CAMELOT GHANA PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS
31ST DECEMBER 2024

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CAMELOT GHANA PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

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CAMELOT GHANA PLC
CORPORATE INFORMATION

DIRECTORS	Mrs. Elizabeth Joyce Villars (*Chairman*) Mr. John Colin Villars (*Managing Director*) Mrs. Caroline Andah Prof. Henry Mensah-Brown Mrs. Rachel Baddoo
REGISTERED OFFICE	Premises of Camelot Ghana PLC Osu- La Road (Opposite GCB Osu-Branch) P. O. Box M191 Accra
SECRETARY	Vantage Corporate Services No. 9, Abidjan Street East Legon, Accra
AUDITORS	**Baker Tilly Andah + Andah** Chartered Accountants 18 Nyanyo Lane, Asylum Down P. O. Box CT 5443 Cantonments, Accra
BANKERS	Access Bank Ghana PLC ADB Bank PLC Bank of Africa Ghana PLC Ecobank Ghana PLC FBN Bank PLC Fidelity Bank Ghana PLC First Atlantic Bank GCB Bank PLC NIB Bank UMB Bank PLC United Bank of Africa (Ghana) PLC Zenith Bank Ghana Ltd

CAMELOT GHANA PLC
REPORT OF DIRECTORS

The Directors have pleasure in submitting their report and financial statements of **CAMELOT GHANA PLC** for the year ended December 31, 2024.

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 IFRS Accounting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The financial statements are prepared in accordance with IFRS Accounting 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, 2025, 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 8th 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 PLC by shares under the Companies Act, 2019 (Act 992). The address of the registered office is set out on page 2 of the report.

Nature of business

Camelot Ghana PLC 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 IFRS Accounting Standards 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

	2024 GHS	2023 GHS
Profit for the year before taxation amounted to	3,566,446	2,800,759
from which is deducted taxation of	(1,003,197)	(639,582)
giving profit after taxation of	2,563,249	2,161,177
which is added to the balance brought forward on Retained Earnings of	1,641,322	(519,855)
Dividend	(461,385)	-
leaving a balance to be carried forward on the Retained Earnings of	3,743,186	1,641,322

Dividends

The company'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. The board resolved to declare dividends for the financial year 2024 payable in 2025 totalling GHS 461,385 calculated at a rate of GHS 0.0676 per share.

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(1)(a) and 196 of the Companies Act, 2019 (Act 992).

Corporate Social Responsibility

Per section 100 of the Income Tax Act, 2015 (Act 896) as the Company engaged in the following contributions and donations to a worthwhile cause at a cost of GHS 25,000 (2023: Nil).

No.	Project	Sponsoree	Amount (GHS)
1.	Matthew 25 Hospice	Camelot Ghana PLC	25,000
Total			**25,000**

Capacity of Directors

Relevant training and capacity building programs are put in place to enable the directors discharge their duties. On August 7, 2024, the company's directors participated in a training program focused on Environmental, Social, and Governance (ESG) principles, hosted by the Securities and Exchange Commission.

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.

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 requirements. 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 80,000 exclusive of GET Fund, NHIL, COVID-19 Levy and VAT was outstanding at the reporting date.

Approval of annual financial statements

The financial statements of the Company as identified above were approved by the Board of Directors on ……………………………………, 2025 and signed on their behalf by:

……………………………………
DIRECTOR

……14/04…………… 2025

……………………………………
DIRECTOR

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAMELOT GHANA PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Camelot Ghana PLC which comprise the statement of financial position as at 31st December 2024 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 14 to 36.

In our opinion, the accompanying financial statements of Camelot Ghana PLC present fairly, in all material respects, the financial position of the company as at 31st December, 2024 and its financial performance and its cashflows for the year then ended in accordance with IFRS Accounting Standards 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 (IESBA) 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.

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.

We have determined that there are no key audit matters to communicate in our report.

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.

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 Accounting Standards 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.

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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 accounting records and returns.

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

Baker Tilly Andah + Andah .... 14th April, 2025

Baker Tilly Andah + Andah (ICAG/F/2025/122)
Chartered Accountants
18 Nyanyo Lane, Asylum Down
Accra

CAMELOT GHANA PLC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Note	2024 GHS	2023 GHS
REVENUE	5	28,110,557	22,432,725
Operating Cost of Sales	6	(14,517,140)	(11,006,790)
GROSS PROFIT		13,593,417	11,425,935
Other Income	7	356,760	293,557
Administrative Expenses	8	(8,687,605)	(7,239,971)
OPERATING PROFIT		5,262,572	4,479,521
Finance Cost	9	(1,696,126)	(1,678,762)
PROFIT BEFORE TAX		3,566,446	2,800,759
Growth and Sustainability Levy	10b	(89,161)	-
Income Tax Expense	11	(914,036)	(639,582)
Profit after tax for the Year *(transferred to Retained Earnings)*		2,563,249	2,161,177

The accompanying notes on pages 14 to 36 are integral part of the financial statements.

CAMELOT GHANA PLC
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2024

	Note	2024 GHS	2023 GHS
ASSETS			
NON-CURRENT ASSETS			
Property Plant & Equipment	13	10,551,068	10,934,300
Intangible Assets	14	16,075	21,506
TOTAL NON-CURRENT ASSETS		10,567,143	10,955,806
CURRENT ASSETS			
Inventories	16	5,893,230	4,198,244
Trade and Other Receivables	17	6,388,076	2,606,565
Cash & Cash Equivalents	18	1,934,306	3,434,461
Current Tax Asset	10a	30,365	90,691
Directors Account		-	857
TOTAL CURRENT ASSETS		14,245,977	10,330,818
TOTAL ASSETS		**24,813,120**	**21,286,62**
EQUITY AND LIABILITIES			
Stated Capital	20	217,467	217,467
Retained Earnings		3,743,186	1,641,322
TOTAL EQUITY		3,960,653	1,858,789
NON - CURRENT LIABILITIES			
Long Term Loan	21	6,792,000	9,347,748
Deferred Taxation	10d	1,491,774	1,342,406
		8,283,774	10,690,154
CURRENT LIABILITIES			
Trade and Other payables	23	8,882,343	5,622,278
Short Term Loan	21	3,085,404	3,115,403
Directors Account		50,400	-
Growth and Sustainability Levy Payable	10b	89,161	-
Dividend Payable		461,385	-
		12,658,693	5,622,2
TOTAL EQUITY AND LIABILITIES		**24,813,120**	**21,286,624**

The annual report and financial statements and the notes on pages 15 to 36, were approved by the Board of Directors on ……………………………. and were signed on its behalf by:

…………………………………………………..
DIRECTOR

…………………………………………………..
DIRECTOR

……14 /04……………………2025

The accompanying notes on pages 14 to 36 are integral part of the financial statements.

CAMELOT GHANA PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2024

2024	Stated Capital GHS	Retained Earnings GHS	Total GHS
Balance as at 1 January	217,467	1,641,322	1,858,789
Profit for the year	-	2,563,249	2,563,249
Dividend	-	(461,385)	(461,385)
Balance as at 31 December	217,467	3,743,186	3,960,653

2023	Stated Capital GHS	Retained Earnings GHS	Credit Reserve Account GHS	Total GHS
Balance as at 1 January	217,467	(519,855)	275,510	(26,878)
Profit for the year	-	2,161,177	-	2,161,177
Account written off	-	-	(275,510)	(275,510)
Balance as at 31 December	217,467	1,641,322	-	1,858,789

The accompanying notes on pages 14 to 36 are integral part of the financial statements

CAMELOT GHANA PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

	2024 GHS	2023 GHS
Cash Flows from Operating Activities		
Profit before Tax	3,566,446	2,800,759
Adjusted for;		
Depreciation	1,036,083	858,852
Amortisation of Intangible Assets	5,432	6,970
Amortisation of Credit Reserve	-	(275,509)
Operating Cash Flows Before Movement In Working Capital	4,607,961	3,391,071
Working Capital Movements		
Changes in Inventories	(1,694,986)	452,964
Changes in Receivables	(3,781,511)	(141,808)
Changes in Trade and Other Payables	3,311,322	552,008
Cash flows generated from operations	2,442,786	2,391,529
Tax Paid	(704,342)	(209,181)
Net Cash Generated from Operating Activities	1,738,444	4,045,054
Cash Flows from Investing Activities		
Acquisition of Property Plant & Equipment	(652,851)	(585,843)
Net Cash Used in Investing Activities	(652,851)	(585,843)
Cash Flows from Financing Activities		
Repayment of Loan	(2,585,748)	(473,436)
Directors' Account	-	(857)
Net Cash Used in Financing Activities	(2,585,748)	(474,293)
Net (Decrease) /Increase in Cash and Cash Equivalents	(1,500,155)	2,984,918
Opening Cash and Cash Equivalents	3,434,461	449,543
Closing Cash and Cash Equivalents	**1,934,306**	**3,434,461**

The accompanying notes on pages 14 to 36 are integral part of the financial statements

Analysis of Cash and Cash Equivalents

	2024 GHS	Changes during the year GHS	2023 GHS
Cash Hand	10,500	5,087	5,413
Cash at Bank	1,923,806	(1,505,242)	3,429,048
	1,934,306	(1,500,155)	3,434,461

The accompanying notes on pages 14 to 36 are integral part of the financial statements.

1. REPORTING ENTITY

Camelot Ghana PLC, a PLC 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 IFRS Accounting Standards 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 IFRS Accounting Standards require 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 PLC under the IFRS Accounting Standards are set out below:

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 Company 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.

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.

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 trade receivables 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.

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 company 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 company, 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 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.

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 annual rates:

Furniture and Fittings	10%
Motor vehicles	20%
Office equipment	10%
Owned plant and machinery	6.7%
Buildings	4%
Computer & accessories	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 company, 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.

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 company provides for income taxes at the current tax rates on the taxable profits of the company. 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 company'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.

Wages and salaries payable to employees are recognised as an expense in the income statement at gross. The company'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 company contributes 13% of employees' basic salary to SSNIT for employee pensions. The company's obligation is limited to the relevant contributions, which are settled on due dates. The pension liabilities and obligations, however, rest with SSNIT.

- Termination benefits

Termination benefits are recognised as an expense when the company 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 company 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 company 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 company 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.

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 judgements 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 Company 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 Company 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 Company 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 Company's accounting policies

In the process of applying the Company'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 Company's property, plant and equipment requires estimates and other judgments. This includes measuring the cost of an item of property, plant and 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.

	2024 GHS	2023 GHS

5. REVENUE

	2024 GHS	2023 GHS
Export Sales	914,439	767,806
Local Sales	27,196,118	21,664,919
	28,110,557	22,432,725

6. OPERATING COST

Raw materials & Production Overheads:

	2024 GHS	2023 GHS
Opening Stock	4,198,244	4,651,208
Add Purchases	12,306,118	7,116,392
Cost of goods available for sale	16,504,362	11,767,600
Less: Closing Stock	(5,893,230)	(4,198,244)
Cost of Sales	10,611,132	7,569,356
Direct Cost - Finishing	836,737	690,727
Direct Cost – Production (Including depreciation)	1,757,582	1,011,759
Direct Cost - Flexo	1,311,689	1,734,948
	14,517,140	11,006,790

7. OTHER INCOME

	2024 GHS	2023 GHS
Credit Reserve written off	-	275,510
Sundry Income	356,760	18,047
	356,760	293,557

8. ADMINISTRATIVE EXPENSES

	2024 GHS	2023 GHS
Administrative Overheads	5,298,192	4,238,261
Finance & Accounts Overheads	932,345	1,136,643
IT & Security Overheads	572,980	462,330
Marketing Overheads	1,337,018	947,581
Support Service Overheads	214,602	202,151
Control and Compliance	235,218	187,005
Audit Fee	97,250	66,000
	8,687,605	7,239,971

9. FINANCE COST

	2024 GHS	2023 GHS
Interest on Loans	1,696,126	1,640,651
Penalty for Late Payment of Loan	-	38,111
	1,696,126	1,678,762

10. TAXATION

10a Current Tax

	Balance At 1/ 1/24 GHS	Payments during the year GHS	Charge for the year GHS	Balance at 31/12/24 GHS
Year of assessment				
2021	118,337	(248,339)	-	(130,002)
2022	(130,002)	(177,658)	-	(307,660)
2023	(307,660)	(209,181)	426,150	(90,691)
2024	(90,691)	(704,342)	764,668	(30,365)

10b Growth And Sustainability Levy

	Balance At 1/ 1/24 GHS	Payments during the year GHS	Charge for the year GHS	Balance at 31/12/24 GHS
Year of assessment				
2024	-	-	89,161	89,161

10c. Reconciliation of Tax expense at effective rate and statutory rate

	2024 GHS	2023 GHS
Profit before Taxation	3,566,466	2,800,759
Tax at applicable rate of 25%	891,617	700,190
Tax applicable at different rate (8%)	285,317	224,061
Tax effect of deductible Expenses	(710,933)	(528,583)
Tax effect of Non-deductible Expenses	298,667	609,100
Deferred Tax	149,368	213,432
Tax Charged	914,036	639,582
Effective Tax Rate	25.63%	22.84%

	2024 GHS	2023 GHS
10d. Deferred Taxation		
Balance at 1st January	1,342,406	1,128,974
Charge for the Year	149,368	213,432
Balance at 31st December	1,491,774	1,342,406

Income Tax On Comprehensive Income

Current Tax Expense (Note 10a)	764,668	426,150
Deferred Tax (Note 11a)	149,368	213,432
	914,036	639,582

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

The deferred tax charge/(credit) in the income statement comprises the following:

	2024 GHS	2023 GHS
Accelerated tax depreciation	259,021	213,432

11. INCOME TAX EXPENSE

Current Tax Expense [Note 10a]	764,668	426,150
Deferred Tax [Note 10d]	149,368	213,432
	914,036	639,582

12. EARNINGS PER SHARE

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.

	2024 GHS	2023 GHS
Net Profit attributable to equity shareholders	2,563,249	2,161,177
Number of ordinary shares for basic earnings per share	6,829,276	6,829,276
Number of ordinary shares for diluted earnings per share	6,829,276	6,829,276

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 statements.

13. PROPERTY, PLANT & EQUIPMENT

2024	Land and Buildings GHS	Motor Vehicles GHS	Capital Work-in Progress GHS	Plant & Machinery GHS	Furniture Equipment & Fittings GHS	Computer & Accessories GHS	Total GHS
Cost/valuation							
At 1st January	870,662	346,792	71,371	14,078,496	667,456	519,109	16,553,886
Additions	-	-	137,364	337,636	100,627	77,224	652,851
At 31st Dec.	870,662	346,792	208,735	14,416,132	768,083	596,333	17,206,737
Depreciation							
At 1st January	224,717	294,384	-	4,504,725	296,612	299,148	5,619,586
Charge for year	32,513	50,589	-	830,909	70,398	51,674	1,036,083
Disposals/Write off	-	-	-	-	-	-	-
At 31 Dec.	257,230	344,973	-	5,335,634	367,010	350,822	6,655,669
Carrying Amount							
At 31/12/2024	**613,432**	**1,819**	**208,735**	**9,080,498**	**401,073**	**245,511**	**10,551,068**

PROPERTY, PLANT & EQUIPMENT

	Land and Buildings GHS	Motor Vehicles GHS	Capital Work-in Progress GHS	Plant & Machinery GHS	Furniture Equipment & Fittings GHS	Computer & Accessories GHS	Total GHS
Cost/valuation							
At 1st January	870,662	346,792	31,771	13,868,696	445,901	404,221	15,968,043
Additions	-	-	39,600	209,800	221,555	114,888	585,843
At 31st Dec.	870,662	346,792	71,371	14,078,496	667,456	519,109	16,553,886
Depreciation							
At 1st January	192,198	241,975	-	3,836,030	234,222	256,309	4,760,734
Charge for year	32,516	54,409	-	668,695	62,390	42,839	858,852
Disposals/Write off	-	-	-	-	-	-	-
At 31 Dec.	224,717	294,384	-	4,504,725	296,612	299,148	5,619,586
Carrying Amount							
At 31/12/2023	**645,945**	**52,408**	**71,371**	**9,573,771**	**370,844**	**219,961**	**10,934,300**

14. INTANGIBLE ASSETS

	2024 GHS	2023 GHS
Cost		
Balance as at 1st Jan	90,521	90,521
Addition(s)	-	-
Balance as at 31st Dec	90,521	90,521
Amortisation		
Balance as at 1st Jan	69,014	62,044
Current Year Charge	5,432	6,971
Balance as at 31st Dec	74,446	69,015
Carrying Amount		
At 31st December	**16,075**	**21,506**

15. INVESTMENT IN SUBSIDIARY

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

16. INVENTORIES

The Inventories are made up of:

	2024 GHS	2023 GHS
Raw Materials (*At Cost*)	5,550,977	3,928,557
Machinery Spare Parts	-	263,567
Stationery (*At Cost or Net Realisable Value*)	-	6,120
Work in Progress	342,253	-
	5,893,230	4,198,244

	2024 GHS	2023 GHS

17. TRADE AND OTHER RECEIVABLES

	2024 GHS	2023 GHS
Trade Receivables	5,939,780	1,313,924
Prepayments	404,762	1,250,329
Staff Advances	43,534	42,312
	6,388,076	2,606,565

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

18. CASH AND CASH EQUIVALENTS

	2024 GHS	2023 GHS
Cash at Banks	1,923,806	3,429,048
Cash on hand	10,500	5,413
	1,934,306	3,434,461

19. FAIR VALUES

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

Financial Assets

	Carrying amount		Fair value	
Financial Assets	2024 GHS	2023 GHS	2024 GHS	2023 GHS
Cash and Cash Equivalents	1,934,306	3,434,461	1,934,306	3,434,461
Trade and Other Receivables	6,388,076	2,606,565	6,388,076	2,606,565
Financial Liabilities				
Trade and Other Payables	10,479,249	5,622,278	10,479,249	5,622,278

	2024 GHS	2023 GHS

20. STATED CAPITAL

	2024 GHS	2023 GHS
Authorised:		
Ordinary Shares of no par value	20,000,000	20,000,000
Issued and fully paid	6,829,276	6,829,276
Ordinary shares issued and fully paid:		
Issued for cash and fully paid	168,664	168,664
Land transfer by West Africa Data Services	48,803	48,803
	217,467	217,467

21. INTEREST BEARING LOAN

Short Term Loan

	2024 GHS	2023 GHS
Due within one year on MTL	3,085,404	3,115,403
Balance at 31 December	3,085,404	3,115,403

Amount due after more than one year

	2024 GHS	2023 GHS
Long term loan	9,347,748	9,821,184
Additions during the Year	-	-
Repayment	(2,585,748)	(473,436)
Balance at 31 December	**6,762,000**	**9,347,748**

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 1st June 2021 and rebooked as a medium-term loan. Interest rate is at 20% per Anum. 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.

22. CREDIT RESERVE

	2024 GHS	2023 GHS
Balance as at 1st January	-	275,510
Adjustment	-	(275,510)
Balance as at 31st December	-	-

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. TRADE AND OTHER PAYABLES

	2024 GHS	2023 GHS
Trade Payables	337,120	155,435
Other Payables	452,175	237,759
Provision	37,567	659,578
Duties and tax	7,957,931	4,503,506
Audit Fee Payable	97,520	66,000
	8,882,343	5,622,278

24. RELATED PARTY DISCLOSURES

	Amount owed to related party		Amount owed by related party	
	2024 GHS	2023 GHS	2024 GHS	2023 GHS
Parent	-	-	-	-
Directors	50,400	22,600	-	-

Terms and conditions of transaction with related parties

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

Key Management Staff Compensation

25. COMMITMENTS & CONTIGENCIES

At 31st December 2024, the company had no commitments. (2023: Nil)

26. 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 Company's operations. The Company 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 Company. The directors provide assurance to the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with company policies and company 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 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.

27. 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.

28. COLLATERAL

The Company did not hold collateral of any sort as at 31 December 2024.

29. SUBSEQUENT EVENTS

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