



# LEASAFRIC GHANA PLC

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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

For the year ended 31 December 2020

Notes	31-Dec	31-Dec
	2020	2019
	GHS	GHS
Gross earnings	53,806,016	58,720,822
Interest expenses	(13,156,236)	(12,921,673)
	40,649,780	45,799,149
Other operating income	4,516,521	5,071,140
<b>Operating income</b>	<b>45,166,301</b>	<b>50,870,289</b>
Impairment (loss)/gain on financial assets	(466,995)	(141,088)
Personnel Expense	(2,351,654)	(1,817,752)
Direct leasing cost	(14,797,543)	(21,590,623)
Depreciation and amortisation	(23,387,596)	(24,201,650)
Other expenses	(3,287,272)	(5,709,985)
Total expenses	(44,291,060)	(53,461,098)
<b>Profit before income tax</b>	<b>875,241</b>	<b>(2,590,809)</b>
Income tax expense	(345,594)	(1,482,642)
<b>Profit After tax</b>	<b>529,647</b>	<b>(4,073,451)</b>
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>529,647</b>	<b>(4,073,451)</b>

## Summary statement of Cash Flows

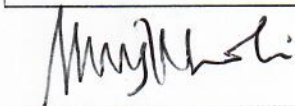
For the year ended 31 December 2020

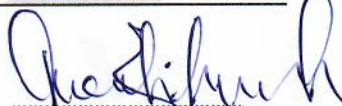
	31-Dec	31-Dec
	2020	2019
	GHS	GHS
Profit before tax for the year	875,241	-2,590,809
Adjustments for:		
Receivable Write Offs	-	(6,416,537)
Impairment Loss on Financial Assets	466,995	141,088
Depreciation and amortisation	23,387,596	24,201,650
Profit on disposal of property, plant and	(2,703,947)	(1,607,648)
Operating Profit before working capital changes	22,025,885	13,727,744
Changes in lease receivable	(3,234,858)	7,450,238
Change in other assets	(1,684,711)	(4,644,052)
Change in other liabilities	(4,979,253)	7,914,870
	12,127,063	24,448,800
Corporate tax paid	(2,581,946)	(1,116,990)
<b>Net cash from/(used in) operating activities:</b>	<b>9,545,117</b>	<b>23,331,810</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(20,168)	(2,953,465)
Proceeds from sale of property, plant and	3,708,884	2,570,234
Purchase of operating lease assets	(6,899,633)	(26,547,984)
Purchase of intangible assets	(3,971)	(5,230)
Financial investments	748,731	1,800,366
Long Term Investment	1,217,862	453,647
<b>Net Cash flow used in investing activities</b>	<b>(1,248,295)</b>	<b>(24,682,432)</b>
<b>Cash flows from financing activities</b>		
Convertible bonds	(2,075,138)	(3,350,062)
Additional borrowings	9,254,040	45,899,805
Repayment of borrowings	(35,952,208)	(20,295,827)
<b>Net Cash from financing activities</b>	<b>(28,773,306)</b>	<b>22,253,916</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(20,476,484)</b>	<b>20,903,294</b>
Cash and cash equivalents at 1 January	21,521,180	617,886
<b>Cash and cash equivalents at 31 December</b>	<b>1,044,696</b>	<b>21,521,180</b>

## Summary statement of financial position

As at 31 December 2020

	31-Dec	31-Dec
	2020	2019
	GHS	GHS
<b>Assets</b>		
Cash and balances with banks	1,707,884	22,335,920
Financial investments	0	748,731
Net lease receivable	15,655,958	12,888,094
Other assets	10,425,619	8,740,908
Long Term Investment	1,822,220	3,040,082
Property, plant & equipment	3,335,014	5,463,137
Intangible asset	181,939	365,138
Operating lease asset	33,392,271	48,272,558
<b>Total Assets</b>	<b>66,520,905</b>	<b>101,854,568</b>
<b>Liabilities</b>		
Bank Overdraft	663,188	814,740
Borrowings	41,723,399	68,421,567
Other liabilities	8,656,727	13,358,827
Deferred tax liabilities	203,681	1,387,927
Convertible Bond	0	2,075,138
Taxation	(335,963)	716,143
<b>Total Liabilities</b>	<b>50,911,032</b>	<b>86,774,342</b>
<b>Equity</b>		
Share Capital	15,000,000	15,000,000
Statutory reserve	8,239,303	7,974,479
Retained earnings	(7,907,425)	-8,071,684
Credit risk reserve	277,995	177,431
<b>Total shareholders' funds</b>	<b>15,609,873</b>	<b>15,080,226</b>
<b>Total liabilities and shareholders' equity</b>	<b>66,520,905</b>	<b>101,854,568</b>

  
Director

  
Director





# LEASAFRIC GHANA PLC

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

## Summary statement of changes in equity

As at 31 December 2020

2020	Share capital GHS	Retained earnings GHS	Statutory reserves GHS	Credit Risk reserves GHS	Total equity GHS
Balance at 1 January 2020	15,000,000	(8,071,684)	7,974,479	177,431	15,080,226
Profit for the year	-	529,647	-	-	529,647
Transfer to statutory reserve	-	(264,824)	264,824	-	-
Transfer to Credit Risk Reserve	-	(100,564)	-	100,564	-
<b>Balance at 31 December 2020</b>	<b>15,000,000</b>	<b>(7,907,425)</b>	<b>8,239,303</b>	<b>277,995</b>	<b>15,609,873</b>
2019					
Balance at 1 January 2019	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>

### NOTES TO THE FINANCIAL STATEMENTS

#### Reporting Entity

LeasafriC Ghana Limited is a company incorporated in Ghana. 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 PLC

## AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### The Audited Financial Statements and Our Report Thereon

Quantitative Disclosures	Dec	Dec
	2020 (%)	2019 (%)
Capital Adequacy Ratio (CAR)	12.61	10.32
Non-Performing Loan (NPL) Ratio	0.84	1.08

We expressed an unmodified audit opinion on the audited financial statements in our report dated 11<sup>th</sup> March 2021. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgement were of most significance in our audit of the financial statements for the current period.

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

	Dec.	Dec.
	2020	2019
Default in statutory liquidity	Nil	Nil
Sanctions	Nil	Nil

### Directors' Responsibility for the Condensed Financial Statements

The directors are responsible for the preparation of the condensed financial statements in accordance with the basis described in the notes.

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEASAFRIC GHANA PLC

#### Opinion

The condensed financial statements, which comprise the statement of financial position as at 31 December 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, are derived from the audited financial statements of LeasafriC Ghana Plc. for the year ended 31 December 2020.

In our opinion, the accompanying financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the basis described in the notes.

### Auditor's Responsibility

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

The engagement partner on the audit resulting in this independent auditor's report is Albert Addo Cofie (ICAG/P/1403)

**FOR AND ON BEHALF OF PKF (ICAG/F/2021/039)  
CHARTERED ACCOUNTANTS  
FARRAR AVENUE  
ACCRA**

### Condensed Financial Statements

The condensed financial statements do not contain all the disclosures required by International Financial Reporting Standards and in the manner required by International Financial Reporting Standards and in the manner required by the Companies Act 2019, (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) applied in the preparation of the audited financial statements of LeasafriC Ghana Plc. Reading the condensed financial statements and our report thereon, therefore is not a substitute for reading the audited financial statements and our report thereon.

**11<sup>th</sup> March 2021**