

AIA GHANA LIMITED

FINAL REPORT AND FINANCIAL STATEMENTS

Together with the Directors' and Independent Auditors' Reports

FOR THE PERIOD ENDED

31ST MARCH 2023



AIA Ghana Limited

AIA GHANA LIMITED
FINAL REPORT AND FINANCIAL STATEMENTS

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AIA GHANA LIMITED
CORPORATE INFORMATION

NAME OF THE COMPANY	AIA Ghana Limited
NATURE OF BUSINESS	The Authorized business of the Company is General Trading, Import and Export of General Goods, Mining Support Service, Manufacturing and Supply of Grinding Media and Mill Liner to the Mining Industry
DIRECTORS	Himanshu Kantilal Patel Mohammed Kaleem Paryank Ramesh Shah Rizwan Aslam Gilani Vivek Singh Rathaur
SECRETARY	Cletus Akodam Karbo
REGISTERED OFFICE AND ADDRESS	Suit 214/215 Christman House Kofi Annan Street Airport Residential Area P.O. Box CT 3701 Cantonments - Accra
AUDITORS	AAB & Associates Chartered Accountants Firm Number (ICAG/F/2023/007) P.O. Box 3092 Accra
BANKERS	Consolidated Bank Ghana Limited Stanbic Bank Ghana Limited

**REPORT OF THE DIRECTORS
TO THE MEMBERS OF
AIA GHANA LIMITED**

Report of the Directors

The Directors have the pleasure in presenting their report and the audited Financial Statements of the Company for the period ended 31ST March 2023.

Statement of Directors' Responsibilities

The Company's Directors are responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act, 2019 (Act 992) and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Nature of Business

The authorized business or objects of the Company is General Trading, Import and Export of General Goods, Mining Support Service, Manufacturing and Supply of Grinding Media and Mill Liner to the Mining Industry.

Particulars of entries in the Interests Register during the financial year

No Director had any interest in contracts and proposed contracts with the Company during the year under review, hence there were no entries recorded in the Interests Register as required by 194(6), 195(1)(a) and 196 of the Companies Act 2019, (Act 992).

Capacity building of directors to discharge their duties

The directors are continuously trained on leadership and corporate governance principles. Also, refresher courses are organized for them to update their skills and knowledge on current trends as well as their statutory duties as directors.

Auditors and Audit fees

In accordance with Section 139(5) of the Companies Act, 2019 (Act 992), AAB & Associates will remain in office as auditors for the Company as at March 31, 2023, the amount payable in respect of audit fees was USD 7,000.

Dividends

No dividend has been recommended by the Directors for the period.

Directors

The Directors in office at the date of this report are as follows:

Directors	Nationality
Himanshu Kantilal Patel	British
Mohammed Kaleem	Ghanaian
Paryank Ramesh Shah	Indian
Rizwan Ashlam Gilani	Indian
Vivek Singh Rathaur	Indian

Share Capital

Authorized Shares	100,000,000
Issued Shares	1,000,000
Shares Allotted:	
Vega Industries (Middle East) F.Z.C	1,000,000

There have been no changes to the authorized or issued share capital as at the period ended March 31, 2023.

Events after the reporting period

There were no events after the reporting period which could have a material effect on the Financial Position of the Company as at March 31, 2023 and loss attributable to equity holders on that date other than as disclosed in the Financial Statements.

Going Concern

The Directors are of the opinion that the Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the Financial Statements have been prepared on a going concern basis. The Directors are satisfied that the Company has access to sufficient funding sources to meet its foreseeable cash requirements. The Directors are not aware of any new material changes that may adversely impact the Company.

The Directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may adversely affect the Company.

Approval of the Financial Statements

The Financial Statements of the Company were approved by the Board of Directors on and signed on its behalf by:

NAME OF DIRECTOR: PARYANK R. SHAH

SIGNATURE:

DATE: 12/05/23



NAME OF DIRECTOR:

SIGNATURE:



**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF
AIA GHANA LIMITED**

Report on the Financial Statements

We have audited the Financial Statements of AIA Ghana Limited, which comprise the Statement of Financial Position as at 31 March 2023, the Statements of Comprehensive Income, Changes in equity and Cash flows for the year then ended, and notes to the Financial Statements, which include a summary of significant accounting policies and other explanatory information as set out on pages 11 to 17.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of AIA Ghana Limited as at 31 March 2023 and of its Financial Performance and Cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described under the Auditor's Responsibilities for the Audit of the Financial Statements of our report. We are independent of the Company in accordance with the International Federation of Accountants Code of Ethics for Professional Accountants (including International Independent Standards) (the Code) issued by the international Ethics Standards Board for Accountants (IESBA). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' Report as required by the Companies Act, 2019 (Act 992) but does not include the financial statements and our Auditor's Report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibility for the Financial Statement

The Company's Directors are responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards and in the manner required by the

Companies Act, 2019 (Act 992) and for such internal control as the directors determine is necessary to enable the preparation of 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 these Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

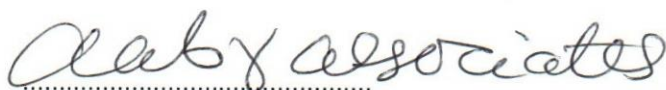
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the Financial Statements.

Report on Other Legal and Regulatory Requirements

The Ghana Companies Act, 2019 (Act 992) requires that in carrying out our audit work we consider and report on the following matters. We confirm that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion proper books of accounts have been kept by the Company, so far as appears from our examination of those books; and
- iii. The Statement of Financial Position and Comprehensive Income Statement of the Company are in agreement with the books of accounts.

The engagement partner on the audit resulting in this independent auditor's report is Anthony Attu (ICAG/P/1189)



SIGNED BY: ANTHONY ATTU (ICAG/P/1189)

AAB & ASSOCIATES (ICAG/F/2023/007)

CHARTERED ACCOUNTANTS

P.O.BOX 3092

ACCRA



AIA GHANA LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 MARCH 2023

	Note	2023 USD	2022 USD
ASSETS			
Current Assets			
Inventory (Finished Goods)	3 (i)	11,368,301	11,844,395
Trade Receivable	10	5,137,846	3,189,748
Other Assets and Prepayments	11	687,385	290,353
Cash and Cash Equivalents	9	496,033	930,568
Taxation	8	1,009,685	1,032,702
		-----	-----
		18,699,250	17,287,766
		-----	-----
Total Assets		18,699,250	17,287,766
EQUITY AND LIABILITIES			
Stated Capital	17	1,000,000	1,000,000
Retained Earnings		(3,513,032)	(3,151,532)
		-----	-----
Shareholders' Funds		(2,513,032)	(2,151,532)
Current liabilities			
Intercompany Payables	14	20,919,933	19,119,858
Trade Payable	12	284,824	149,302
Other Payables and Accrual	13	7,525	170,138
		-----	-----
Total Liabilities		21,212,282	19,439,298
		-----	-----
Total Equity and liabilities		18,699,250	17,287,766
		=====	=====

NAME OF DIRECTOR: PARYANK R. SHAH

SIGNATURE:

DATE: 12/05/23



NAME OF DIRECTOR:

SIGNATURE:

DATE: 12/05/23



AIA GHANA LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2023

	Note	2023 USD	2022 USD
Revenue	4	39,772,028	23,657,472
Cost of Sales	6	(37,756,752)	(23,333,460)
Gross Profit		<u>2,015,276</u>	<u>324,012</u>
Other Income/ (Loss)	5	(407,753)	82,527
General and Administrative Expenses	7	(979,826)	(335,655)
Profit before Tax		<u>627,697</u>	<u>70,883</u>
Provision for Tax	8	(168,190)	(17,721)
Profit after Tax		<u>459,507</u>	<u>53,163</u>
Other Comprehensive Income			
Net unrealized exchange loss	15	(57,064)	(3,569,636)
Total Comprehensive Income		<u><u>402,443</u></u>	<u><u>(3,516,473)</u></u>

AIA GHANA LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2023

	Note	Share Capital USD	Income Surplus USD	Total USD
2023				
Balance at 01 April 2022		1,000,000	(3,151,532)	(2,151,532)
Prior year Adjustment	16		(763,943)	(763,943)
Changes within period				
Profit for the period		-	459,507	459,507
Other Comprehensive			(57,064)	(57,064)
Balance at 31 March 2023		<u>1,000,000</u>	<u>(3,513,032)</u>	<u>(2,513,032)</u>
2022				
Balance at 01 April 2022		1,000,000	364,941	1,364,941
Changes within period				
Profit for the period		-	53,163	53,163
Other Comprehensive		-	(3,569,636)	(3,569,636)
Balance at 31 March 2023		<u>1,000,000</u>	<u>(3,151,532)</u>	<u>(2,151,532)</u>

AIA GHANA LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2023

	2023	2022
	USD	USD
Cash flows from operating activities		
Profit from operations	627,697	70,883
Prior year adjustment	(763,943)	-
Other comprehensive income	(57,064)	(3,569,636)
<i>Adjustment for:</i>		
Tax Paid	(145,174)	(1,032,749)
	<u>(338,484)</u>	<u>(4,531,502)</u>
<i>Change in:</i>		
Net Increase in Receivable & Other Assets	(2,345,130)	(3,480,101)
Net Decrease in Inventories	476,094	(11,844,395)
Net Increase in Intercompany Payable	1,838,830	19,119,858
Net Increase in Other Payables and accruals	(65,845)	319,440
Cash flow from operations	<u>(96,051)</u>	<u>4,114,802</u>
Net cash flow from operating activities	<u>(434,535)</u>	<u>(416,700)</u>
Net cash used in financing activities	-	-
Net increase in cash and cash equivalents	<u>(434,535)</u>	<u>(416,700)</u>
Cash and cash equivalents at 1 April 2022	930,568	1,347,268
Cash and cash equivalents at 31 March 2023	<u><u>496,033</u></u>	<u><u>930,568</u></u>

AIA GHANA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

1. REPORTING ENTITY

AIA Ghana Limited is a Company registered and incorporated in Ghana. The address of the Company's registered office can be found on page 2 of the annual report. The Company engages in General Trading, Import and Export of General Goods, Mining Support Service, Manufacturing and Supply of Grinding Media and Mill Liner to the Mining Industry.

2. BASIS OF PREPARATION

a. Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

b. Basis of measurement

The Financial Statements are prepared on the historical cost basis except for financial assets and liabilities that are stated at fair values.

c. Functional and presentation currency

The Financial Statements are presented in United State Dollars (USD), which is the Company's presentation currency.

d. Use of estimates and judgments

The preparation of Financial Statements in conformity with IFRS requires management to make estimates, judgements and assumptions that affect the application of policies and reported amounts of assets and liabilities and income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the 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 estimates are 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 amounts recognised in the Financial Statements are described in notes 3 to 17.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to this Financial Statement.

(a) **Foreign currency transactions**

Foreign currency transactions are translated into the functional currency using exchange rates at the start of the month. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation, at year-end exchange rates, of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Comprehensive Income. Non-monetary assets and liabilities are translated at historical exchange rates, if held at historical cost or exchange rates at the date that fair value was determined, if held at fair value and the resulting foreign exchange gains and losses recognized in the Statement of Comprehensive Income or shareholders' equity, as appropriate.

(b) **Property, Plant and Equipment**

(i) Recognition and measurement

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

Cost includes expenditures that are directly attributable to the acquisition of the asset.

(ii) Depreciation

Depreciation is recognized in the Statement of Profit or Loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

Depreciation methods, useful lives and carrying amount are reassessed for own used assets at each reporting date.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds from disposal with the carrying amounts and are recognized in profit or loss as other income.

(c) **Trade and other receivables**

Trade receivables are stated at amortised cost, less impairment losses. Specific allowances for doubtful debts are made for receivables of which recovery is doubtful. General allowances for doubtful debts are recorded for the remaining receivables taking into account past experiences.

(d) **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and bank balances and are carried at amortised cost. Bank overdrafts that are repayable on demand, and which form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash flows.

(e) **Revenue**

Revenue is measured at the fair value of the consideration received or receivable, net trade discounts and taxes. The revenue recognition is in line with the IFRS 15

(f) **Net Finance cost**

Finance income comprises interest income on funds invested and is recognised in the Statement of Comprehensive Income using the effective interest method.

(g) **Dividend**

Dividend payable is recognised as a liability in the period in which they are declared and the shareholders right to receive payment has been established.

(h) **Events after the reporting period**

Events subsequent to the reporting date are reflected in the Financial Statements only to the extent that they relate to the year under consideration and the effect is material.

(i) **Inventories**

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

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

4. REVENUE

	2023	2022
	USD	USD
Domestic Sales	39,772,028	23,657,473
	<u>39,772,028</u>	<u>23,657,473</u>

5. OTHER INCOME

Interest Received	32,195	82,527
Net Foreign Exchange Gain	15,686	829,776
Net Foreign Exchange Loss	(455,634)	(829,776)
	<u>(407,753)</u>	<u>82,527</u>

6. COST OF SALES

Cost of Finished Goods Sold	37,239,738	22,528,840
Other Direct Cost	517,014	804,620
	<u>37,756,752</u>	<u>23,333,460</u>

7. GENERAL AND ADMINISTRATIVE EXPENSES

	2023	2022
	USD	USD
Salary Expense	5,563	5,939
Bank Charges Expenses	81,851	106,350
Professional & Legal Charges	322,554	25,255
Professional Fees – Accounting	37,947	34,680
Audit Fees	7,000	6,397
Audit & Accountancy - Non-Audit	5,151	3,523
License Fee Expenses	12,716	10,777
Commission Expenses	162,127	-
Warehouse, Transport & Haulage	298,592	125,647
Insurance	-	3,523
Directors Remuneration	-	3,924
Getfund Levy	19,302	4,016
National Health Insurance Levy	19,302	4,016
Covid-19 Levy	7,721	1,606
	<u>979,826</u>	<u>335,656</u>

8. TAXATION

	Opening Balance	Payments	Charge for the Year	Assessment after GRA Audit	Closing Balance
	USD	USD	USD	USD	USD
2022	-	(763,943)	-	763,943	-
2023	(1,032,702)	(145,174)	168,190	-	(1,009,685)
	<u>(1,032,702)</u>	<u>(909,116)</u>	<u>168,190</u>	<u>763,943</u>	<u>(1,009,685)</u>

9. CASH AND BALANCES WITH BANKS

Stanbic Bank	403,383	435,017
Consolidated Bank	92,650	495,551
	-----	-----
Cash and Cash equivalent at period end	496,033	930,568
	=====	=====

Cash, cash equivalent and bank overdrafts include the following for the purposes of the cash flow statement:

Cash and cash equivalents	496,033	930,568
	-----	-----
TOTAL	496,033	930,568
	=====	=====

10. TRADE RECEIVABLE

	2023	2022
	USD	USD
Sundry Debtors (Domestic)	5,137,846	3,189,748
	-----	-----
	5,137,846	3,189,748
	=====	=====

11. OTHER ASSETS AND PREPAYMENTS

	2023	2022
	USD	USD
VAT credit	687,123	-
Other assets	262	262
Vega Industries (Middles East) FZC	-	290,091
	-----	-----
	687,385	290,353
	=====	=====

12. TRADE PAYABLE

	2023	2022
	USD	USD
Trade Payable Account	284,824	149,302
	-----	-----
	284,824	149,302
	=====	=====

13. OTHER PAYABLES AND ACCRUALS

	2023	2022
	USD	USD
Withholding Tax Payable	607	176
Other Payable	6,888	4,409
VAT Payables	-	165,553
Covid-19 Recovery Level	30	-
	-----	-----
	7,525	170,138
	=====	=====

14. INTERCOMPANY LIABILITIES

	2023 USD	2022 USD
Intercompany payables	20,919,933	19,119,858
	<u>20,919,933</u>	<u>19,119,858</u>

15. NET UNREALIZED EXCHANGE LOSS

The unrealized loss or gain is as a result of the revaluation of the trade payable and trade receivable at the end of the financial period in accordance with the IFRS requirement.

	2023 USD	2022 USD
Unrealized exchange loss	(102,129)	(4,453,065)
Unrealized exchange Gain	45,065	883,429
	<u>(57,064)</u>	<u>(3,569,636)</u>

16. PRIOR YEAR ADJUSTMENT

The prior year adjustment was in relation to additional tax assessment by the Ghana Revenue Authority resulting from a tax audit conducted for the period March 2019 to March 2022. This resulted in a tax liability of USD 763,943 (GHS 6,409,740). The liability was settled partially with cash of USD 105,559 (GHS 885,675) and USD 658,384 (GHS 5,524,066).

	Mar-19 USD	Mar-20 USD	Mar-21 USD	Mar-22 USD	Total USD
Corporate Income Tax	(61)	(14,523)	36,657	645,188	667,260
Withholding Tax	763	4,533	20,700	20,899	46,896
Pay As You Earn (PAYE)	155	34	164	1,094	1,446
Director PAYE	-	-	1,304	1,747	3,052
Fiscal Stabilization Levy	12	4,004	8,370	2,751	15,137
Value Added Tax	-	5,261	5,603	11,167	22,031
Levies - Getfund ,NHIL& Covid-19	-	-	-	8,121	8,121
Total Tax Liability	869	(692)	72,799	690,966	763,943
Withholding Tax Asset	61	(132,970)	(291,096)	(234,379)	(658,384)
Cash Payment	(930)	133,662	218,297	(456,588)	(105,559)
Total Payment	(869)	692	(72,799)	(690,966)	(763,943)
	-	-	-	-	-

17. STATED CAPITAL

The company is incorporated with 100,000,000 authorised share of no-par value issued as follows:

	2023	2022
	USD	USD
Equity share capital	1,000,000	1,000,000
Issued for Cash	<u>1,000,000</u>	<u>1,000,000</u>

There is no unpaid liability on any shares and there are no calls or installments unpaid and there are no treasury shares.