



PBC LIMITED

**UNAUDITED FINANCIAL STATEMENTS FOR FIRST QUARTER
FOR THE PERIOD ENDING
31ST DECEMBER, 2021**

ADDRESS

PMB, Accra-North
106 Olusengun Obasanjo Way
Dzorwulu Junction

EMAIL

info@pbcgh.com

WEBSITE

www.pbcgh.com

PBC LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR FIRST QUARTER ENDED 31ST DECEMBER, 2021

1. ACCOUNTING POLICIES

A. REPORTING ENTITY

PBC Limited is a company registered and domiciled in Ghana.

The company is authorised to buy, collect, store, transport and otherwise deal in cocoa, coffee and sheanuts produced in Ghana on behalf of Ghana Cocoa Board.

B. BASIS OF PREPARATION

(i) Statement of Compliance

The financial statements have been prepared in accordance with international Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standard Boards (IASB).

(ii) Basis of measurement

The financial statements were prepared on the historical cost basis except for financial instruments and other assets that are stated at fair value.

(iii) Functional and presentational currency

The financial statements are presented in Ghana cedis (GH¢) which is the company's functional currency.

(iv) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

C. DEPRECIATION

Items of property, plant and equipment are measured at Cost less accumulated depreciation and impairment losses.

The estimated rates of depreciation are as follows:

Buildings	3%
Plant and Machinery	20%
Motor Vehicles	20%
Operational Vehicles	10%
Furniture and Equipment	20%

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

D. INTANGIBLE ASSETS

Software acquired by the Company is stated at cost less accumulated impairment losses.

E. INVENTORIES

Inventories are measured at the lower of cost and net realisable value.

F. TRADE AND OTHER RECEIVABLES

Trade receivables are stated at amortised costs, less impairment losses. Specific allowance for doubtful debts are made for receivables of which recovery is doubtful. Other receivables are stated at their cost less impairment losses.

G. CASH AND CASH EQUIVALENTS

Cash and Cash equivalents comprise Cash on hand and bank balances and these are carried at amortised Cost in the balance sheet.

H. REVENUE

(i) Sale of goods

Revenue from the Sale of goods is measured at the fair value of the consideration received or receivable net of returns, trade discounts, taxes and volume rebates and is recognised when the significant risk and rewards of the ownership have been transferred to the buyer.

(ii) Sale of Services

Revenue from services rendered is recognised in the income statement when the Service is performed.

I. SEGMENT REPORTING

Segmental information is presented in respect of the Company's business segments and is based on the Company's management and internal reporting structure.

The two main business segments are:

Produce - Sale of Cocoa beans and sheanut.

Haulage - transporting of Cocoa beans.

PBC LIMITED
INCOME STATEMENT
FOR FIRST QUARTER ENDED 31ST DECEMBER , 2021

INCOME STATEMENT	NOTE	2021 GH¢000	2020 GH¢000
Revenue	4	326,884	614,484
Cost of Sales		297,806	565,387
Gross Profit		29,078	49,097
Other Income	6	1,234	1,896
Direct Operating Expenses		230	3,239
General and Administrative Expenses	5	23,771	31,883
Operating profit before financing cost		6,311	15,871
Net Finance Expenses	7	(4,387)	(10,486)
Profit/(Loss) before Taxation		1,924	5,385
Income Tax Expense	8a	-	-
Profit/(Loss) for the period transferred to Income Surplus Account		1,924	5,385

INCOME SURPLUS ACCOUNT	2021 GH¢	2020 GH¢
Balance at 1 October	(414,855)	(477,551)
Net Profit for the period	1,924	5,385
Balance at 31 December	(412,931)	(472,166)

The Financial statements do not contain any untrue statement, misleading facts or omitted material facts to the best of our knowledge.

.....
HON. RICHARD AKUOKO ADIYIA
CHIEF EXECUTIVE OFFICER

.....
VIVIAN BOADI APENTENG
DEPUTY CEO (F&A)

PBC LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2021

STATEMENT OF FINANCIAL POSITION	NOTE	2021 GH¢000	2020 GH¢000
Non-Current Assets			
Property, plant and equipment	10	278,108	290,304
Investment in Subsidiaries	20	39,752	39,752
Long Term Investment	22	4,181	4,181
Total non-current assets		322,041	334,237
Current Assets			
Inventories	11	115,074	244,916
Trade and other receivables	12	227,426	316,072
Group Current Account			
Short term investments	13	207	784
Current Tax			
Cash and cash equivalents	14	7,071	9,910
Total current assets		349,778	571,682
Total assets		671,819	905,919
Equity			
Stated Capital	23	15,000	15,000
Retained earnings		(412,931)	(472,166)
Other reserves		3,624	3,624
Revaluation Reserves		207,034	207,034
Total equity		(187,273)	(246,508)
Liabilities			
Deferred tax liability	8b	-	-
Income Tax liability	8a	(22)	-
Finance Lease	21	194	194
Medium term loan	18	(9)	237,454
EDAIF Loan			
Long term loan	19	448,297	512,738
Preference share capital	22		
Total non-current liabilities		448,460	750,386
Bank Overdraft	16	7,780	-
Short Term Loan	17	32	138,722
Medium term loan (current portion)	18	-	-
Long term loan (current portion)		-	-
Finance Lease (current portion)	21	-	-
Trade and other payables	15	402,820	263,319
Total current liabilities		410,632	402,041
Total liabilities		859,092	1,152,427
Total liabilities and equity		671,819	905,919

PBC LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR FIRST QUARTER ENDED 31ST DECEMBER , 2021

2 **CAPITAL AND RESERVES**

Reconciliation of movement in capital and reserves

	Share Capital	Retained Earnings	Other Reserves	Revaluation Reserves	Total Equity
	GH¢000	GH¢000	GH¢000	GH¢000	GH¢000
Balance at 01.10.20	15,000	(414,855)	2,524	207,361	(189,970)
Total recognised Income and Expenses		1,924			1,924
Movement in available for sale asset			-		-
Balance at 31.12.21	15,000	(412,931)	2,524	207,361	(188,046)

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR FIRST QUARTER ENDED 31ST DECEMBER , 2021

	2021	2020
	GH ₵'000	GH ₵'000
4 REVENUE		
Sale of Cocoa	321,385	607,101
Services (Haulage)	5,499	7,383
	<u>326,884</u>	<u>614,484</u>
5 ADMINISTRATIVE AND GENERAL EXPENSES		
including the following:		
Depreciation and amortisation	3,689	21,266
Auditors Remuneration		316
Directors emoluments	150	150
Subscriptions and Donations	0.7	234
	<u>3,840</u>	<u>21,966</u>
6 OTHER INCOME		
Rent Income	28	
Sundry Income	1,031	1,896
Sale of Unserviceable items	10	
Recoveries from Shortages/Haulages	165	-
	<u>1,234</u>	<u>1,896</u>
7 NET FINANCE EXPENSES		
Interest Income	824	
Bank and Produce loan interest	(5,211)	(10,486)
	<u>(4,387)</u>	<u>(10,486)</u>

PBC LIMITED
NOTE TO THE FINANCIAL STATEMENT
FOR FIRST QUARTER ENDED 31ST DECEMBER , 2021

8a TAXATION

Year of Assessment Corporate Tax	Balance at 1 October GH ¢	Payments during the year GH ¢	Charge for the period GH ¢	Balance at 30-Jun GH ¢
First Quarter 2020	0	-	-	-
	-	-	-	-

8b DEFERRED TAX

	2018	2017
Balance at June	<u>5,389,783</u>	<u>-1,166,584</u>

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR FIRST QUARTER ENDED 31ST DECEMBER , 2021

10 PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings GH ₵	Plant and Machinery GH ₵	Motor Vehicles GH ₵	Furniture & Fitting GH ₵	Building W.I.P GH ₵	Total GH ₵
COST						
Balance at 1.10.2021	237,116,410	25,272,830	104,176,796	6,558,362	62,696,326	435,820,724
Additions during the period		59,793		7,800		67,593
Transfer to Asset						-
Balance at 31.12.2021	237,116,410	25,332,623	104,176,796	6,566,162	62,696,326	435,888,316
Depreciation						
Balance at 1.10.2021:	33,307,444	23,859,424	91,009,496	5,914,647		154,091,010
Charge for the period	1,778,373	505,611	1,076,634	328,308		3,688,926
Released on Disposals						-
Balance at 31.12.2021	35,085,817	24,365,035	92,086,129	6,242,955	-	157,779,936
Carrying amounts						
At 31.12.21	202,030,592	967,588	12,090,667	323,208	62,696,326	278,108,380
At 30.12.20	208,808,654	1,738,740	16,478,572	436,873	62,841,316	290,304,155

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR FIRST QUARTER ENDED 31ST DECEMBER , 2021

11 INVENTORIES	2021	2020
<u>Trading:</u>	<u>GH ₵000</u>	<u>GH ₵000</u>
Cocoa	106,852	219,503
Sheanut	4,406	18,738
Agro input	1,032	1,044
Non-Trading	2,784	5,631
	<u>115,074</u>	<u>244,916</u>

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	2021 GH ₵000	2020 GH ₵000
12 ACCOUNTS RECEIVABLE		
Trade receivables due from customers	73,536	166,788
Other receivables	20,330	20,330
Staff Loans and Advances	1,573	2,454
Intercompany receivables	131,222	125,742
Prepayments	765	758
	<u>227,426</u>	<u>316,072</u>

a. Prepayments represent the unexpired portion of certain expenditure spread on time basis.

b. The maximum amount due from employees of the Company during the period did not exceed GH₵1,743(2018- GH₵2,648)

	2021 GH ₵000	2020 GH ₵000
13 SHORT TERM INVESTMENTS		
Call & Fixed Deposits	207	784
Treasury Bills	-	-
	<u>207</u>	<u>784</u>
14 CASH AND CASH EQUIVALENTS		
Bank Balances	7,042	7,868
Cash Balances	29	2,042
	<u>7,071</u>	<u>9,910</u>
15 ACCOUNTS PAYABLE		
Trade payables	320,864	248,632
Non-trade payables and Other Payables	22,146	14,687
Accrued Charges	59,810	
	<u>402,820</u>	<u>263,319</u>

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16	BANK OVERDRAFT	2021 GH ₵000	2020 GH ₵000
	Ecobank Ghana Limited	-	-
	UMB	-	-
	Ghana Commercial Bank	-	-
	Cal Bank	-	-
	SG-GH Limited	-	-
	ADB	-	-
	GCB-Sheanut Tamale	7,285	7,285
	Societe General CPA 2	28	-
	NIB Bank Limited	467	467
		7,780	7,752

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	2021 GH ¢	2020 GH ¢
17 SHORT TERM LOANS		
Sahel Sahara Bank	32	-
Stanchart Note Programme	-	138,722
GCB	-	-
	<u>32</u>	<u>138,722</u>

SCB Consortium Loan

The Company was granted a loan facility of GH¢ 154 million following a bond issued to a Consortium of banks and pension Funds Institutions led by Standard Chartered Bank. The facility is for a period of twelve months with an interest rate of of 24% per annum fixed over the period.

18 MEDIUM TERM LOAN

Produce Loan (Seed Fund)	-	237,445
SCB CONSORTIUM	-	237,454
Societe Generale	(9)	9
EDAIF	-	-
GCB Ltd	-	-
	<u>(9)</u>	<u>474,908</u>

19 LONG TERM LOAN

	2021 GH¢000	2020 GH¢000
Restructured Loan (OD)	377,720	442,161
Ghana Cocoa Board	70,577	70,577
	<u>448,297</u>	<u>512,738</u>

The company was granted a long term loan of US\$10,000,000 by Ghana Cocoa Board towards the establishment of the PBC Shea Ltd. a subsidiary of the Company at Buipe.

The facility is for a period of eight year with a two year moratorium, and it is secured by Cocoa Taken Over receivables, Butter proceeds from the factory and take over of the Plant and equipment of PBC Shea Limited. Interest rate is at 8.5% on reducing basis.

20a INVESTMENT IN SUBSIDIARIES

	2021 GHc000	2020 GHc000
PBC Shea Ltd	6,000	6,000
Golden Bean Hotel Ltd	33,752	33,752
Balance at 30 September	<u>39,752</u>	<u>39,752</u>

This represents PBC Limited investment in two subsidiaries, namely PBC Shea Ltd and Golden Bean Hotel. The PBC Shea Ltd is a state of the art factory established to process sheanut into shea butter for export located at Buipe in the Central Gonja District. The Golden Bean Hotel is 50 Room hospitality facility located at Nyiaeso in the Kumasi Metropolies.

20b INVESTMENT IN PBC SHEA LIMITED

The company's investment in PBC Limited as indicated in the the previous year's financial statement had been restated as follow;

	2021 GHc	2020 GHc
Balance as 01 october	6,000	6,000
	<u>6,000</u>	<u>6,000</u>

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	2021 GH¢000	2020 GH¢000
	<hr/>	<hr/>
21 FINANCE LEASE		
Current portion payable within 12 months	-	-
Long term portion payable after 12 months	194	194
	<hr/>	<hr/>
	194	194
	<hr/> <hr/>	<hr/> <hr/>

22 Long Term Investment

	2021	2020
	GH ¢'000	GH ¢'000
Quoted Equity Investment		
Balance at 1 October	3,854	3,854
Fair Value movement	<u>327</u>	<u>327</u>
Balance at 31st December 2020	<u>4,181</u>	<u>4,181</u>

This represents 727,273 of equity shares of no par value held in Ghana Commercial Bank Limited

PBC LIMITED
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STATED CAPITAL

	2021		2020	
	No. of Shares	Proceeds GH¢	No. of Shares	Proceeds GH¢
a				
Ordinary shares				
Authorised Ordinary Shares of no par value	20,000,000,000		20,000,000,000	
	<u>20,000,000,000</u>		<u>20,000,000,000</u>	
Issued and fully paid				
For cash	2,005,000	1,586,800	2,005,000	1,586,800
For consideration other than cash	477,995,000	13,413,200	477,995,000	13,413,200
	<u>480,000,000</u>	<u>15,000,000</u>	<u>480,000,000</u>	<u>15,000,000</u>
<p>The holders of the ordinary shares are entitled to receive dividend declared from time to time and are entitled to one vote per share at meetings of the company.</p>				
b				
Preference shares	No. of Shares	Proceeds	No. of Shares	Proceeds
No. of preference shares	1	100	1	100
Total stated capital		<u>15,000,100</u>		<u>15,000,100</u>

The preference shares are redeemable (golden cocoa share) allotted to the Ministry of Finance on behalf of Government of Ghana.

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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c Share in treasury

Shares in Treasury as at 30 June 2019:-(1,877,370) 2017:-(1,877,370).

d Income surplus (Retained earning)

This represents the residual of cumulative annual profits that are available for distribution to shareholders.

e Share deals

This represents the net effect of shares which the company repurchased into treasury that are available for reissue for the consideration of GH¢1,982 and reclassification of the proceeds of redeemable preference shares of GH¢100 from equity.

f Other reserves

This represents the gain arising from fair value changes of long term investment in Ghana Commercial Bank Limited shares