



PRESS RELEASE

PR. No 292/2019

**STARWIN PRODUCTS LIMITED (SPL) -
UNAUDITED FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDING 30 JUNE 2019**

SPL has released its unaudited Financial Statements for the second quarter ending June 30, 2019 as per the attached.

Issued in Accra, this 31st
day of July, 2019

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, SPL
4. MBG Registrars, (Registrars for SPL shares)
5. Custodians
6. Central Securities Depository
7. Securities and Exchange Commission
8. GSE Council Members
9. GSE Notice Board

For enquiries, contact:

Head of Listings, GSE on 0302 669908, 669914, 669935

**GA*

STARWIN PRODUCTS LIMITED

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2019

	NOTE	2019 GH¢	2018 GH¢
Assets			
Non-current assets			
Property ,plant and equipment	1	846,433	1,167,503
Long term investment	2	1,927,769	182,250
Due from Related Party		9,612,387	8,923,483
Total non-current assets		<u>12,386,589</u>	<u>10,273,236</u>
Current assets			
Inventories	3	2,444,255	2,883,980
Trade and other receivables	4	7,380,484	3,817,713
Cash and bank balances	5	4,859	81,334
Total current assets		<u>9,829,597</u>	<u>6,783,026</u>
Total assets		<u>22,216,186</u>	<u>17,056,262</u>
Equity and liabilities			
Equity			
Share capital		7,549,126	7,549,126
Issue Reserve		(555,762)	(555,762)
Capital surplus		1,399,457	208,793
Retained earnings		6,174,191	6,195,780
Total equity		<u>14,567,012</u>	<u>13,397,937</u>
Non-current liabilities			
Deffered tax liabilities		306,359	110,090
		<u>306,359</u>	<u>110,090</u>
Current liabilities			
Bank overdraft	6	692,840	704,328
Trade and other payables	7	5,942,364	2,256,166
Income Tax liability		707,610	587,741
Total current liabilities		<u>7,342,814</u>	<u>3,548,235</u>
Total liabilities		<u>7,649,173</u>	<u>3,658,325</u>
Total liabilities and equity		<u>22,216,185</u>	<u>17,056,263</u>

29-07-2019

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DATE



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Director
Daniel Apegyei Kissi



.....
Director
Nik Amarteifio

STARWIN PRODUCTS LIMITED
UNAUDITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30TH JUNE 2019

		2019 GH¢	2018 GH¢
Revenue		4,529,350	5,399,249
Cost of sales		<u>(2,240,554)</u>	<u>(2,537,563)</u>
Gross profit		2,288,796	2,861,686
Other income		-	-
General and administrative expenses	8	<u>(1,633,749)</u>	<u>(1,088,847)</u>
Results from operating activities		655,047	1,772,839
Net finance expense		<u>(91,273)</u>	<u>(305,371)</u>
Profit before income taxation		563,774	1,467,468
Income tax expense		<u>(140,943)</u>	<u>(387,023)</u>
Profit for the Period		<u>422,830</u>	<u>1,080,445</u>
Basic earnings per share		0.0016	0.0042
Diluted earnings per share		0.0016	0.0042

STARWIN PRODUCTS LIMITED
UNAUDITED
STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30TH JUNE 2019

2019	Stated Capital GH¢	Capital Surplus GH¢	Retained Earnings GH¢	Total GH¢
Balance as at 1 January 2019	7,549,127	2,043,878	5,106,940	14,699,945
Profit for the Period	-	-	422,830	422,830
Issue reserve	(555,763)			(555,763)
Dividend paid	-	-	-	-
Balance as at 30th June 2019	<u>6,993,364</u>	<u>2,043,878</u>	<u>5,529,770</u>	<u>14,567,012</u>

2018	Share Capital GH¢	Capital Surplus GH¢	Retained Earnings GH¢	Total Equity GH¢
Balance as at 1 January 2018	7,549,127	208,793	5,115,335	12,873,255
Profit for the Period	-	-	1,080,445	1,080,445
Issue reserve	(555,763)			(555,763)
Dividend paid	-	-	-	-
Balance as at 30th June 2018	<u>6,993,364</u>	<u>208,793</u>	<u>6,195,780</u>	<u>13,397,937</u>

STARWIN PRODUCTS LIMITED
UNAUDITED
STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30TH JUNE 2019

	2019 GH¢	2018 GH¢
Cash flows from operating activities		
Profit before taxation	1,468,691	1,467,468
<i>Adjustments for:</i>		
Depreciation	87,146	177,805
Profit / loss on disposal	-	(1,902)
Interest income	-	638
Interest expense	53,521	1,467,468
	<u>(67,006)</u>	<u>3,111,478</u>
Change in inventories	66,884	(1,089,520)
Change in trade and other receivables	(443,428)	(1,063,561)
Change in trade and other payables	581,943	492,882
Cash generated from operations	138,393	1,451,279
Interest received	-	(638.34)
Interest paid	(53,521)	(1,467,468)
Income taxes paid	-	(235,805)
Net cash from operating activities	<u>84,872</u>	<u>(252,633)</u>
Cash flows from investing activities		
Purchase of property ,plant and equipment	-	-
Interest income	-	-
Net cash flow used in investing activities	-	-
Cash flows from financing activities		
Net receipts from short term borrowings		(620,542)
Due to/from related company	(45,377)	1,929,139
Net cash flow from financing activities	<u>(45,377)</u>	<u>1,308,597</u>
Net(decrease)/increase in cash and cash equivalents	<u>39,495</u>	<u>1,055,964</u>
Analysis of changes in cash and cash equivalent during the period		
Balance as at beginning	(734,871)	(1,678,958)
Net cash flow	<u>39,495</u>	<u>1,055,964</u>
Balance as at ending	<u>(695,376)</u>	<u>(622,994)</u>
Analysis of balances of cash and cash equivalent as shown in		
Cash and cash equivalents	8,159	81,334
Bank overdraft	(703,535)	(704,328)
Balance at ending	<u>(695,376)</u>	<u>(622,994)</u>

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PROPERTY ,PLANT AND EQUIPMENT

2019	Land & Building GH¢	Machinery & Equipment GH¢	Total GH¢
Cost			
At 01/01/19	1,004,808	2,818,684.38	3,823,492
Additions	-	-	-
Disposal	-	-	-
	<u>1,004,808</u>	<u>2,818,684</u>	<u>3,823,492</u>
Accumulated Depreciation			
At 1/01/2019	423,790	2,379,839.05	2,803,629
Charged for the Period	18,983	154,447.04	173,430
Disposal	-	-	-
At 30/06/19	<u>442,773</u>	<u>2,534,286</u>	<u>2,977,059</u>
Net book value			
At 30/06/19	<u>562,035</u>	<u>284,398</u>	<u>846,433</u>
At 30/06/18	<u>600,080</u>	<u>567,422.85</u>	<u>1,167,503</u>

a. Depreciation has been charged in the financial statements as follows:

	2019 GH¢	2018 GH¢
Cost of sales	4,436	4,902
General ,administrative and selling expenses	<u>82,710</u>	<u>172,903</u>
	<u>87,146</u>	<u>177,805</u>

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LONG TERM INVESTMENTS

2019 GH¢	2018 GH¢
<u>1,927,769</u>	<u>182,250</u>

These relate to the value of 280,385 ordinary shares in Stanbic Bank Ghana Limited.

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INVENTORIES

	2019 GH¢	2018 GH¢
Raw and Packing Materials	2,243,952	2,207,064
Work-in-Progress	99,018	550,211
Finished Goods	101,285	82,850
Tools and Parts	-	43,855
	<u>2,444,255</u>	<u>2,883,980</u>

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TRADE AND OTHER RECEIVABLES

	2019 GH¢	2018 GH¢
Trade receivables due from customers	7,375,592	3,815,913
Staff debtors	4,892	1,800
	<u>7,380,484</u>	<u>3,817,713</u>

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CASH AND CASH EQUIVALENTS

Bank Balances	<u>4,859</u>	<u>81,334</u>
	<u>4,859</u>	<u>81,334</u>

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BANK OVERDRAFT

	2019 GH¢	2018 GH¢
Standard Chartered Bank Ghana Limited	-	-
Ecobank Ghana Limited	692,840	704,328
	<u>692,840</u>	<u>704,328</u>

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TRADE AND OTHER PAYABLES

	2019 GH¢	2018 GH¢
Trade payables	3,704,343	1,558,710
Non-trade payables	1,062,780	147,407
Accrued charges	1,175,242	550,049
	<u>5,942,364</u>	<u>2,256,166</u>

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GENERAL ADMIN. EXPENSES

	2019 GH¢	2018 GH¢
Wages & salaries	244,946	355,778
Social security contributions	31,139	32,675
Provident fund	15,243	22,178
Admin. expenses	1,342,420	678,216
	<u>1,633,749</u>	<u>1,088,847</u>

1. REPORTING ENTITY

Starwin Products Limited is a company registered and domiciled in Ghana. The company is authorised to carry on the business of manufacturing, sale, import and export of pharmaceutical products and drugs of any kind.

2. BASIS OF PREPARATION

a. Statement of compliance

The financial statements of Starwin Products Limited have been prepared in accordance with International Financial Reporting Standards (IFRSs).

b. Basis of measurement

Financial statements are prepared on the historical cost basis except for financial instruments that are stated at fair values.

c. Functional and presentational currency

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

d. Use of estimates and judgement

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions 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.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described and added as notes to the Financial Statements

The accounting policies have been applied consistently to all periods presented in these financial statements by the company.

3. THE AUDIT COMMITTEE

All board members belong to the Audit Committee which is chaired by Kwasi Yirenkyi.

The terms of reference and the scope of the Audit Committee's functions include the following:

To recommend the appointment of the external auditors of the company.

To liaise with the external auditors for the purposes of ensuring and maintaining audit quality, effectiveness and risk management.

To review with the auditors their report on the financial statements of the company.

To review the adequacy of the systems of internal control and of the degree of compliance with material policies, laws and code of ethics and business practices of the company.

To provide a direct channel of communication between the Board and the external and internal auditors, Chief Finance Officer and compliance officers of the company.

To report to the Board of Directors of developing policies that will enhance the control and operating systems of the company.

The Audit Committee met regularly during the period under review as part of the continuous process of meeting its responsibilities detailed above.

The Audit Committee was involved in monitoring the work of the internal audit department and carried out Safety, Health and Environment Audit as well over the period.