b>5,293,490</b>
<b>TOTAL ASSETS</b>		<b>19,108,954</b> =====	<b>17,265,711</b> =====
<b>EQUITY AND LIABILITIES</b>			
Stated Capital	20	217,467	217,467
Income Surplus		(519,855)	858,983
Credit Reserve	22	275,510	551,019
<b>TOTAL EQUITY</b>		<b>(26,878)</b>	<b>1,627,469</b>

**STATEMENT OF FINANCIAL POSITION**

FOR THE YEAR ENDED 31ST DECEMBER 2022

**NON - CURRENT LIABILITIES**

Interest Bearing Loan	21	11,256,588	7,673,454
Deferred Taxation	10c	1,128,974	861,154
		12,385,562	8,534,608

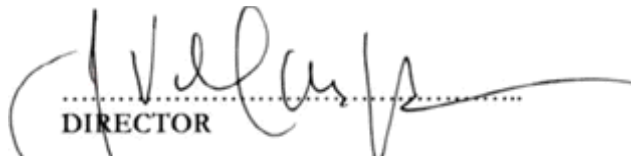
**CURRENT LIABILITIES**

Trade and Other payables	24	5,070,270	2,479,286
Taxation	10a	-	-
Loans and Borrowings	21	1,680,000	3,644,618
Other Current Financial Liabilities	23	-	979,730
		6,750,270	7,103,634

**Total Equity and Liabilities**

<b>19,108,954</b>	<b>17,265,711</b>
=====	=====

Signed on behalf of the Board by:

  
 .....  
 DIRECTOR  
 31<sup>st</sup> March .....2023

  
 .....  
 DIRECTOR

The accompanying notes on pages 15 to 35 are integral part of the financial statements.

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST DECEMBER 2022

<b>2022</b>	<b>Stated Capital GHS</b>	<b>Income Surplus GHS</b>	<b>Credit Reserve Account GHS</b>	<b>Total GHS</b>
Balance as at 1 January	217,467	858,983	551,019	1,627,469
Loss for the Period	-	(1,378,838)	-	(1,378,838)
Transferred to Profit or loss	-	-	(275,509)	(275,509)
<b>Balance as at 31 December</b>	<b>217,467</b>	<b>(519,855)</b>	<b>275,510</b>	<b>(26,878)</b>

<b>2021</b>	<b>Stated Capital GHS</b>	<b>Income Surplus GHS</b>	<b>Credit Reserve Account GHS</b>	<b>Total GHS</b>
Balance as at 1 <sup>st</sup> January	217,467	1,289,140	826,528	2,333,135
Loss for the Period	-	(430,157)	-	(430,157)
Transferred to Profit or Loss	-	-	(275,509)	(275,509)
Dividend to Equity I Holders	-	-	-	-
<b>Balance as at 31 December</b>	<b>217,467</b>	<b>858,983</b>	<b>551,019</b>	<b>1,627,469</b>

**STATEMENT OF CASH FLOW**

FOR THE YEAR ENDED 31ST DECEMBER 2022

	<b>2022 GHS</b>	<b>2021 GHS</b>
<b>Cash Flows from Operating Activities</b>		
(Loss)/ Profit before Tax	(1,111,018)	243,373
<b>Adjusted for;</b>		
Interest Paid	628,526	584,959
Depreciation	1,068,648	523,253
Amortisation of Intangible Assets	7,474	7,373
Loss on write off	55,877	16,487
Amortisation of Credit Reserve	(275,509)	(275,509)
Write off of MoFEP Loan	(979,730)	-
Intercompany Balance	950,219	-
Investment in Subsidiary	36,629	-
Operating Cash Flows Before Movement In Working Capital	381,116	1,099,936
<b>Working Capital Movements</b>		
Changes in Inventories	(1,847,579)	74,708
Changes in Trade and Other Receivables	(577,572)	(11,590)
Changes in Trade and Other Payables	2,590,984	1,221,593
	546,494	2,384,647
Tax Paid	(177,658)	(248,339)
<b>Net Cash Generated from Operating Activities</b>	369,291	2,136,308
<b>Cash Flows from Investing Activities:</b>		
Acquisition of Property Plant & Equipment	(424,692)	(3,221,894)
Purchase of Intangible Assets Proceeds from Sales of Assets	(7,500) - -	- - -
<b>Net Cash Used in Investing Activities</b>	(432,192)	(3,221,894)



## STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022 GHS	2021 GHS
<b>Cash Flows from Financing Activates</b>		
Repayment of Loan	(721,490)	(2,993,667)
Interest paid	(625,331)	(584,959)
Interest on Current Account	419	-
Bank Loan	1,386,172	4,609,474
<b>Net Cash flow Generated from Financing Activities</b>	39,770	1,030,848
Net Decrease in Cash and Cash Equivalents	(23,131)	(54,738)
Opening Cash and Cash Equivalents	472,674	527,412
Closing Cash and Cash Equivalents	<b>449,543</b> =====	<b>472,674</b> =====

### Analysis of Cash and Cash Equivalents

	2022 GHS	Changes during the year GHS	2021 GHS
Cash & Cash Equivalents	449,543	77,869	527,412
	----- 449,543 =====	----- 77,869 =====	----- 527,412 =====

## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

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### 1. REPORTING ENTITY

Camelot Ghana Plc, a limited liability Company, is incorporated and domicile in Ghana under the Companies Act, 2019 (Act 992). The Company is permitted by its regulations to print security documents and manufacture business forms. The address of the registered office of the Company is +A970 'H/No F.378/3, Osu – La Road, opposite Ghana Commercial Bank Osu Branch. P. O. Box M191, Accra.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

The separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations issued by the International Accounting Standards Board and its committees, as required by the Institute of Chartered Accountants (Ghana) and the Companies Act, 2019 (Act 992).

#### 2.2 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities that are stated at their fair values: financial instruments at fair value through profit or loss, financial instruments-at fair value through other comprehensive income.

#### 2.3 Functional and presentation currency

The financial statements are presented in Ghana cedis, which is the company's functional currency. Except where indicated, financial information presented in cedis has been rounded.

#### 2.4 Use of estimates and judgement

The preparation of financial statements in conformity with IFRSs 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.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

### Summary of significant accounting policies

The principal accounting policies adopted by Camelot Ghana Limited under the International Financial Reporting Standards (IFRS) are set out below:

## NOTES TO THE FINANCIAL STATEMENT

### FOR THE YEAR ENDED 31ST DECEMBER 2022

#### 2.5 Revenue

Revenue represents all invoiced sales less discounts, customs duties and all incidental taxes collected on behalf of and for the Government. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

#### 2.6 Financial assets and financial liabilities

##### 2.6.1 IFRS 9 Financial Instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The requirements of IFRS 9 represent a significant change from IAS 39. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities.

##### 2.6.2 Classification of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows. The standard eliminates the previous IAS 39 categories of held-to-maturity, loans and receivables and available-for-sale. Under IFRS 9 derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never bifurcated. Instead, the whole hybrid instrument is assessed for classification.

##### 2.6.3 Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model. The new impairment model also applies to certain loan commitments and financial guarantee contracts but not to equity investments. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

##### 2.6.4 Date of recognition

Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

##### 2.6.5 Initial measurement of financial instruments

Financial asset or liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. When the fair value of financial instruments at initial recognition differs from the transaction price, the company accounts for the Day 1 profit or loss, as described below.

Day 1 profit or loss - When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the company recognises the difference between the transaction price and fair value in net trading income. In those cases, where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

### Classification and Measurement categories of financial assets and liabilities

The company has classified all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVPL)

The company may designate financial instruments at FVPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies. The company classified its financial assets as receivables (amortised cost), FVPL, available-for-sale or held-to-maturity (amortised cost). Financial liabilities are measured at amortised cost or at FVPL when they are held for trading and derivative instruments or the fair value designation is applied.

### The Solely Payment of Principal and Interest Test (SPPI test)

As a second step of its classification process the company assesses the contractual terms of financial instrument to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

### Equity instruments at FVOCI

Upon initial recognition, the company occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in statement of comprehensive income as other operating income when the right of the payment has been established. Equity instruments at FVOCI are not subject to an impairment assessment.

### Debt issued and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

### Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9. Management only designates an instrument at FVPL upon initial recognition when one of the following criteria are met.

## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

### Derecognition of financial assets and liabilities

Derecognition due to substantial modification of terms and conditions - The Company derecognises a financial asset, such as trade receivables, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new trade receivable, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised tradereceivables are classified as Stage 1 for ECL measurement purposes, unless the new trade receivable is deemed to be 'purchased or originated credit-impaired financial assets' (POCI assets).

### Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

### Overview of the ECL

The adoption of IFRS 9 has fundamentally changed the company's trade receivable loss impairment method by replacing IAS 39's incurred loss approach with a forward-looking ECL approach. The company has been recording the allowance for expected credit losses for all trade receivables.

The ECL allowance is based on the credit losses expected to arise over the life of the asset, the lifetime expected credit loss (LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12m ECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECLs and 12m ECLs are calculated on either an individual basis or a collective basis depending on the nature of the underlying portfolio of financial instruments.

The company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

### Stage 1, Stage 2, Stage 3

- Stage 1: When trade receivables are first recognised, the company recognises an allowance based on 12m ECLs. Stage 1 trade receivable also include balances where the credit risk has improved and the amount has been reclassified from Stage 2.
- Stage 2: When a trade receivable has shown a significant increase in credit risk since origination, the company records an allowance for the LTECLs. Stage 2 receivables also include balances, where the credit risk has improved and the amount has been reclassified from Stage 3.
- Stage 3: trade receivable considered credit-impaired. The company records an allowance for the LTECLs.



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## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

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### The calculation of ECLs

The company calculates ECLs based on a four probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows

**PD** The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously derecognised and is still in the portfolio.

**EAD** The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

**LGD** The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

**Stage 1:** The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the financial statement months after the reporting date. The company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

**Stage 2:** When account balance has shown a significant increase in credit risk since origination, the company records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

**Stage 3:** For account balances considered credit-impaired the company recognises the lifetime expected credit losses for these balances. The method is similar to that for Stage 2 assets, with the PD set at 100%.

### 2.7 Loans and advances

Loans and advances originated by the Group include loans where money is provided directly to the borrower and are recognized when cash is advanced to the borrower. They are initially recorded at cost, which is fair value of cash originated by the Group, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method.

### 2.8 Investments

Investments are recognized on a trade date basis and are classified as amortised cost, FVTPL or FVOCI. Investments with fixed maturity dates, where management has both the intent and ability to hold to maturity are classified as amortised cost. Investments intended to be held for indefinite period of time, which may be sold in response to needs for liquidity or changes in the market, are classified as FVTPL or FVOCI.

Investments are initially measured at cost. FVTPL or FVOCI investments are subsequently re-measured at fair value based on quoted prices. Fair values for unlisted securities are estimated using market values of the underlying securities or appropriate valuation methods.

## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

Investments classified as amortised cost are carried at carrying amount less any provision for impairment. Amortised cost is calculated on the effective interest method.

### 2.9 Property, plant and equipment

Fixed assets are stated at cost less accumulated depreciation and impairment losses. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of assets is the greater of their net selling price and value in use.

The impairment losses are recognized in the statement of comprehensive income.

Depreciation is computed using the straight-line method, at the following

Furniture and Fittings	10%
Motor vehicles	20%
Office equipment	10%
Owned plant and Buildings	6.7%
Computer &	4%
	10%

Repairs and maintenance are charged to the income statement when the expenditure is incurred. Improvements to Fixed Assets are capitalized.

Gains and losses on disposal of fixed assets are determined by reference to their carrying amount and are taken into account in determining net income.

### 2.10 Translation of foreign currencies

The Company's functional currency is the Ghana Cedi. In preparing the statement of financial position of the Group, transactions in currencies other than Ghana Cedis are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the statement of financial position date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the statement of comprehensive income. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the statement of comprehensive income for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in shareholders' equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in the shareholders' equity.

### 2.11 Cash and cash equivalents

For the purposes of cash flow statement cash and cash equivalents include cash and short-term government securities maturing in three months or less from the date of acquisition.

## NOTES TO THE FINANCIAL STATEMENT

### FOR THE YEAR ENDED 31ST DECEMBER 2022

#### 2.12 Deferred taxation

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### 2.13 Current taxation

The Group provides for income taxes at the current tax rates on the taxable profits of the Group. Current tax is the expected tax payable on the taxable income for the year, using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years.

#### 2.14 Inventories

Inventory is stated at the lower of cost or net realisable value. Costs of inventories includes, the purchase price, and related cost of acquisition. The cost of inventory is determined using weighted average cost formula.

#### 2.15 Impairment of non-financial assets

The carrying amount of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exist then the assets recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Impairment losses are recognised in the income statement.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### 2.16 Employee benefits

- Short-Term Benefits

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

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 a reduction in future cash payment.

## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

Wages and salaries payable to employees are recognised as an expense in the income statement at gross.

The Group's contribution to social security fund is also charged as an expense.

- Social Security and National Insurance Trust (SSNIT)

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

- Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. Termination benefits for voluntary redundancies are recognised if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptance can be estimated reliably.

### 2.17 Events after the balance sheet date

The Group adjusts the amounts recognised in its financial statements to reflect events that provide evidence of conditions that existed at the balance sheet date.

Where there are material events that are indicative of conditions that arose after the balance sheet date, the Group discloses, by way of note, the nature of the event and the estimate of its financial effect, or a statement that such an estimate cannot be made.

### 3. NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2021, and have not been applied in preparing these financial statements. These are disclosed as follows:

#### IAS 16 — Property, Plant and Equipment

IAS 16 "Property, Plant and Equipment" outlines the accounting treatment for most types of property, plant and equipment. Property, plant and equipment is initially measured at its cost, subsequently measured either using a cost or revaluation model, and depreciated so that its depreciable amount is allocated on a systematic basis over its useful life. Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted.

#### IAS 37 — Provisions, Contingent Liabilities and Contingent Assets

IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" outlines the accounting for provisions (liabilities of uncertain timing or amount), together with contingent assets (possible assets) and contingent liabilities (possible obligations and present obligations that are not probable or not reliably measurable). Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted.

#### IAS 1 "Presentation of Financial Statements"

IAS 1 "Presentation of Financial Statements" sets out the overall requirements for financial statements, including how they should be structured,

## NOTES TO THE FINANCIAL STATEMENT

### FOR THE YEAR ENDED 31ST DECEMBER 2022

the minimum requirements for their content and overriding concepts such as going concern, the accrual basis of accounting and the current/non-current distinction. The standard requires a complete set of financial statements to comprise a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity and a statement of cash flows. Effective January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2023. Earlier application is permitted.

#### 4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES

Estimates and judgments are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors. Estimates and assumptions are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

##### 4.1 Critical accounting estimates and assumptions

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and management judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

##### (a) Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the Group and the tax authority.

Deferred tax assets are recognised for all unutilised capital allowances to the extent that it is probable that taxable profit will be available against which the capital allowances can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

##### (b) Fair value of non-derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

##### 4.2 Critical judgments in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following judgments,

which have the most significant effect on the amounts recognised in the financial statements:

##### Useful economic life of property, plant and equipment

To a large extent, the financial statements are based on estimates, judgments and models rather than exact depictions of reality. Providing relevant information about the Group's property, plant and equipment requires estimates and other judgments. This includes measuring the cost of an item of property, plant and equipment

## NOTES TO THE FINANCIAL STATEMENT

### FOR THE YEAR ENDED 31ST DECEMBER 2022

equipment, including those that are self-constructed. The subsequent allocation of depreciation involves further judgments and estimates including:

- allocating the cost of the asset to particular major components
- determining the most appropriate depreciation method;
- estimating useful life; and estimating residual value.

	<b>2022 GHS</b>	<b>2021 GHS</b>
<b>5. REVENUE</b>		
Export Sales	333,492	339,637
Local Sales	13,080,961	9,900,905
	-----	-----
	13,414,453	10,240,542
	=====	=====

## 6. COST OF SALES

(Raw materials & Production Overheads)

Opening Stock	2,780,120	2,878,337
Purchases	7,151,388	4,454,406
Less: Closing Stock	(4,651,208)	(2,803,629)
Direct Cost - Finishing	510,701	437,485
Direct Cost – Production	496,420	477,687
Direct Cost - Depreciation	950,538	278,118
Direct Cost - Flexo	1,337,194	1,062,138
	-----	-----
	8,575,153	6,784,542
	=====	=====

## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

	<b>2022</b>	<b>2021</b>
	<b>GHS</b>	<b>GHS</b>
<b>7. OTHER INCOME</b>		
Transfer from Credit Reserve	275,509	275,509
Sundry Income	419	9,241
Write off of MoFEP Loan	979,730	-
Write off Payable - Zoom Image	-	43,365
Reduction of Provision - Audit Fees	-	10,000
Loss on write off	(55,877)	-
	-----	-----
	<b>1,199,781</b>	<b>338,115</b>
	=====	=====
<b>8. ADMINISTRATIVE EXPENSES</b>		
<b>This includes:</b>		
Administrative Overheads	2,452,149	1,903,968
Finance & Accounts Overheads	682,899	283,692
IT & Security Overheads	303,993	260,627
Marketing Overheads	1,351,566	396,544
Support Service Overheads	108,522	120,952
	-----	-----
	<b>4,899,129</b>	<b>2,965,783</b>
	=====	=====
<b>9. FINANCE COST</b>		
Interest on Loans	2,250,970	584,959
	=====	=====



## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

### 10. TAXATION

#### 10a Corporate Tax

Year of assessment	Balance At 1/ 1/ 22 GHS	Payments during the year GHS	Charge for the year GHS	Balance at 31/12/22 GHS
2021	(118,337)	(248,339)	-	(130,002)
2022	(130,002)	(177,658)	-	(307,660)

#### 10b. Reconciliation of Tax expense at effective rate and statutory rate

	2022 GHS	2021 GHS
<b>(Loss)/ Profit before Taxation</b>	(1,254,345)	243,373
Tax at applicable rate of 25%	(305,778)	58,823
Tax applicable at different rate (8%)	(2,499)	646
Tax effect of deductible Expenses	-	-
Tax effect of Non-deductible Expenses	500,885	147,528.3
Tax Effect on Capital Allowance	(669,764)	(816,112)
	-	-
Origination/Reversal of Temporary Differences	267,820	673,530
Tax Charged	267,820	673,530
	=====	=====
Effective Tax Rate	0%	277%

#### 10c. DEFERRED TAXATION

Balance at 1 January	861,154	187,624
Charge for the Year	267,820	673,530
	-----	-----
<b>Balance at 31 December</b>	<b>1,128,974</b>	<b>861,154</b>
	=====	=====

#### INCOME TAX ON COMPREHENSIVE INCOME

Current Tax Expense (Note 10a)	-	-
Deferred Tax (Note 11a)	267,820	673,530
	-----	-----
	<b>267,820</b>	<b>673,530</b>
	=====	=====

The tax liabilities are subject to agreement with the Ghana Revenue Authority.

## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

	<b>2022 GHS</b>	<b>2021 GHS</b>
<b>The deferred tax charge/(credit) in the income statement comprises the following:</b>		
Accelerated tax depreciation	267,820 =====	673,530 =====
<b>11. INCOME TAX EXPENSE</b>		
Current Tax Expense [Note 10a]	-	-
Deferred Tax [Note 10c]	267,820 -----	673,530 -----
	267,820 =====	673,530 =====
<b>12. EARNINGS PER SHARE</b>		

Basic Earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders by the average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted earnings per share computations;

	<b>2022 GHS</b>	<b>2021 GHS</b>
Net Loss attributable to equity shareholders	(1,254,345)	(430,157)
Number of ordinary shares for basic earnings per share	6,829,276	6,829,276
Basic Earnings Per share	-	-
Number of ordinary shares for diluted earnings per share	6,829,276	6,829,276
Diluted earnings per share	-	-

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statement

## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

13. PROPERTY, PLANT & EQUIPMENT – COMPANY							
Cost/valuation	Land and Buildings GHS	Motor Vehicles GHS	Capital Work-in Progress GHS	Plant & Machinery GHS	Furniture & Equipment & Fittings GHS	Computer & Accessories GHS	Total GHS
At 1st January	870,662	346,792	13,271	13,537,444	443,783	478,374	15,960,326
Additions	-	-	18,500	360,211	23,155	22,826	424,692
Transfer to/(from) WIP	-	-	-	-	-	-	-
Disposals/Write off	-	-	-	(28,959)	(21,037)	(96,979)	(146,975)
At 31st Dec.	870,662	346,792	31,771	13,868,696	445,901	404,221	15,968,043
<b>Depreciation</b>							
At 1st January	159,682	187,747	-	2,953,144	207,520	275,092	3,783,185
Charge for year	32,516	54,228	-	910,050	39,286	32,568	1,068,648
Disposals/Write off	-	-	-	(27,164)	(12,584)	(51,351)	(91,099)
At 31 Dec.	192,198	241,975	-	3,836,030	234,222	256,309	4,760,734
<b>Net book value</b>							
At 31/12/2022	678,464	104,817	31,771	10,032,666	211,679	256,309	11,207,309

## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

13. PROPERTY, PLANT & EQUIPMENT - COMPANY							
Cost/valuation	Land and Buildings GHS	Motor Vehicles GHS	Capital Work-in Progress GHS	Plant & Machinery GHS	Equipment & Fittings GHS	Computer & Accessories GHS	Furniture Total GHS
At 1 <sup>st</sup> January <sup>7</sup>	226,708	501,572	7,474,002	3,588,627	420,445	450,291	12,661,645
Additions	-	-	3,010,523	168,655	23,470	60,789	3,263,437
Transfer to/(from) WIP	643,954	-	(10,471,254)	9/80,162	5,595	-	(41,543)
Disposals/Write off	-	(154,780)	-	-	(5,727)	(32,706)	(193,213)
At 31 <sup>st</sup> Dec.	870,662	346,792	13,271	13,537,444	443,783	478,374	15,690,326
<b>Depreciation</b>							
At 1 <sup>st</sup> January	127,166	288,297	-	2,597,415	172,128	251,651	3,436,657
Charge for year	32,516	54,228	-	355,729	40,797	39,983	523,253
Disposals/Write off	-	(154,778)	-	-	(5,405)	(16,542)	(176,725)
At 51 Dec.	159,682	187,747	-	2,953,144	207,520	275,092	3,783,185
<b>Net book value</b>							
At 31/12/2021	710,980	159,045	13,271	10,584,300	236,263	203,282	11,907,141

## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

	<b>2022 GHS</b>	<b>2021 GHS</b>
<b>14. INTANGIBLE ASSETS</b>		
<b>COST</b>		
Balance as at 1 <sup>st</sup> Jan	83,021	83,021
Addition(s)	7,500	-
	-----	-----
Balance as at 31 <sup>st</sup> Dec	90,521	83,021
	=====	=====
 <b>AMORTISATION</b>		
Balance as at 1 <sup>st</sup> Jan	54,570	47,197
Current Year Charge	7,474	7,373
	-----	-----
Balance as at 31 <sup>st</sup> Dec	62,044	54,570
	=====	=====
 <b>NET BOOK VALUE</b>		
<b>At 31<sup>st</sup> December 2022</b>	<b>28,477</b>	<b>28,451</b>
	=====	=====

### 15. INVESTMENT IN SUBSIDIARY

This is an investment in Camelot Security Solutions Limited a subsidiary company incorporated in Lagos, Nigeria. The subsidiary has not been operational for a substantial period of time and therefore has been wound up as agreed by the Board of Directors.

	<b>2022 GHS</b>	<b>2021 GHS</b>
<b>16. INVENTORIES</b>		
<b>The Inventories are made up of:</b>		
Raw Materials (At Cost)	4,204,988	2,547,384
Machinery Spare Parts	148,160	210,197
Stationery (At Cost or Net Realisable Value)	25,088	3,598
Work in Progress	272,972	42,450
	-----	-----
	4,651,208	2,803,629
	=====	=====

## NOTES TO THE FINANCIAL STATEMENT

### FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022 GHS	2021 GHS
<b>17. TRADE AND OTHER RECEIVABLES</b>		
Trade Receivables	1,488,987	742,492
Other Receivables	64,161	12,998
Prepayments	853,157	90,787
Staff Advances	58,933	90,850
Intercompany Balance	-	950,219
Provision for Receivables	(481)	(161)
	-----	-----
	2,464,757	1,887,185
	=====	=====

Trade receivables are non-interest bearing and are generally on maximum 30 day terms.

### 18. CASH AND BANK BALANCES

Cash at Banks	445,650	469,754
Cash on hand	3,893	2,920
	-----	-----
	449,543	472,674
	=====	=====

### 19. FAIR VALUES

Set out below is a comparison by class of the carrying amounts and fair value of the group's financial instruments, IFRS 7.26 that are carried in the financial statements.

#### Financial Assets

Financial Assets	Carrying amount		Fair value	
	2022 GHS	2021 GHS	2022 GHS	2021 GHS
Cash and Cash Equivalents	449,543	472,674	472,674	472,674
Trade and Other Receivables	2,464,757	1,887,185	2,464,757	1,887,185

#### Financial Liabilities

Trade and Other Payables	5,070,270	2,479,286	5,070,270	2,479,286
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## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2022

	<b>2022 GHS</b>	<b>2021 GHS</b>
<b>20. STATED CAPITAL</b>		
<b>Authorised:</b>		
Ordinary Shares of no par value	20,000,000	20,000,000
Issued and fully paid	6,829,276	6,829,276
<b>Ordinary shares issued and fully paid:</b>		
Issued for cash and fully paid	168,664	168,664
Issued for other consideration	-	-
Land transfer by West Africa Data Services	48,803	48,803
	-----	-----
	217,467	217,467
	=====	=====
<b>21. INTEREST BEARING LOAN</b>		
<b>Short Term Loan</b>		
Balance at 1 January	-	2,993,667
Additions during the Year	1,080,000	-
Repayment	-	(2,993,667)
Due within one year on MTL	600,000	3,644,618
	-----	-----
<b>Balance at 31 December</b>	<b>1,680,000</b>	<b>3,644,618</b>
	=====	=====
<b>Amount due after more than one year</b>		
Balance at 1 <sup>st</sup> January	7,673,454	6,708,598
Additions during the Year	4,304,624	5,280,295
Repayment	(721,490)	(4,315,439)
	-----	-----
<b>Balance at 31 December</b>	<b>11,256,588</b>	<b>7,673,454</b>
	=====	=====

Medium term loan is for a tenor of 60 months secured for the purpose of acquiring Flexo machine with multiple features for the manufacturing of labels. It has a 12month moratorium from the date of disbursement. Interest payable quarterly during the moratorium period and monthly thereafter. The Short-term loan is for a period of 12 months secured for the purpose of purchasing raw material. The long-term loan and the short-term loan were restructured on 1<sup>st</sup> June 2021 and rebooked as a medium-term loan. Interest rate is at 20% per Annum. 50% of interest is repayable by the government under the 1 District 1 Factory Project. The loan has been secured by legal mortgage over the company's factory premises situated at Osu.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022 GHS	2021 GHS
<b>22. CREDIT RESERVE</b>		
Balance as at 1 <sup>st</sup> January	551,019	826,528
Adjustment	(275,509)	(275,509)
	-----	-----
Balance as at 31 <sup>st</sup> December	275,510	551,019
	=====	=====

This is in respect of a finance lease which has been outstanding over the years. This amount is being written off to income over a 5-year period

### 23. OTHER FINANCIAL LIABILITIES

Finance Lease	-	979,730
	=====	=====

#### Analysis of Obligation Under Finance Lease

Finance Lease	-	979,730
	-----	-----

### 24. TRADE AND OTHER PAYABLES

Trade Payables	2,158,528	1,239,507
Accrued Expenses	117,238	131,998
Other Payables	2,000,271	863,751
Amounts Owed to Directors	22,600	59,875
Loan Interest Accrued	771,663	184,155
	-----	-----
	5,070,270	2,479,286
	=====	=====

### 25. RELATED PARTY DISCLOSURES

	Amount owed to related party		Amount owed by related party	
	2022 GHS	2021 GHS	2022 GHS	2021 GHS
Parent	-	-	-	950,219
Directors	22,600	59,875	-	-
	=====	=====	=====	=====

Terms and conditions of transaction with related parties

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2022

Amounts owed to and by related parties are unsecured, interest free and have no fixed terms of payments.

Key Management Staff Compensation	<b>2022</b>	<b>2021</b>
	<b>GHS</b>	<b>GHS</b>
Short Term Employment Benefit	572,880 =====	572,880 =====

### 22. COMMITMENTS & CONTIGENCIES

At 31 December 2022, the company had no commitments. (2021: Nil)

### 23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has loan and other receivables, trade and other receivables, and cash and short-term deposits that arrive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The Board of Directors advises on the financial risk and the appropriate financial risk governance framework for the Group. The directors provide assurance to the Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with group policies and group risk appetite.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity risk. Financial instruments affected by market risk include loans and borrowings, deposits, available-for-sale investments, and derivative financial instruments.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expenses are

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2022

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denominated in a different currency from the company's functional currency).

### **Liquidity risk**

The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans.

### **Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables and loan notes) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Credit risks related to receivables: Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management.

Credit risk related to financial instruments and cash deposits: credit risk from balances with banks and financial institutions is managed by Company's management in accordance with the Company's policy.

## **22. CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

## **23. COLLATERAL**

The Company did not hold collateral of any sort at 31 December 2022 and 2021.

## **24. SUBSEQUENT EVENTS**

No significant event occurred after the end of the reporting date which is likely to affect these financial statements.

**FINANCIAL SUMMARIES - ( FIVE YEARS )**

FOR THE YEAR ENDED 31ST DECEMBER 2022

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
	GH¢	GH¢	GH¢	GH¢	GH¢
Turnover	6,464,871	6,184,754	7,315,927	10,240,542	13,414,453
Cost of sales	(3,839,122)	(3,441,339)	(4,322,986)	(6,784,542)	(8,575,153)
Gross Profit	2,625,749	2,743,415	2,992,941	3,456,000	4,839,300
Other Income	282	280,832	330,812	338,115	1,199,781
Administrative & Selling expense	(2,495,181)	(2,648,987)	(2,511,179)	(2,965,783)	(4,899,129)
Profit Before Interest and Tax	130,850	375,260	812,574	828,332	1,139,952
Financing cost	(19,154)	(174,872)	(496,913)	(584,959)	(2,250,970)
Profit/(Loss)before taxation	111,696	200,388	315,661	243,373	(1,111,018)
Taxation	(80,894)	(30,700)	(188,621)	(673,530)	(267,820)
Profit/(Loss)after taxation	30,802	169,688	127,040	(430,157)	(1,378,838)
Dividend	0	0	0	0	0
Profit/(Loss) Retained	30,802	169,688	127,040	(430,157)	(1,378,838)

**Balance Sheet**

Cash/Investments	274,267	372,081	527,412	472,674	449,543
Deferred Tax	(270,032)	(186,304)	(187,624)	(861,154)	(1,128,974)
Other Current Assets	<u>3,076,910</u>	<u>3,576,026</u>	<u>4,753,931</u>	<u>4,820,816</u>	<u>7,423,625</u>
Total Current Assets	3,081,145	3,761,803	5,093,719	4,432,336	6,744,194
Fixed Assets	<u>1,932,832</u>	<u>5,172,778</u>	<u>9,297,441</u>	<u>11,972,221</u>	<u>11,235,786</u>
Total Assets	5,013,977	8,934,581	14,391,160	16,404,557	17,979,980
Less Current Liabilities	(2,426,552)	(3,652,754)	(5,349,427)	(3,459,016)	(6,150,270)
Total Net Assets before Loans	2,587,425	5,281,827	9,041,733	12,945,541	11,829,710
Deduct: -Long Term Loans	0	(2,800,223)	(6,708,598)	(11,318,072)	(11,856,588)
Total Net Assets	2,587,425	2,481,604	2,333,135	1,627,469	(26,878)

**Financed as Follows:**

Stated Capital	217,467	217,467	217,467	217,467	217,467
Income Surplus	992,412	1,162,100	1,289,140	858,983	(519,855)
Credit Reserve	1,377,546	1,102,037	826,526	551,019	(275,510)
Total Shareholders' Funds	2,587,425	2,481,604	2,333,133	1,627,469	(26,878)

**Statistics**

Number of Shares issued and fully paid for	6,829,276	6,829,276	6,829,276	6,829,276	6,829,276
Earnings per Share (GH¢)	0.0045	0.0248	0.0186	(0.0630)	(0.2019)
Dividend per share (GH¢)	0.0000	0.0000	0.0000	0.0000	0.0000
Net Assets per Share (¢)	0.3789	0.3634	0.3416	0.2383	(0.0039)
Current Assets/Current Liabilities	1.27	1.03	0.95	1.28	1.10
Return on Shareholders Funds (%)	1.2	6.8	5.4	(26.4)	5,130.0
Return on Turnover (%)	0.5	2.7	1.7	(4.2)	(10.3)
Assets / Turnover (No. of times)	2	2	3	6	(499.1)

**MAJOR HOLDERS FOR CAMELOT GHANA PLC (TOP 20)**

FOR THE YEAR ENDED 31ST DECEMBER 2022

<b>MAJOR HOLDERS FOR CAMELOT GHANA LIMITED AS AT 31.12.22 (TOP 20)</b>		
<b>NAME</b>	<b>SHARES</b>	<b>% OF ISSUED CAPITAL</b>
WEST AFRICAN DATA SVS. BUREAU LTD.	3,186,292	46.66
STRATEGIC INITIATIVES LTD	1,299,793	19.03
APALOO FRED K MR	555,297	8.13
VILLARS JOHN COLIN MR.	165,101	2.42
ESTATE OF JOHN KOFI YANKAH	124,950	1.83
OBI FRANK ODILI MR	106,000	1.55
OFORI DANIEL MR	100,000	1.46
E.H. BOOHENE FOUNDATION	90,000	1.32
AKUTEH ISAAC TEYE	71,471	1.05
MINGLE DINAH MADAM	67,457	0.99
NDUOM PAPA KWESI DR.	55,600	0.81
BROOKMAN-AMISSAH JOSEPH MR.	52,950	0.78
AMOAKO-MENSAH ALEXANDRA MRS.	52,950	0.78
OKAI LAWRENCE LT. GEN.	50,000	0.73
ATTAH-POKU ANTHONY MR	50,000	0.73
MENSAH EMMANUEL KWASI MR	50,000	0.73
ANSAH MICHAEL OWUSU MR	46,100	0.68
KPOBI NII ODOI MR.	39,900	0.58
CBL/DAVID CARLIEN SHIELDS	35,000	0.51
ANANE-ASANTE JOSEPH MR	25,000	0.37
<b>REPORTED TOTALS</b>	<b>6,223,861</b>	<b>91.14</b>

## CORPORATE GOVERNANCE REPORT 2022 FISCAL YEAR

### EXECUTIVE SUMMARY

This Corporate Governance Report (“the Report”) communicates the corporate governance standards, policies, and practices of Camelot Ghana PLC (the “Company” or “Camelot”). It also provides an overview of its present governance status.

The Report includes a statement on the integrity of the Board of Directors (“the Board”), governance procedures for decision-making, implementation of Board policies, and compliance with governance requirements.

By this Report, the Company demonstrates its commitment to practicing globally recognized governance standards.

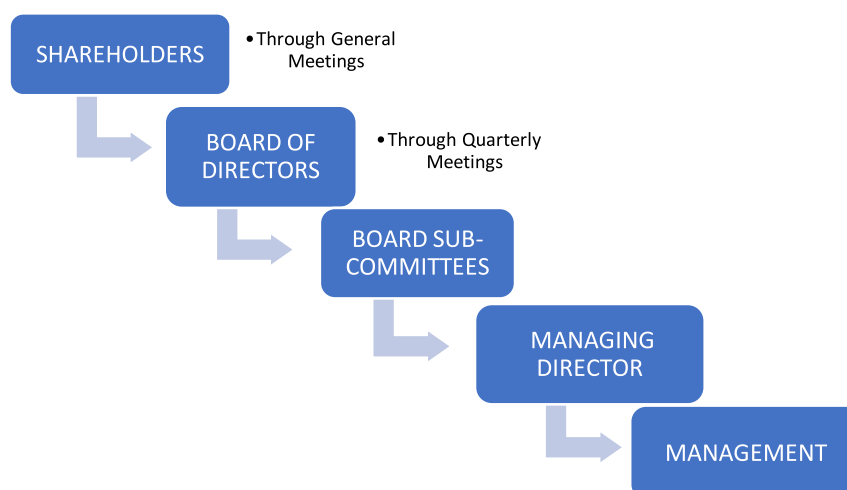
### INTRODUCTION

The Company is a security printing, business forms manufacturing, and design facility duly incorporated under the Companies Act, 2019 (Act 992) and listed on the Ghana Stock Exchange (GSE).

The Company considers compliance to be of high priority and therefore enhances corporate governance on an ongoing basis to meet the expectations of stakeholders, including shareholders and customers, as indicated in its Mission and Vision statements.

This report presents a summary of governance activities taken on behalf of the Company. As a company incorporated in Ghana and listed on GSE, Camelot is regulated by Act 992 and the Securities and Exchange Commission (SEC) Corporate Governance Code for Listed Companies, 2020 (the “SEC Code”). By way of enhancing compliance, the Company is simultaneously regulated by internal policies which include among others a Constitution and Board Charter.

The governance structure of the Company is presented in the figure below:



### The Shareholding Structure

The Company has Six Million, Eight Hundred and Twenty-Nine, Two Hundred and Seventy-Six (6,829,276) issued (ordinary) shares. The shares were issued at a cash consideration of Two Hundred and Seventeen

## CORPORATE GOVERNANCE REPORT 2022 FISCAL YEAR

Thousand, Four Hundred and Forty-Seven Ghana Cedis (GHS217,447.00). Each share carries one (1) vote. The shareholding structure of the Company is as below:

Name	Shares Allotted	Consideration (GHS)	Percentage Voting Rights
John Colin Villars	140,101	4,566.00	2%
Non-Assigned Shareholder	6,689,175	212,881.00	98%

The structure above is as demonstrated on the most recent Change Profile of the Company. Non-Assigned Shareholder is a collective name for over two hundred (200) shareholders who hold shares in the Company.

It is important to note that in the case of Camelot, where there are no nominee shareholders, all legally named shareholders are beneficial owners. In view of this, the beneficial ownership information required by Act 992 was filed at the Office of the Registrar of Companies (ORC) by 31<sup>st</sup> December 2022.

### Annual General Meeting

The shareholders' meeting held once a financial year to approve the audited financial statement and report, is called the Annual General Meeting (AGM). Shareholders who are registered in the share register on the record day, and who have been given sufficient notice of participation, have the right to participate and vote at the shareholders' meeting. The notice convening the AGM is published on the company's website and major newspapers in Ghana.

The 21<sup>st</sup> Annual General Meeting (AGM) of the Company was held on 18<sup>th</sup> May 2022 at the Christ The King Catholic Church. The Company Secretary circulated the Meeting's papers, notice and agenda twenty-one (21) days prior to the meeting. Ten (10) persons were present at the AGM; six (6) directors, the Company Secretary representative, the Auditors representative and two (2) shareholders. The following ensued at the AGM:

1. Adoption of the Audited Financial Statement for FY2021.
2. Appointment of Mrs. Elizabeth Villars as a Director of the Company following an election.
3. Appointment of Mrs. Rachel Baddoo as a Director of the Company following an election.
4. Approval of Board remuneration at an amount not exceeding Ninety-Seven Thousand Nine Hundred and Fifty Ghana Cedis (GHS 97,950) per annum.
5. The Board was authorized to fix the remuneration of the Auditors.

### The Board of Directors

The shareholders appoint the Board. It presently constitutes six (6) Directors, all of whom are natural persons and collectively have the integrity, skills, and experience necessary to fulfil the Board's responsibilities and protect the interests of shareholders of the Company. The Directors of the Company satisfy requirements of the SEC Code, Act 992, the Company's Constitution, and the Board Charter.

The table below summaries the composition and changes that occurred in the Board:



**CORPORATE GOVERNANCE REPORT 2022 FISCAL YEAR**

Director	Nature of Directorship	Year of Appointment	Nature of Change	Date
Mrs. Elizabeth Villars – Board Chair	Non-executive	1977	Re-election	18 <sup>th</sup> May, 2022
Mrs. Rachel Baddoo	Independent	2020	Re-election	18 <sup>th</sup> May, 2022
Mrs. Caroline Andah	Non-executive	2009	None	
Mr. John Colins Villars	Executive	2000	None	
Dr. Henry Mensah-Brown	Non-executive	2012	None	
Prof. Robert Hinson	Non-executive	2012	None	

Paragraph (12)(2) of the SEC Code provides that an Independent Director ceases to be independent where the duration of directorship exceeds nine (9) years. In line with this, Mrs. Caroline Andah, Dr. Henry Mensah-Brown and Prof. Robert Hinson cease to be independent members of the Board.

In compliance with paragraph (3)(2) of the SEC Code, 83% (5 out of 6 directors) of Directors are non-executive, however, only 20% (1 out of 5) of the non-executive directors is an independent director. The SEC Code requires a Board Chair to be an independent non-executive director. The Board Chair, though a non-executive is not independent.

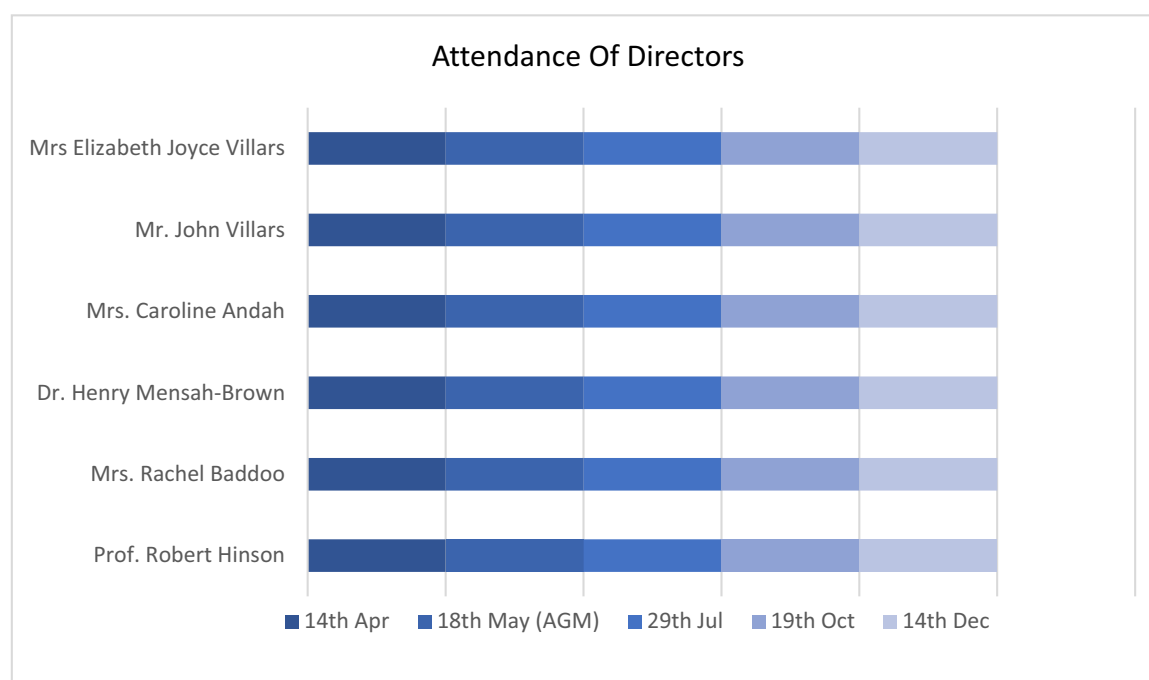
There was no resignation or removal in FY2022, however, one independent Director, Mrs. Felicity Acquah passed on. Following this event, the Company Secretary is facilitating an ongoing filing process at the ORC and the SEC.

**Board Meetings**

The Board held a meeting in each quarter of FY2022, thereby being compliant with the SEC Code and Act 992. One Emergency Board meeting was held on 28<sup>th</sup> March 2022 to approve the audited financial statement of FY2021. In preparation towards each ordinary Board meeting, the Company Secretary gathered and circulated Board papers one (1) month before the scheduled date and shared the Notice and Agenda along with Board papers seven (7) days prior to the meeting. The timelines were sufficient to allow Board members adequately review documents, hence improving the quality of discussions and decision-making processes during meetings. Minutes of Board meetings of FY2022 will be executed by the Board Chair at the FY2023 Q1 Board meeting.

While the table below shows the details of attendance at each Board meeting, it is estimated that the overall attendance rate of Directors was 90%. Reasons were given where there was an absence.

## CORPORATE GOVERNANCE REPORT 2022 FISCAL YEAR



■ Absent    ■ Present

Frequently discussed matters at Board meetings include Management Reports, Financial Reports, Review of the SEC Code, Review of Proposed Board & Committee Plans and Review of the Annual Strategy.

There were no conflicts of interest recorded in FY2022.

### Board Decisions and Implementation

It is important to note that each decision made by the Board was adequately considered with room given for due consultations and deliberations. Where necessary, the Board votes to make decisions by simple majority. Decisions were often made unanimously. The Board passed sixteen (15) written resolutions in FY2022:

Resolution	Date Approved
<b>Resolution to approve GCB Bank Local Purchase Order (LPO) financing of Ninety Thousand Ghana Cedis (GHS90,000.00) out of Three Hundred Thousand Ghana Cedis (GHS300,000.00).</b>	18 <sup>th</sup> January 2022
<b>Resolution to Apply a 20% depreciation on the Flexo Plant and Machinery, to match the utilisation of the Flexo machine for FY2021.</b>	25 <sup>th</sup> January 2022
<b>Resolution to open a corporate bank account with Guaranty Trust Bank.</b>	17 <sup>th</sup> March 2022
<b>Resolution to open a corporate bank account with Consolidated Bank of Ghana.</b>	17 <sup>th</sup> March 2022
<b>Resolution to call the Annual General Meeting for FY2021 to be scheduled for Wednesday, 18<sup>th</sup> May 2022.</b>	14 <sup>th</sup> April 2022
<b>Resolution to approve the Ecobank Loan Restructuring.</b>	26 <sup>th</sup> May 2022

## CORPORATE GOVERNANCE REPORT 2022 FISCAL YEAR

<b>Resolution to Approve request to consider and secure a loan facility of Five Hundred Thousand United States Dollars (USD500,000.00) from GCB Bank Ghana Ltd.</b>	<b>6<sup>th</sup> June 2022</b>
<b>Resolution to approve 3<sup>rd</sup> GCB Bank LPO Financing of Five Hundred Thousand Ghana Cedis (GHS500,000.00).</b>	5 <sup>th</sup> July 2022
<b>Resolution to approve the adoption of Board Charter.</b>	29 <sup>th</sup> July 2022
<b>Resolution to accept the loan offer from Bank of Africa (BOA) and authorization of Management to continue negotiations with the BOA.</b>	29 <sup>th</sup> July 2022
<b>Resolution to approve request to secure the following facilities from Bank of Africa Ghana Limited for the purchase of raw materials:</b> <ul style="list-style-type: none"> <li>• <b>Import Finance Facility</b> – Two Hundred Thousand United States Dollars (US\$200,000.00)</li> <li>• <b>Import Refinancing Line</b> of One Hundred and Sixty Thousand United States Dollars (US\$160,000.00).</li> <li>• <b>Overdraft</b> of One Hundred and Fifty Thousand United States Dollars (US\$150,000.00).</li> </ul>	9 <sup>th</sup> August 2022
<b>Resolution to approve request of a prefinanced amount of Five Hundred and Eighty Thousand Ghana Cedis (GHS580,000) for a consignment of paper from GCB Bank.</b>	18 <sup>th</sup> October 2022
<b>Resolution to cap employee benefits to a fixed amount.</b>	19 <sup>th</sup> October 2022
<b>Resolution to approve Audited Financial Statements for FY2021</b>	13 <sup>th</sup> April 2022
<b>Resolution to Approve 2<sup>nd</sup> Ecobank Loan Restructuring</b>	14 <sup>th</sup> December 2022

In addition to these major decisions, the Board through the support of the Company Secretary has executed several governance and management related actions geared towards achieving its strategic goals. The Company Secretary shares Action Points from Board meetings at most three (3) weeks after each meeting and follows up on each action at least once a month until the date of the next Board meeting.

As indicated, the Committees are presently undergoing restructuring, hence committee meetings have been temporarily put on hold.

### Policies and Implementation

The Company presently has two policies in place. These are the Board Charter and Risk Management Framework. Other policies as the Succession Policy, Code of Ethics and Whistle Blower policy are in the drafting process. The Company Secretary is expected to present these drafts at the Board meeting of Q1, FY2023.

## CORPORATE GOVERNANCE REPORT 2022 FISCAL YEAR

### 1. Board Charter

The Board Charter is a policy document that defines respective responsibilities, and authorities of the Board in setting the direction, the management, and the control of Camelot. At the 21<sup>st</sup> AGM, the Board Charter was approved on a motion by Mrs. Rachel Baddoo seconded by Prof. Henry Mensah-Brown subject to confirmation of the amounts stated in clauses 4.4 and 14.1 on “Approval of capital expenditure on individual items above GHS...” and “Details of major projects with expenditure amounts of above GHS...” respectively. The Board Charter is expected to be revised to include provision the SEC Code then presented to the Board for a second approval.

### 2. Risk Management Framework

The Risk Management Framework defines the Company’s risk management framework. It aids the Board and Management in detecting, preparing for, and managing risks when they arise. It has been put together on a departmental basis by all the Company's departments, each of which has identified potential risks, probability of occurrence, the impact that risk may have on the company's operations, and the mitigation plan for those risks.

#### Board Remuneration and Evaluation

At the Annual General Meeting held on May 18, 2022, it was decided that the Directors’ remuneration be maintained at an amount not exceeding Ninety-Seven Thousand, Nine Hundred and Fifty Ghana Cedis (GHS97,950.00) per annum.

The Board Evaluation for FY2022 is currently ongoing.

#### Sub-Board Committees

The Board enhances its supervisory role through its committees: the Strategy, Marketing & Audit Committee, Finance, Audit & Risk Committee and Nominations & HR Committee. The Committees are expected to be comprised of two (2) independent Directors and the Group Managing Director. Due to the demise of an independent Director, the Committees are in the process of being reconstituted to ensure diversity. Each Committee has in place Terms of Reference to guide its activities and decisions. Committees are expected to meet fourteen (14) days before a scheduled Board meeting.

#### Managing Director and Management

The Board has delegated operational responsibility for the administration of the Company and the Group to the Managing Director (MD). The MD leads operations within the framework laid down by the Board. In the Board Charter, the Board has adopted instructions for the division of responsibility between the Board and the MD. These are expected to be updated and approved annually. The MD has appointed a Management team with day-to-day responsibility for various aspects of the Company’s operations. Management meeting occur at least once a month. Meetings are often on financial performance, acquisitions, Company-wide development projects, and competence development, together with various other strategic issues.

#### **RECOMMENDATIONS**

The Board is set up to serve in the best interest of the Company. To consistently deliver such mandate, it is important to finalize Board policies and develop a monitoring mechanism which improves implementation and accountability.

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## NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2022

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### The calculation of ECLs

The company calculates ECLs based on a four probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows

**PD** The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously derecognised and is still in the portfolio.

**EAD** The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

**LGD** The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

**Stage 1:** The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the financial statement months after the reporting date. The company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

**Stage 2:** When account balance has shown a significant increase in credit risk since origination, the company records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

**Stage 3:** For account balances considered credit-impaired the company recognises the lifetime expected credit losses for these balances. The method is similar to that for Stage 2 assets, with the PD set at 100%.

### 2.7 Loans and advances

Loans and advances originated by the Group include loans where money is provided directly to the borrower and are recognized when cash is advanced to the borrower. They are initially recorded at cost, which is fair value of cash originated by the Group, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method.

### 2.8 Investments

Investments are recognized on a trade date basis and are classified as amortised cost, FVTPL or FVOCI. Investments with fixed maturity dates, where management has both the intent and ability to hold to maturity are classified as amortised cost. Investments intended to be held for indefinite period of time, which may be sold in response to needs for liquidity or changes in the market, are classified as FVTPL or FVOCI.

Investments are initially measured at cost. FVTPL or FVOCI. Investments are subsequently re-measured at fair value based on quoted prices. Fair values for unlisted securities are estimated using market values of the underlying securities or appropriate valuation methods.

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# CAMELOT GHANA PLC

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## FORM OF PROXY

I/We ..... being a member of the above-named Company hereby appoint ..... or failing him/her, the Chairman of the meeting as my/our proxy to vote for me on my/Our behalf at the Annual General Meeting of the Company to be held at **Christ the King Parish, Accra** on, **Wednesday, 21<sup>st</sup> June, 2023** and at any adjournment thereof.

*Please indicate with an "X" in the spaces below how you wish your votes to be cast.*

Resolution	For	Against
1. That the Directors' Report, Profit and Loss Account and Balance Sheet ("the Annual Report and Financial Statements") for the year ended 31 <sup>st</sup> December 2022 be received and adopted.		
2. That the following be re-elected as Directors of the Company:		
a. Prof. Henry Mensah-Brown		
b. Mrs. Caroline Andah		
3. That an amount of GHS285,600.00 be approved as Directors' remuneration for the financial year ending 31 <sup>st</sup> December 2023.		
4. That the Directors are authorised to determine the remuneration of the Auditors for the financial year ending 31 <sup>st</sup> December 2023.		

Signed: .....

Name: .....

Date: .....





**Osu, La Road  
Behind 18th July Furniture  
Opposite Ghana Commercial Bank  
Accra-Ghana.  
+233 (302) 773120 / +233 (302) 774852**