



# LEASAFRIC GHANA LIMITED

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

## Summary statement of profit and loss and other comprehensive income

Notes	31-Dec 2019 GHS	31-Dec 2018 GHS
Gross earnings	58,720,822	56,592,145
Interest expenses	(12,921,673)	(10,246,893)
	45,799,149	46,345,252
Other operating income	5,071,140	5,354,075
<b>Operating income</b>	<b>50,870,289</b>	<b>51,699,327</b>
Impairment (loss)/gain on financial assets	(141,088)	(1,056,493)
Impairment (loss)/gain on contingent liability	-	(1,510,047)
Personnel Expense	(1,817,752)	(1,667,211)
Direct leasing cost	(21,590,623)	(18,304,682)
Depreciation and amortisation	(24,201,650)	(21,824,073)
Other expenses	(5,709,985)	(3,199,192)
<b>Total expenses</b>	<b>(53,461,098)</b>	<b>(47,561,698)</b>
<b>Profit before income tax</b>	<b>(2,590,809)</b>	<b>4,137,625</b>
Income tax expense	(1,482,642)	(1,308,919)
<b>Profit After tax</b>	<b>(4,073,451)</b>	<b>2,828,710</b>
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>(4,073,451)</b>	<b>2,828,710</b>

## Summary statement of Cash Flows

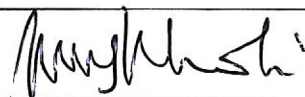
For the year ended 31 December 2019

	31-Dec 2019 GHS	31-Dec 2018 GHS
Profit before tax for the year	(2,590,809)	4,137,629
Adjustments for:		
Depreciation and amortisation	24,201,650	21,824,073
Other non-cash movement	(6,275,449)	-
Profit on disposal of property, plant and	(1,607,648)	(2,669,440)
	13,727,744	23,292,262
Changes in lease receivable	7,450,238	(1,913,718)
Change in other assets	(4,644,052)	(908,884)
Change in other liabilities	7,914,870	1,339,561
	24,448,800	21,809,221
Corporate tax paid	(1,116,990)	(712,510)
Dividend paid	-	(897,555)
<b>Net cash from/(used in) operating activities:</b>	<b>23,331,810</b>	<b>20,199,156</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(2,953,465)	(2,328,113)
Proceeds from sale of property, plant and	2,570,234	3,570,278
Purchase of operating lease assets	(26,547,984)	(21,866,724)
Purchase of intangible assets	(5,230)	(534,519)
Financial investments	1,800,366	4,903,032
Long Term Investment	453,647	1,228,672
<b>Net Cash flow used in investing activities</b>	<b>(24,682,432)</b>	<b>(15,027,374)</b>
<b>Cash flows from financing activities</b>		
Convertible bonds	(3,350,062)	(6,171,788)
Additional borrowings	45,899,805	22,094,019
Repayment of borrowings	(20,295,827)	(21,316,669)
<b>Net Cash from financing activities</b>	<b>22,253,916</b>	<b>(5,394,438)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>20,903,294</b>	<b>(222,656)</b>
Cash and cash equivalents at 1 January	617,886	840,542
<b>Cash and cash equivalents at 31 December</b>	<b>21,521,180</b>	<b>617,886</b>

## Summary statement of financial position

As at 31 December 2019

	31-Dec 2019 GHS	31-Dec 2018 GHS
<b>Assets</b>		
Cash and balances with banks	22,335,920	1,028,116
Financial investments	748,731	2,549,097
Net lease receivable	12,888,094	20,281,408
Trade finance lease receivable	0	56,924
Other assets	8,740,908	4,096,856
Long Term Investment	3,040,082	3,493,729
Property, plant & equipment	5,463,137	5,404,512
Intangible asset	365,138	554,268
Operating lease asset	48,272,558	43,799,611
<b>Total Assets</b>	<b>101,854,568</b>	<b>81,264,521</b>
<b>Liabilities</b>		
Bank Overdraft	814,740	410,230
Borrowings	68,421,567	42,817,589
Other liabilities	13,358,827	5,443,957
Deferred tax liabilities	1,387,927	1,729,470
Convertible Bond	2,075,138	5,425,200
Taxation	716,143	8,949
<b>Total Liabilities</b>	<b>86,774,342</b>	<b>55,835,395</b>
<b>Equity</b>		
Share Capital	15,000,000	15,000,000
Statutory reserve	7,974,479	7,974,479
Retained earnings	(8,071,684)	2,277,216
Credit risk reserve	177,431	177,431
<b>Total shareholders' funds</b>	<b>15,080,226</b>	<b>25,429,126</b>
<b>Total liabilities and shareholders' equity</b>	<b>101,854,568</b>	<b>81,264,521</b>

  
Director

  
Director



# LEASAFRIC GHANA LIMITED

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

## Summary statement of changes in equity

As at 31 December 2019

2019	Share capital	Retained earnings	Statutory reserves	Credit Risk reserves	Total equity
	GHS	GHS	GHS	GHS	GHS
Balance at 1 January 2018	15,000,000	2,277,216	7,974,479	177,431	25,429,126
Loss for the year	-	(4,073,451)	-	-	(4,073,451)
IFRS 9 Adjustment	-	(174,261)	-	-	(174,261)
Receivable Write-Off	-	(6,101,188)	-	-	(6,101,188)
<b>Balance at 31 December 2019</b>	<b>15,000,000</b>	<b>(8,071,684)</b>	<b>7,974,479</b>	<b>177,431</b>	<b>15,080,226</b>
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2018					
Balance at 1 January 2018	13,954,977	2,805,439	6,560,124	177,431	23,497,971
Profit for the year	-	2,828,710	-	-	2,828,710
Issued shares	1,045,023	(1,045,023)	-	-	-
Dividend Paid	-	(897,555)	-	-	(897,555)
Transfer to statutory reserve	-	(1,414,355)	1,414,355	-	-
<b>Balance at 31 December 2018</b>	<b>15,000,000</b>	<b>2,277,216</b>	<b>7,974,479</b>	<b>177,431</b>	<b>25,429,126</b>
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### NOTES TO THE FINANCIAL STATEMENTS

#### Reporting Entity

LeasafriC Ghana Limited is a company incorporated in Ghana. The address and registered office of the company can be found on page 3 of the financial statement. The company is authorised to carry on business as a leasing company.

#### Basis of Accounting

These summary financial statements have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB). The financial report contains a complete set of financial statements for the period and is in full compliance with International Financial Reporting Standards (IFRS). Additional information required under the Companies Act, 2019 (Act 992), and the Non-Bank Financial Institutions Act, 2008 (Act 774) have been included, where appropriate.

#### Functional and presentation currency

The financial statements are presented in Ghana cedis which is the company's functional and presentation currency.

#### Use of Judgements and estimate

The preparation of the 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, incomes 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.

#### Basis of measurement

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are measured at their fair value: financial instruments that have been classified as fair value through profit and loss and as available for sale.

#### Significant Accounting Policies

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the international Accounting Standards Board (IASB) and adopted by the institute of Chartered Accountants, Ghana (ICAG), and in the manner required by the Non-Banking Financial Institutions Act. These policies have been consistently applied to all the years presented, unless otherwise stated.



# LEASAFRIC GHANA LIMITED

## AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Quantitative Disclosures	Dec	Dec
	2019 (%)	2018 (%)
Capital Adequacy Ratio (CAR)	15	32
Non-Performing Loan (NPL) Ratio	1.08	4.31

### Defaults in statutory liquidity and accompanying sanction (if any)

	Dec.	Dec.
	2019	2018
Default in statutory liquidity	Nil	Nil
Sanctions	Nil	Nil

### INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF LEASAFRIC GHANA LIMITED

#### Opinion

The summary financial statements of Leasafrik Ghana Limited, which comprise the summary statement of financial position as at 31 December 2019, the summary statements of profit or loss and other comprehensive income, summary statement of changes in equity and summary cash flows for the year then ended, and related notes, are derived from the audited financial statements of Leasafrik Ghana Limited for the year ended 31 December 2019.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the International Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992), and the Non-Bank Financial Institutions Act, 2008 (Act 774).

#### Summary Financial Statements

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992), and the Non-Bank Financial Institutions Act, 2008 (Act 774) as applicable to financial statements. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for

reading the audited financial statements and the auditor's report thereon.

#### The Audited Financial Statements and our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 18 March 2020.

#### Directors' Responsibility for the Summary Financial Statements

The directors are responsible for the preparation of the summary financial statements in accordance with International Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992), and the Non-Bank Financial Institutions Act, 2008 (Act 774), and for such internal control as the directors determine is necessary to enable the preparation of the summary financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised), Engagements to Report on Summary Financial Statements.

The engagement partner on the audit resulting in this independent auditor's report is Charlotte Forson (ICAG/P/1509)

*Deloitte & Touche*

For and on behalf Deloitte & Touche (ICAG/F/2020/129)

Chartered Accountants  
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Accra Ghana

17 June 2020