



# PBC LIMITED



**UNAUDITED**

**CONSOLIDATED FINANCIAL STATEMENTS FOR FIRST QUARTER**

**FOR THE PERIOD ENDING**

**31ST DECEMBER, 2017**

**ADDRESS**

PMB, Accra-North  
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## PBC LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31ST DECEMBER, 2017

#### 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.

##### 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.

## **B. DEPRECIATION**

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

The estimated useful lives 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.

## **C. INTANGIBLE ASSETS**

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

## **D. INVENTORIES**

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

## **E. 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.

## **F. 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.

## **G. 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.

## H. 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 three main business segments are:

Produce - Sale of Cocoa beans

Sheanut - Sale of sheanut

Haulage - transporting of Cocoa beans.

## I. CONSOLIDATED ACCOUNTS

The financial statement of the Parent Company PBC LTD. has been consolidated with that of its subsidiary Golden Bean Hotel Ltd, which is a 50-room hospitality facility located at Nhyiaeso, Kumasi.

**PBC LIMITED**

**CONSOLIDATED INCOME STATEMENT  
FIRST QUARTER ENDED 31ST DECEMBER, 2017**

INCOME STATEMENT	NOTE	GROUP	COMPANY	GROUP	COMPANY
		2017 GH¢	2017 GH¢	2016 GH¢	2016 GH¢
Revenue	4	796,026,631	793,514,621	956,664,556	953,966,504
Cost of Sales		(721,078,185)	(720,089,060)	(858,814,387)	(857,691,292)
Gross Profit		74,948,446	73,425,561	97,850,169	96,275,212
Other Income	6	394,862	394,862	1,260,291	1,260,291
Direct Operating Expenses		(22,273,532)	(22,273,532)	(25,114,981)	(25,114,981)
General and Administrative Expenses	5	(18,405,984)	(16,357,245)	(18,146,567)	(16,154,884)
Operating profit before financing cost		34,663,792	35,189,646	55,848,912	56,265,638
Net Finance Expenses	7	(27,765,741)	(27,751,853)	(39,072,450)	(39,054,422)
Profit before Taxation		6,898,051	7,437,793	16,776,462	17,211,216
Income Tax Expense	8a	(1,724,513)	(1,859,448)	(4,194,116)	(4,302,804)
Profit for the quarter transferred to Income Surplus Account		5,173,538	5,578,345	12,582,347	12,908,412
<b>INCOME SURPLUS ACCOUNT</b>		2017 GH¢	2017 GH¢	2016 GH¢	2016 GH¢
Balance at 1 October		(48,531,000)	(36,560,224)	(18,655,501)	(14,117,856)
Net Profit for the quarter		5,173,538	5,578,345	12,582,347	12,908,412
Balance at 31 December		(43,357,462)	(30,981,879)	(6,073,154)	(1,209,444)

The Financial statement do not contain untrue statement, misleading facts or omit material facts to the best of my knowledge.

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K. OWUSU BOATENG  
CHIEF EXECUTIVE OFFICER

*SIGN*

.....  
J. OSEI MANU  
DEP. CHIEF EXECUTIVE OFFICER (F&A)

**PBC LIMITED**  
**CONSOLIDATED BALANCE SHEET**  
**FIRST QUARTER ENDED 31ST DECEMBER, 2017**

BALANCE SHEET	NOTE	GROUP 2017 GH¢	COMPANY 2017 GH¢	GROUP 2016 GH¢	COMPANY 2016 GH¢
<b>Non-Current Assets</b>					
Property, plant and equipment	10	265,482,094	239,610,821	148,758,430	119,844,878
Intangible Assets		257,163	0	417,883	0
Investment in Subsidiaries	16	123,897,283	166,147,283	115,404,473	147,654,473
Available for Sale Financial Asset	20	3,672,729	3,672,729	2,589,092	2,589,092
Deferred Tax Assets	9	5,149,360	5,389,783	-	-
<b>Total non-current assets</b>		<b>398,458,629</b>	<b>414,820,616</b>	<b>267,169,878</b>	<b>270,088,443</b>
<b>Current Assets</b>					
Inventories	11	313,440,120	311,767,861	383,311,747	381,451,869
Income Tax Assets		30,360	0	30,360	0
Trade and other receivables	12	334,423,614	335,493,849	249,402,753	255,992,616
Short term investments	13	12,371,619	10,061,629	106,122,523	103,929,735
Cash and cash equivalents	14	40,715,079	39,566,731	52,940,403	52,068,805
<b>Total current assets</b>		<b>700,980,792</b>	<b>696,890,070</b>	<b>791,807,786</b>	<b>793,443,025</b>
<b>Total assets</b>		<b>1,099,439,421</b>	<b>1,111,710,686</b>	<b>1,058,977,664</b>	<b>1,063,531,468</b>
<b>Equity</b>					
Stated Capital	22a	15,000,000	15,000,000	15,000,000	15,000,000
Retained earnings	22c	(43,357,462)	(30,981,879)	(6,073,154)	(1,209,444)
Other reserves	22e	3,442,327	3,442,327	2,589,092	2,589,092
Revaluation Reserves		122,418,000	122,417,938	0	0
<b>Total equity</b>		<b>97,502,865</b>	<b>109,878,386</b>	<b>11,515,938</b>	<b>16,379,648</b>
<b>Liabilities</b>					
Deferred tax liability	8b	269,217	0	1,460,216	1,166,584
Income Tax liability	8a	1,693,513	1,858,474	4,194,116	4,302,804
Finance Lease	21	0	0	1,646,469	1,646,469
Medium term loan	18	9,880,508	9,880,508	17,032,508	17,032,508
Long Term Loan	19	61,779,036	61,779,036	59,913,994	59,913,994
Preference share capital	22b	100	100	100	100
<b>Total non-current liabilities</b>		<b>73,622,374</b>	<b>73,518,118</b>	<b>84,247,403</b>	<b>84,062,459</b>
Bank Overdraft	16	242,510,420	242,510,420	109,042,751	109,042,751
Short Term Loan	17	678,898,630	678,898,630	838,001,455	838,001,455
Medium term loan (current portion)	18	2,254,560	2,254,560	5,915,816	5,915,816
Finance Lease (current portion)	21	638,270	638,270	1,020,500	1,020,500
Trade and other payables	15	4,012,302	4,012,302	9,233,801	9,108,839
<b>Total current liabilities</b>		<b>928,314,182</b>	<b>928,314,182</b>	<b>963,214,323</b>	<b>963,089,361</b>
<b>Total liabilities</b>		<b>1,001,936,556</b>	<b>1,001,832,300</b>	<b>1,047,461,726</b>	<b>1,047,151,820</b>
<b>Total liabilities and equity</b>		<b>1,099,439,421</b>	<b>1,111,710,686</b>	<b>1,058,977,664</b>	<b>1,063,531,468</b>

