



PRESS RELEASE

PR. No 162/2015

**PBC LIMITED (PBC) -
UN-AUDITED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDING MARCH 2015**

PBC has released its un-audited Financial Statements for the half year ending 31st March, 2015 as per the attached.

Issued in Accra, this 30th
day of April, 2015

- END -

att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, PBC
4. NTHC Registrars, (Registrars for PBC shares)
5. SEC
6. Central Securities Depository
7. GSE Council Members
8. GSE Notice Board

For enquiries, contact:

General Manager/Head of Listings, GSE on 0302 669908, 669914, 669935

***JEB**

PBC LIMITED



**UNAUDITED FINANCIAL
STATEMENTS FOR HALF
YEAR**

ENDED 31ST MARCH, 2015

PBC LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR HALF YEAR ENDED 31ST MARCH, 2015

1. ACCOUNTING POLICIES

A. REPORTING ENTITY

PBC LIMITED is a company registered and domiciled in Ghana.

The company is authorised to buy, collect, store, transport and otherwise deal in cocoa, coffee and sheanuts produced in Ghana on behalf of Ghana Cocoa Board.

B. BASIS OF PREPARATION

(i) Statement of Compliance

The financial statements have been prepared in accordance with international Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standard Boards (IASB).

(ii) Basis of measurement

The financial statements were prepared on the historical cost basis except for financial instruments and other assets that are stated at fair value.

(iii) Functional and presentational currency

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

(iv) Use of estimates and judgements

The preparation of 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, income and expenses.

C. DEPRECIATION

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

The estimated rates of depreciation are as follows:

Buildings	3%
Plant and Machinery	20%
Motor Vehicles	20%
Operational Vehicles	10%
Furniture and Equipment	20%

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

D. INTANGIBLE ASSETS

Software acquired by the Company is stated at cost less accumulated impairment losses.

E. INVENTORIES

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

F. TRADE AND OTHER RECEIVABLES

Trade receivables are stated at amortised costs, less impairment losses. Specific allowance for doubtful debts are made for receivables of which recovery is doubtful.

Other receivables are stated at their cost less impairment losses.

G. CASH AND CASH EQUIVALENTS

Cash and Cash equivalents comprise Cash on hand and bank balances and these are carried at amortised Cost in the balance sheet.

H. REVENUE

(i) Sale of goods

Revenue from the Sale of goods is measured at the fair value of the consideration received or receivable net of returns, trade discounts, taxes and volume rebates and is recognised when the significant risk and rewards of the ownership have been transferred to the buyer.

(ii) Sale of Services

Revenue from services rendered is recognised in the income statement when the Service is performed.

I. SEGMENT REPORTING

Segmental information is presented in respect of the Company's business segments and is based on the Company's management and internal reporting structure.

The two main business segments are:

Produce - Sale of Cocoa beans

Haulage - transporting of Cocoa beans.

PBC LIMITED
INCOME STATEMENT
FOR HALF YEAR ENDED 31 MARCH, 2015

INCOME STATEMENT	NOTE	2015 GH¢	2014 GH¢
Revenue	4	1,007,695,028	856,270,466
Cost of Sales		(893,885,982)	(772,028,940)
Gross Profit		113,809,046	84,241,526
Other Income	6	1,897,966	3,065,906
Direct Operating Expenses		(37,751,589)	(27,310,304)
General and Administrative Expenses	5	(23,631,689)	(19,677,258)
Operating profit before financing cost		54,323,734	40,319,870
Net Finance Expenses	7	(42,311,976)	(35,145,813)
Profit before Taxation		12,011,758	5,174,057
Income Tax Expense	8a	(3,002,940)	(1,293,514)
Profit for the period transferred to Income Surplus Account		<u>9,008,818</u>	<u>3,880,543</u>
INCOME SURPLUS ACCOUNT		2015 GH¢	2014 GH¢
Balance at 1 October		(4,464,095)	20,896,831
Net Profit for the half year		<u>9,008,818</u>	<u>3,880,543</u>
Balance at 31 March		<u>4,544,723</u>	<u>24,777,374</u>

KOJO ATTA-KRAH

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KOJO ATTA-KRAH
MANAGING DIRECTOR

J. OSEI MANU

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J. OSEI MANU
DEP. MANAGING DIRECTOR (F&A)

PBC LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2015

BALANCE SHEET	NOTE	2015 GH¢	2014 GH¢
Non-Current Assets			
Property, plant and equipment	10	94,916,765	83,853,737
Investment in Subsidiaries	20	63,260,924	31,097,184
Long term investment	9	3,876,365	2,981,819
Total non-current assets		<u>162,054,054</u>	<u>117,932,740</u>
Current Assets			
Inventories	11	108,366,585	76,529,476
Trade and other receivables	12	67,106,260	141,854,058
Short term investments	13	87,420,568	80,322,794
Cash and cash equivalents	14	64,746,679	18,317,357
Total current assets		<u>327,640,092</u>	<u>317,023,685</u>
Total assets		<u>489,694,146</u>	<u>434,956,425</u>
Equity			
Stated Capital	22a	15,000,000	15,000,000
Retained earnings	22d	4,544,723	24,777,374
Other reserves	22f	3,645,962	2,751,376
Total equity		<u>23,190,685</u>	<u>42,528,750</u>
Liabilities			
Deferred tax liability	8b	468,481	1,791,969
Medium term loan	18	13,311,675	13,113,609
Long Term Loan	19	8,334,072	5,262,033
Preference share capital	22b	100	100
Total non-current liabilities		<u>22,114,328</u>	<u>20,167,711</u>
Bank Overdraft	16	73,937,016	221,099,487
Income Tax liability	8a	3,002,940	2,750,412
Short Term Loan	17	359,405,733	138,150,173
Medium term loan (current portion)	18	5,953,545	5,842,384
Finance Lease (current portion)		-	518,620
Trade and other payables	15	2,089,899	3,898,888
Total current liabilities		<u>444,389,133</u>	<u>372,259,964</u>
Total liabilities		<u>466,503,461</u>	<u>392,427,675</u>
Total liabilities and equity		<u>489,694,146</u>	<u>434,956,425</u>

PBC LIMITED
CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 MARCH 2015

Cash Flows from Operating Activities	2015	2014
	GH¢	GH¢
Profit before taxation	12,011,758	5,174,057
<u>Adjustment for:</u>		
Depreciation and Amortisation charges	6,222,198	4,800,604
Interest Received	(1,211,120)	(698,891)
Interest expense	43,523,096	35,844,704
Operating Profit Before Working Capital Changes	60,545,932	45,120,474
Change in inventories	(73,590,707)	(19,614,691)
Change in trade and other receivables	19,748,213	(66,440,204)
Change in trade and other payables	(9,569,401)	(6,054,389)
Cash generated from operations	(2,865,963)	(46,988,810)
Income taxes paid	-	(383,890)
Net cash flow from operating activities	(2,865,963)	(47,372,700)
Cash flow from investing activities		
Interest Received	1,211,120	698,891
Interest paid	(43,523,096)	(35,844,704)
Long Term investment	(5,726,958)	(31,097,058)
Payments to acquire assets	(25,719,820)	(6,731,772)
Net Cash used in Investing Activities	(73,758,754)	(72,974,643)
Cash flows from Financing Activities		
Short Term Loan	241,210,638	88,337,673
Finance Lease	(5,713,694)	(521,855)
Medium Term Loan	2,957,969	2,129,184
Net Cash used in Financing Activities	238,454,913	89,945,002
Net Increase in Cash and Cash equivalents	161,830,196	(30,402,341)
Cash and Cash equivalents at 1 October	(83,599,965)	(92,056,869)
Cash and Cash equivalents at 31 March	78,230,231	(122,459,210)

Analysis of changes in cash and cash equivalents.

	1st October	Cash Flow	31st March
	2014	GH ¢	Cash Flow
	GH ¢	GH ¢	GH ¢
Cash in Hand and at Bank	27,986,677	36,760,002	64,746,679
Bank overdraft	(159,123,779)	85,186,763	(73,937,016)
Short term investment	47,537,137	39,883,431	87,420,568
	(83,599,965)	161,830,196	78,230,231

PBC LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31ST MARCH, 2015

2 **CAPITAL AND RESERVES**

Reconciliation of movement in capital and reserves

	Share Capital	Retained Earnings	Other Reserves	Total Equity
	GH¢	GH¢	GH¢	GH¢
Balance at 01.10.14	15,000,000	(4,464,095)	3,500,467	14,036,372
Total recognised Income and Expenses	-	9,008,818		9,008,818
Movement in available for sale asset	-	-	145,495	145,495
Balance at 31.03.15	15,000,000	4,544,723	3,645,962	23,190,685

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31ST MARCH, 2015

3 SEGMENT REPORTING

Class of Business	<u>PRODUCE</u>		<u>HAULAGE</u>		<u>TOTALS</u>	
	2015 GH¢	2014 GH¢	2015 GH¢	2014 GH¢	2015 GH¢	2014 GH¢
Segment Revenue	<u>994,702,664</u>	<u>849,304,176</u>	<u>12,992,364</u>	<u>6,966,290</u>	<u>1,007,695,028</u>	<u>856,270,466</u>
Segment Cost	<u>886,740,182</u>	<u>769,242,424</u>	<u>7,145,800</u>	<u>2,786,516</u>	<u>893,885,982</u>	<u>772,028,940</u>
Segment Results	<u>107,962,482</u>	<u>80,061,752</u>	<u>5,846,564</u>	<u>4,179,774</u>	<u>113,809,046</u>	<u>84,241,526</u>
Unallocated expenses					<u>(61,383,278)</u>	<u>(46,987,562)</u>
Results from Operating activities					<u>52,425,768</u>	<u>37,253,964</u>
Other Income					<u>1,897,966</u>	<u>3,065,906</u>
Net Finance Cost					<u>(42,311,976)</u>	<u>(35,145,813)</u>
Corporate tax expense					<u>(3,002,940)</u>	<u>(1,293,514)</u>
Profit for the year					<u>9,008,818</u>	<u>3,880,543</u>

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31ST MARCH, 2015

	2015	2014
	GH¢	GH¢
4 REVENUE		
Sale of Produce	994,702,664	849,304,176
Services (Haulage)	12,992,364	6,966,290
	<u>1,007,695,028</u>	<u>856,270,466</u>
5 ADMINISTRATIVE AND GENERAL EXPENSES including the following:		
Depreciation and amortisation	653,749	476,878
Auditors Remuneration	21,738	18,000
Directors emoluments	133,187	154,451
Subscriptions and Donations	62,701	71,161
	<u>871,375</u>	<u>720,490</u>
6 OTHER INCOME		
Rent Income	67,294	65,628
Recoveries from Shortages/Haulage	1,807,705	2,110,815
Sundry Income	8,841	-
Sale of Unserviceable items	14,126	11,406
Car park proceeds		878,057
	<u>1,897,966</u>	<u>3,065,906</u>
7 NET FINANCE EXPENSES		
Interest Income	1,211,120	698,891
Bank and Produce loan interest	(43,523,096)	(35,844,704)
	<u>(42,311,976)</u>	<u>(35,145,813)</u>

PBC LIMITED
 NOTE TO THE FINANCIAL STATEMENT
 FOR THE HALF YEAR ENDED 31ST MARCH, 2015

TAXATION

8a	Year of Assessment Corporate Tax	Balance at 1 Oct GH ¢	Payments during the period GH ¢	Charge for the period GH ¢	Balance at 31 Mar GH ¢
	Half year 2015	-	-	3,002,940	(3,002,940)
		-	-	3,002,940	(3,002,940)

DEFERRED TAX

8b	Balance at 31 March	468,481	1,791,969
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PBC LIMITED
NOTE TO THE FINANCIAL STATEMENT
FOR THE HALF YEAR ENDED 31ST MARCH, 2015

9	LONG TERM INVESTMENTS	2015	2014
	Quoted Equity Investments	<u>3,876,365</u>	<u>2,981,819</u>

This represent 727,273 equity shares of no par value held in
Ghana Commercial Bank Limited

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31ST MARCH, 2015

10 PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings GH c	Plant and Machinery GH c	Motor Vehicles GH c	Furniture & Fitting GH c	Building W.I.P GH c	Total GH c
COST						
Balance at 1.10.2014:	21,206,947	14,078,403	50,596,042	3,173,281	29,582,894	118,637,567
Additions during the period	221,692	1,836,183	21,157,667	278,726	2,225,552	25,719,820
Disposals	-	-	-	-	-	-
Balance at 31.03.2015	21,428,639	15,914,586	71,753,709	3,452,007	31,808,446	144,357,387
Depreciation						
Balance at 1.10.2014:	2,780,257	10,126,995	28,049,365	2,261,807	-	43,218,424
Charge for the period	308,548	1,701,909	3,866,540	345,201	-	6,222,198
Released on Disposals	-	-	-	-	-	-
Balance at 31.03.2015	3,088,805	11,828,904	31,915,905	2,607,008	-	49,440,622
Carrying amounts						
At 31.03.15	18,339,834	4,085,682	39,837,804	844,999	31,808,446	94,916,765
At 31.03.14	10,909,095	4,202,576	25,608,051	805,237	42,328,778	83,853,737

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31ST MARCH, 2015

	2015	2014
	GH ¢	GH ¢
11 INVENTORIES		
<u>Trading:</u>		
Cocoa	77,111,485	61,248,920
Sheanut	24,479,497	14,295,556
Non-Trading	<u>6,775,603</u>	<u>985,000</u>
	<u><u>108,366,585</u></u>	<u><u>76,529,476</u></u>

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31ST MARCH, 2015

	2015 GH¢	2014 GH¢
12 ACCOUNTS RECEIVABLE		
Trade receivables due from customers	41,123,522	122,878,318
Other receivables	21,500,049	15,678,051
Staff Loans and Advances	3,533,809	2,484,500
Staff Loans Discounted	(6,785)	(6,626)
Prepayments	955,665	819,815
	<u>67,106,260</u>	<u>141,854,058</u>

a. Prepayments represent the unexpired portion of certain expenditure spread on time basis.

b. The maximum amount due from employees of the Company during the half year did not exceed GH¢3,533,809 (2014- GH¢2,484,500)

	GH¢	GH¢
13 SHORT TERM INVESTMENTS		
Fixed Deposits	87,420,568	80,322,794
Treasury Bills	-	-
	<u>87,420,568</u>	<u>80,322,794</u>
14 CASH AND CASH EQUIVALENTS		
Bank Balances	64,743,129	18,314,997
Cash Balances	3,550	2,360
	<u>64,746,679</u>	<u>18,317,357</u>
15 ACCOUNTS PAYABLE		
Trade payables due to related parties	562,335	168,543
Non-trade payables and accrued expenses	1,202,897	3,473,845
Accrued Charges	324,667	256,500
	<u>2,089,899</u>	<u>3,898,888</u>

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31ST MARCH, 2015

16	BANK OVERDRAFT	2015 GH¢	2014 GH¢
	Ecobank Ghana Limited	24,701,281	6,274,000
	Standard Chartered Bank	3,551,867	19,196,793
	Ghana Commercial Bank	23,921,375	50,433,070
	Barclays Bank	-	49,618,387
	SG-SSB Limited	1,838,516	24,734,511
	Hfc Bank	19,923,977	30,415,436
	Stanbic	-	35,759,624
	Zenith Bank	-	4,667,666
		<u>73,937,016</u>	<u>221,099,487</u>

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31ST MARCH, 2015

	2015 GH¢	2014 GH¢
17 SHORT TERM LOANS		
Produce Loan (Seed Fund)	339,771,274	33,150,173
Stanchart	-	55,000,000
Fidelity Bank	19,634,459	-
Ecobank Limited	-	50,000,000
	<u>359,405,733</u>	<u>138,150,173</u>
18 MEDIUM TERM LOAN		
Ecobank Limited	1,240,966	2,296,550
SG SSB	5,519,909	14,482,991
Stanchart	9,794,547	-
NIB	2,805,450	2,274,315
Processing Fees	(95,652)	(97,863)
	<u>19,265,220</u>	<u>18,955,993</u>
Current portion payable within 12 months	5,953,545	5,842,384
Long term portion payable after 12 months	<u>13,311,675</u>	<u>13,113,609</u>
	2015 GH¢	2014 GH¢
19 LONG TERM LOAN		
Ghana Cocoa Board	<u>8,334,072</u>	<u>5,262,033</u>

The company was granted a long term loan of US\$10,000,000 by Ghana Cocoa Board towards the establishment of PBC Shea Limited a subsidiary of the company. The facility is for a period of eight year with a two year moratorium, and it is secured by Cocoa Taken Over receivables, Butter proceeds from the factory and take over of the plant and equipment of PBC-Shea limited. Interest rate is at 8.5% on reducing balance basis.

20 INVESTMENT IN SUBSIDIARY

	2015 GH¢	2014 GH¢
	<u>63,260,924</u>	<u>31,097,184</u>

PBC LTD has invested a total amount of about GHC 63.261 million in its two subsidiaries, namely Buipe Shea Nut Company and Golden Bean Hotel. The Buipe Shea Nut factory is a state of an art factory established to process sheanut into shea butter for export. It is located at Buipe in the Central Gonja District.

The Golden Bean Hotel is a 51 Room hospitality facility located at Nyaeso in the Kumasi Metropolis. These investments were carried out as part of the companies desire to diversify its revenue base. The breakdown of the investments is as follows:

	2015 GH¢	2014 GH¢
Buipe Sheanut Factory	31,571,784.00	19,971,984.00
Golden Bean Hotel	31,689,140.00	11,125,200.00
	<u>63,260,924.00</u>	<u>31,097,184.00</u>

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS

21 FINANCE LEASE	2015	2014
Current portion payable within 12 month	<u>-</u>	<u>518,620.00</u>

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31ST MARCH, 2015

22 STATED CAPITAL

	2015		2014	
		GH¢	No. of Shares	Proceeds GH¢
a Ordinary shares				
Authorised Ordinary Shares of no par value	20,000,000,000		20,000,000,000	
Issued and fully paid				
For cash	2,005,000	1,586,800	2,005,000	1,586,800
For consideration other than cash	477,995,000	13,413,200	477,995,000	13,413,200
	<u>480,000,000</u>	<u>15,000,000</u>	<u>480,000,000</u>	<u>15,000,000</u>

The holders of the ordinary shares are entitled to receive dividend declared from time to time and are entitled to one vote per share at meetings of the company.

b Preference shares	<u>No. of Shares</u>	<u>Proceeds</u>	<u>No. of Shares</u>	<u>Proceeds</u>
No. of preference shares	1	100	1	100

The preference shares are redeemable (golden cocoa share) allotted to the Ministry of Finance on behalf of Government of Ghana.

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31ST MARCH, 2015

c Share in treasury

Shares in Treasury as at 31March 2014:-,1,877,370 (2013- 1,907,170).

d Income surplus (Retained earning)

This represents the residual of cumulative annual profits that are available for distribution to shareholders.

e Share deals

This represents the net effect of shares which the company repurchased into treasury that are available for reissue for the consideration of GH¢1,982 and reclassification of the proceeds of redeemable preference shares of GH¢100 from equity.

f Other reserves

This represents the gain arising from fair value changes of long term investment in Ghana Commercial Bank Limited shares