



LEASAFRIC GHANA PLC

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Summary statement of profit or loss and other comprehensive income for the year ended 31 December 2021		
	31-Dec 2021	31-Dec 2020
	GHS	GHS
Gross earnings	51,497,604.00	53,806,016.00
Interest expenses	(8,353,237.00)	(13,156,236.00)
	<u>43,144,367.00</u>	<u>40,649,780.00</u>
Other Operating Income	2,559,825.00	4,516,521.00
Operating Income	45,704,192.00	45,166,301.00
Impairment (loss)/gain on financial assets	(542,249.00)	(466,995.00)
Personnel expense	(2,118,327.00)	(2,351,654.00)
Direct leasing cost	(15,571,547.00)	(14,797,543.00)
Depreciation and amortization	(19,424,971.00)	(23,387,596.00)
Other expenses	(3,235,491.00)	(3,287,272.00)
Total expenses	<u>(40,892,585.00)</u>	<u>(44,291,060.00)</u>
Profit before income Tax	4,811,607.00	875,241.00
Income tax expense	(1,981,877.00)	(345,594.00)
Profit after tax	2,829,730.00	529,647.00
Other comprehensive income	-	-
Total comprehensive income	2,829,730.00	529,647.00

Summary statement of financial position As at 31 December 2021		
	31-Dec 2021	31-Dec 2020
	GHS	GHS
Assets		
Cash and balances with the banks	3,289,393.00	1,707,884.00
Financial investment	500,000.00	-
Net Lease Receivables	15,258,393.00	15,655,958.00
Operating Lease Assets	26,910,281.00	33,392,271.00
Other Assets	11,422,531.00	10,425,619.00
Intangible Assets	2,165.00	181,939.00
Long term investment	426,861.00	1,822,220.00
Property, Plant & equipment	2,072,770.00	3,335,014.00
Total Assets	59,882,394.00	66,520,905.00
Liabilities		
Bank Overdraft	165.00	663,188.00
Borrowings	30,109,287.00	41,723,399.00
Deferred Tax Liabilities	(553,017.00)	203,681.00
Taxation	1,517,193.00	(335,963.00)
Other Liabilities	10,369,163.00	8,656,727.00
Total Liabilities	41,442,791.00	50,911,032.00
Shareholders' Fund		
Stated Capital	15,000,000.00	15,000,000.00
Retained Earnings	(5,899,029.00)	(7,907,425.00)
Statutory Reserves	8,946,736.00	8,239,303.00
Credit Risk Reserves	391,896.00	277,995.00
Total Shareholders' Fund	18,439,603.00	15,609,873.00
Total Liabilities & Shareholders' Fund	<u>59,882,394.00</u>	<u>66,520,905.00</u>

Summary statement of cashflows for the year ended 31 December 2021		
	31-Dec 2021	31-Dec 2020
	GHS	GHS
Cashflows from operating activities		
Profit before tax for the year	4,811,607.00	875,241.00
Adjustment for:		
Impairment loss on Financial Assets	542,249.00	466,995.00
Depreciation and Amortization	19,424,971.00	23,387,596.00
Profit on disposal of Property, Plant & Equipment	(1,819,890.00)	(2,703,947.00)
Operating Profit before working capital changes	<u>22,958,937.00</u>	<u>22,025,885.00</u>
Changes in Net Lease Receivables	(144,685.00)	(3,234,858.00)
Changes in Other Assets	(996,912.00)	(1,684,711.00)
Changes in Other Liabilities	2,291,851.00	(4,979,253.00)
Cash generated from Operations	<u>24,109,191.00</u>	<u>12,127,063.00</u>
Corporate Tax paid	(1,547,896.00)	(2,581,946.00)
Net Cash generated from operations	<u>22,561,295.00</u>	<u>9,545,117.00</u>
Cashflows from investing activities		
Purchase of Property, Plant & Equipment	(604,579.00)	(20,168.00)
Proceeds from sale of Property, Plant & Equipment	2,276,308.00	3,708,884.00
Purchase of operating lease assets	(11,269,739.00)	(6,899,633.00)
Purchase of intangible assets	-	(3,971.00)
Financial investments	(500,000.00)	748,731.00
Long term investment	1,395,359.00	1,217,862.00
Net cash used in investing activities	<u>(8,702,651.00)</u>	<u>(1,248,295.00)</u>
Cashflows from financing activities		
Convertible bonds	-	(2,075,138.00)
Additional borrowings	8,325,002.00	9,254,040.00
Repayment of borrowings	(19,939,114.00)	(35,952,208.00)
	<u>(11,614,112.00)</u>	<u>(28,773,306.00)</u>
Net Decrease/increase in cash and cash equivalent	2,244,532.00	(20,476,484.00)
Cash and cash equivalent at the beginning of 1 January	1,044,696.00	21,521,180.00
Cash and cash equivalent at end of the December 2021	3,289,228.00	1,044,696.00

Director:

Director:



LEASAFRIC GHANA PLC

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Summary statement of changes in equity for the year ended 31 December 2021

	Stated capital GHS	Income Surplus GHS	Statutory Reserves GHS	Credit Risk Reserves GHS	Total GHS
2021					
Balance as at 1 January	15,000,000.00	(7,907,425.00)	8,239,303.00	277,995.00	15,609,873.00
Net profit for the year	-	2,829,730.00	-	-	2,829,730.00
Transfer to Statutory Reserve	-	(707,433.00)	707,433.00	-	-
Transfer to Credit Risk Reserve	-	(113,901.00)	-	113,901.00	-
Balance as at 31st December 2021	15,000,000.00	(5,899,029.00)	8,946,736.00	391,896.00	18,439,603.00
2020					
Balance as at 1 January	15,000,000.00	(8,071,684.00)	7,974,479.00	177,431.00	15,080,226.00
Net profit for the year	-	529,647.00	-	-	529,647.00
Transfer to Statutory Reserve	-	(264,824.00)	264,824.00	-	-
Transfer to Credit Risk Reserve	-	(100,564.00)	-	100,564.00	-
Balance as at 31st December 2020	15,000,000.00	(7,907,425.00)	8,239,303.00	277,995.00	15,609,873.00

NOTES TO THE FINANCIAL STATEMENTS

Reporting Entity

LeasafriC Ghana Limited is a company incorporated in Ghana. The company is authorized 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.

Quantitative Disclosures	Dec 2021 (%)	Dec 2020 (%)
Capital Adequacy Ratio (CAR)	16.34	12.61
Non-Performing Loan (NPL) Ratio	1.84	0.84



LEASAFRIC GHANA PLC

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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.

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/2022/039)
CHARTERED ACCOUNTANTS
FARRAR AVENUE
ACCRA**

3rd March 2022

Defaults in statutory liquidity and accompanying sanction (if any)

	Dec.	Dec.
	2021	2020
Default in statutory liquidity	Nil	Nil
Sanctions	Nil	Nil

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 2021, 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 2021.

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.

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 Specialized 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.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 3rd March 2022. 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.