

Financial Statement

TRANSACTION SOLUTIONS GHANA LIMITED

BALANCE SHEET AS AT DECEMBER 31, 2008

	NOTES	2008 GH¢	2007 GH¢
NON CURRENT ASSETS			
Property, plant and equipment	4	<u>1,985,104</u>	<u>1,905,384</u>
CURRENT ASSETS			
Inventories	5	557,638	1,143,334
Trade accounts receivable	6	484,826	1,024,966
Other accounts receivable	7	267,631	389,312
Cash and bank balances	8	<u>275,244</u>	<u>405,367</u>
TOTAL CURRENT ASSETS		<u>1,585,339</u>	<u>2,962,979</u>
TOTAL ASSETS		<u><u>3,570,443</u></u>	<u><u>4,868,363</u></u>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Bank Overdraft	9	519,718	1,289,012
Trade accounts payable		442,468	57,871
Other accounts payable	10	270,090	97,915
Taxation	11	(44,091)	(75,885)
Short Term Loan	12	157,271	76,681
Dividend payable	13	<u>200,000</u>	<u>-</u>
TOTAL CURRENT LIABILITIES		<u><u>1,545,456</u></u>	<u><u>1,445,594</u></u>

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NON-CURRENT LIABILITIES

Finance Lease Obligation	14	<u>372,355</u>	<u>94,276</u>
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EQUITY

Stated Capital	15	2,150,000	2,150,000
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Income Surplus		<u>(497,368)</u>	<u>1,178,493</u>
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Shareholders funds		<u>1,652,632</u>	<u>3,328,493</u>
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TOTAL LIABILITIES AND EQUITY		<u><u>3,570,443</u></u>	<u><u>4,868,363</u></u>
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DIRECTOR



DIRECTOR

The accompanying notes on pages ~~22~~ to ~~36~~ form an integral part of these financial statements.

Financial Statement

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2008

	NOTES	COMPANY 2008 GH¢	GROUP 2007 GH¢
TURNOVER	1(b)	12,131,936	36,394,976
COST OF OPERATIONS	16	<u>(11,892,697)</u>	<u>(34,433,540)</u>
GROSS TRADING PROFIT		239,239	<u>1,961,436</u>
General & Administration Expenses	17	<u>(1,762,463)</u>	<u>(1,565,838)</u>
Operating Loss		(1,523,224)	395,598
Other Income	18	—	<u>8,040</u>
Loss Before Taxation		(1,523,224)	403,638
Taxation			
Corporate	11	<u>(15,779)</u>	<u>(100,909)</u>
Loss After Taxation		<u>(1,539,003)</u>	<u>302,729</u>
INCOME SURPLUS ACCOUNT			
January 1		1,178,493	1,151,297
Total recognised income and expenditure		(1,475,861)	27,196
Proposed dividend		<u>(200,000)</u>	—
December 31		<u>(497,368)</u>	<u>1,178,493</u>

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CASH FLOW STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2008

	2008	2007
	GH¢	GH¢
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before Taxation	(1,523,224)	403,638
Reconciliation of Profit to net Cash Flow from operating activities		
Adjustment for Non - Cash Items:		
Net interest expense	297,193	36,783
Depreciation	241,133	203,915
Net book value of write offs	63,142	72,125
	<u>(921,756)</u>	<u>716,461</u>
Changes in current assets and liabilities		
Decrease in trade accounts receivable	540,140	87,890
Decrease in other accounts receivable	121,681	(313,672)
Decrease in Inventories	585,696	51,105
Increase in trade accounts payable	384,597	(488,409)
Increase in other accounts payable	<u>213,189</u>	<u>(62,376)</u>
	1,845,303	(725,462)
Tax paid		
Corporate	<u>(25,000)</u>	<u>(360,000)</u>
	<u>1,820,303</u>	<u>(1,085,462)</u>
Net cash provided by operating activities	<u>898,547</u>	<u>(369,001)</u>

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CASH FLOW FROM INVESTING ACTIVITIES

Capital expenditure	(320,853)	(1,176,938)
Investment income	<u>-</u>	<u>3,811</u>
Net cash used in investing activities	<u>(320,853)</u>	<u>(1,173,127)</u>

CASH FLOW FROM FINANCING ACTIVITIES

Interest expense	(297,193)	(40,594)
Finance lease obligation-servicing	(151,330)	(72,122)
Loan drawn down	<u>510,000</u>	<u>146,335</u>
Net cash provided by financing activities	<u>61,477</u>	<u>33,619</u>

INCREASE IN CASH AND CASH EQUIVALENTS

	639,171	(1,508,509)
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CASH AND CASH EQUIVALENTS

At beginning of year	<u>(883,645)</u>	<u>624,864</u>
At end of year	<u>(244,474)</u>	<u>(883,645)</u>

ANALYSIS OF BALANCES OF CASH AND CASH**EQUIVALENTS AS SHOWN IN THE BALANCE SHEET**

Cash and bank balances	275,244	405,367
Bank overdraft	(519,718)	<u>(1,289,012)</u>
	<u>(244,474)</u>	<u>(883,645)</u>

The accompanying notes on pages ~~22~~ to ~~36~~ form an integral part of these financial statements.

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STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2008

	2008	2007
	GH¢	GH¢
Write off of deferred expenditure	63142	(275,533)
Net profit after tax	<u>(1,539,003)</u>	<u>302,729</u>
	<u><u>1,475,861</u></u>	<u><u>27,196</u></u>

Financial Statement

RECONCILIATION OF BALANCE SHEET

AS AT DECEMBER 31, 2007 FROM GAS TO IFRS

		GAS	ADJUSTMENT	IFRS
		GH¢	GH¢	GH¢
NON-CURRENT ASSETS				
Deferred Expenditure	1	275,533	(275,533)	-
Property, plant and equipment		<u>1,905,384</u>	<u>-</u>	1,905,384
TOTAL NON-CURRENT ASSETS		<u>2,180,917</u>	<u>(275,533)</u>	<u>1,905,384</u>
CURRENT ASSETS				
Inventories		1,143,334	-	1,143,334
Trade accounts receivable		1,024,966	-	1,024,966
Other accounts receivable		389,312	-	389,312
Cash and bank balances		<u>405,367</u>	-	<u>405,367</u>
TOTAL CURRENT ASSETS		<u>2,962,979</u>		<u>2,962,979</u>
TOTAL ASSETS		<u>5,143,896</u>	<u>(275,533)</u>	<u>4,868,363</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Bank overdraft		1,289,012	-	1,289,012
Trade accounts payable		57,871	-	57,871
Other accounts payable		97,915	-	97,915
Taxation	2	(137,555)	61,670	(75,885)
Dividend	3	200,000	(200,000)	-
Short Term Loan		<u>76,681</u>	-	<u>76,681</u>
TOTAL CURRENT LIABILITIES		<u>1,583,924</u>	<u>(138,330)</u>	<u>1,445,594</u>

Financial Statement

NON CURRENT-LIABILITY

Finance Lease Obligation	94,276		94,276
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EQUITY

Stated capital	2,150,000	-	2,150,000
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Income surplus	<u>1,315,696</u>	<u>(137,203)</u>	<u>1,178,493</u>
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SHAREHOLDERS FUNDS	<u>3,465,696</u>	<u>(137,203)</u>	<u>3,328,493</u>
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TOTAL LIABILITIES AND EQUITY	<u>5,143,896</u>	<u>(275,533)</u>	<u>4,868,363</u>
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1. Outstanding floatation costs written off in line with IAS 38- Intangible Assets.
2. Recognition of deferred tax provision in line with IAS 12 (Revised) - Income tax
3. IFRS requires that Dividend proposed be treated as a non-adjusting post balance sheet event. We have as a result reflected this on the income surplus account in line with . with IAS 10 - Event after balance sheet date.

Financial Statement

**RECONCILIATION OF PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2007 FROM GAS TO IFRS**

	GAS	ADJUSTMENT	IFRS
	GH¢	GH¢	GH¢
TURNOVER	36,394,976	-	36,394,976
COST OF OPERATIONS	<u>(34,433,540)</u>	-	<u>(34,433,540)</u>
GROSS OPERATING PROFIT	<u>1,961,436</u>		<u>1,961,436</u>
General & administrative expenses	<u>(1,565,838)</u>	-	<u>(1,565,838)</u>
		-	
Operating profit	395,598	-	395,598
Other income	<u>8,040</u>		<u>8,040</u>
Profit before taxation	403,638		403,638
TAXATION			
Corporate Tax	<u>(39,239)</u>	<u>(61,670)</u>	<u>(100,909)</u>
Profit after taxation	<u>364,399</u>	<u>(61,670)</u>	<u>302,729</u>

The adjustment represent recognition of deferred tax provision in line with IAS 12 (Revised) - Income tax