

MERIDIAN MARSHALLS HOLDINGS LIMITED



CONSOLIDATED REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2020

MERIDIAN MARSHALLS HOLDINGS LIMITED

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MERIDIAN MARSHALLS HOLDINGS LIMITED

GENERAL INFORMATION

Board of Directors: Prof. Divine E.K. Amenumey - Chairman
Dr Tetteh Nettey
Mrs. Genevive Naa Aku Nettey
Dr Hazel Barrard Amuah
Mr Justice G. Djokoto
Mr Patrick Ebo Kittoe
Mr Daniel Adjei

Secretary: Ms. Bernice Bani

Office: No. 4 Pilot Link
NTHC Estate, East Airport
P. O. Box KB 781
Korle – Bu, Accra

Auditors: V T Consult
Chartered Accountants
1st Floor JLK Plaza
Agbogba Road, North Legon
P. O. Box OS 153
Osu –Accra

Bankers: Bank of Africa Limited
Fidelity Bank Limited
CAL Bank Limited
Ecobank Ghana Limited

REPORT OF THE DIRECTORS TO THE MEMBERS OF MERIDIAN MARSHALLS HOLDINGS LIMITED

The Directors of the Company present their annual report and the audited financial statements for the year ended 31st July 2020.

Statement of Directors' Responsibilities

The Directors are responsible for the preparation and fair presentation of the financial statements of Meridian Marshalls Holdings Limited, comprising the statements of financial position at 31st July 2020, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2019 (Act 992). In addition, the directors are responsible for preparing the directors' report.

The Directors are also responsible for designing, implementing and maintaining internal controls relevant to the preparation of financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Directors are also responsible for assessing the Company's ability to continue as a going concern and using the going concern basis of accounting unless the Directors either intends to liquidate the Company or to cease operations. The financial statements have accordingly been prepared on this basis.

The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

Nature of Business

The Company is registered to carry on the business of education, research and import/export of educational materials. There has been no change in the nature of business of the company.

Financial Statements and Dividends

The results for the year are as set out in the attached Financial Statements.

The Directors consider the state of affairs of the Company to be satisfactory.

The Directors do not recommend the payment of a dividend.

ACCRA

23rd November 2020

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)
) DIRECTORS



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MERIDIAN MARSHALLS HOLDINGS LIMITED**

Report on the Financial Statements

We have audited the accompanying Consolidated and separate Financial Statements of Meridian Marshalls Holdings Limited which comprises the Statement of Financial Position of the Company as at 31st July, 2020, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory notes as set out on pages 11 to 23.

Opinion

In our opinion, these financial statements, give a true and fair view of the consolidated and separate financial position of the Meridian Marshalls Holdings Limited as at 31st July, 2020 and its financial performance and its cash flow for the year then ended in accordance with the IFRS and in the manner required by the Companies Act, 2019 (Act 992).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that in our professional judgment, were of most significant in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key audit matters

The Company's liquidity position is seriously challenged by recording a negative Working Capital of GH¢4,520,432 as shown below;

- (i) Current Assets GH¢1,536,667
- (ii) Current Liabilities (GH¢6,057,099)
- (iii) Working Capital (GH¢4,520,432)

This is an indication that it will be difficult to honour liabilities when they are due for payments. This reflects approximately a Current Ratio of 0.25:1. With such a Current Ratio, the "going concern" of the Company is highly in doubt since the risk of continuing in business for the foreseeable future becomes dependent on when the creditors will call for their monies.

Alternatively, the shareholders would have to introduce additional capital through right issue or issue new shares to new investors to shore up the equity fund.

How the matter was addressed in our audit

Our audit procedures in this area included among others:

- Assessed the appropriateness and completeness of the related disclosures made and verify significant movements.
- Reviewed the Current Liabilities and obtained evidence to confirm existence of obligations;
- Discussed with the Management of the Company in respect of the Director's Account, both Long Term and Short Term Loans amounting to GH¢3,047,796 as per Note 13. Management have given assurance that they are not likely to call for their debt payments in the foreseeable future.
- Related Parties amounting to GH¢744,552 which form part of the Current Liabilities have also given assurance to Management that they are not likely to call for payment in the foreseeable future;

Directors' Responsibilities for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with the International Financial Reporting Standards (IFRS) and the Companies Act, 2019 (Act 992).

This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation of financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Directors are also responsible for assessing the Company's ability to continue as a going concern and using the going concern basis of accounting unless the Directors either intends to liquidate the Company or to cease operations.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we concluded that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statements represent the underlying transactions and the event in a manner that achieves fair presentation.

We communicated with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We communicated with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

The Companies Act, 2019 (Act 992) requires that in carrying out our audit, we consider and report on the following matter. 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 purpose of our audit;
- (ii) Proper books of account have been kept by the Company so far as appear from our examination of those books;
- (iii) The Statements of Financial Position, statement of the Profit and Loss and other Comprehensive Income and statement of Changes in Equity are in agreement with the books of account;



ABRAHAM ODOI

Practicing Certificate: Licence No. ICAG/ P/1546

23rd NOVEMBER 2020

VT CONSULT
Chartered Accountants
Accra-Ghana

Licence Number: ICAG/F /2019/131

MERIDIAN MARSHALLS HOLDINGS LIMITED
STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST JULY, 2020

| | Note | 2020 GH¢ | 2019 GH¢ |
|---|------|------------------|------------------|
| <u>INCOME:</u> | | | |
| Tuition Fees and Registration Forms | | 1,048,718 | 1,225,652 |
| Other Fees and Charges | 3 | 49,095 | 99,678 |
| TOTAL OPERATING INCOME | | 1,097,813 | 1,325,330 |
| Less Direct Operating Cost: | 4 | (627,271) | (1,045,687) |
| Gross Profit | | 470,542 | 279,643 |
| Other Income | 5 | 2,952 | 277,880 |
| | | 473,494 | 557,523 |
| General & Administrative Expenses | 6 | (993,487) | (1,285,795) |
| (Loss) before Taxation | | (519,993) | (728,272) |
| Income Tax Expense | 7(i) | (47,069) | (55,770) |
| Other Comprehensive Income | | 0 | 0 |
| (Loss) after Taxation Transferred to Retained Earnings Account | | (567,062) | (784,042) |

RETAINED EARNINGS ACCOUNT
FOR THE YEAR ENDED 31ST JULY 2020

| | 2020 GH¢ | 2019 GH¢ |
|---|----------------|------------------|
| Balance as at 01/08/2019 | 1,145,220 | 1,929,262 |
| (Loss) after Taxation Transferred from Income Statement | (567,062) | (784,042) |
| Balance as at 31/07/2020 | 578,158 | 1,145,220 |

MERIDIAN MARSHALLS HOLDINGS LIMITED
STATEMENT OF CONSOLIDATED FINANCIAL POSITION AS AT 31ST JULY, 2020

| | Note | 2020 GH¢ | 2019 GH¢ |
|-------------------------------------|--------|------------------|------------------|
| FIXED ASSETS | 8 | 7,048,040 | 7,152,823 |
| INTANGIBLE ASSETS | 9 | 0 | 0 |
| CURRENT ASSETS | | | |
| Students & Other Receivables | 10 | 1,453,327 | 1,092,299 |
| Cash and Bank Balances | | 83,340 | 304,683 |
| | | <u>1,536,667</u> | <u>1,396,982</u> |
| TOTAL ASSETS | | <u>8,584,707</u> | <u>8,549,805</u> |
| EQUITY AND LIABILITIES | | | |
| EQUITY: | | | |
| Stated Capital | 12 | 1,550,500 | 1,550,500 |
| Retained Earnings | | 578,158 | 1,145,220 |
| | | <u>2,128,658</u> | <u>2,695,720</u> |
| LONG-TERM LIABILITIES | | | |
| Directors Long-Term Loan | 13 | 398,950 | 398,950 |
| | | <u>398,950</u> | <u>398,950</u> |
| CURRENT LIABILITIES | | | |
| Current Tax | 7(iii) | 167,423 | 167,423 |
| Directors Account | 13 | 2,648,846 | 2,657,603 |
| Other Accounts Payables | 11 | 3,090,629 | 2,526,978 |
| Deferred Tax | 7(ii) | 150,201 | 103,131 |
| | | <u>6,057,099</u> | <u>5,455,135</u> |
| TOTAL LIABILITIES | | <u>6,456,049</u> | <u>5,854,085</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>8,584,707</u> | <u>8,549,805</u> |

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)
 ACCRA 23rd November 2020
)

) DIRECTORS

MERIDIAN MARSHALLS HOLDINGS LIMITED
STATEMENT OF CONSOLIDATED CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST JULY 2020

| | Stated Capital GH¢ | Retained Earnings GH¢ | Total GH¢ |
|-------------------------------|--------------------------|-----------------------------|------------------|
| At 1 st August | 1,550,500 | 1,145,220 | 2,695,720 |
| (Loss) after tax for the Year | 0 | (567,062) | (567,062) |
| At 31 st July | <u>1,550,500</u> | <u>578,158</u> | <u>2,128,658</u> |

MERIDIAN MARSHALLS HOLDINGS LIMITED
STATEMENT OF CONSOLIDATED CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST JULY 2019

| | Stated Capital GH¢ | Retained Earnings GH¢ | Total GH¢ |
|--------------------------------|--------------------------|-----------------------------|------------------|
| At 1 st August 2018 | 1,550,500 | 1,929,262 | 3,479,760 |
| (Loss) after tax for the Year | - | (784,042) | (784,042) |
| At 31 st July 2019 | <u>1,550,500</u> | <u>1,145,220</u> | <u>2,695,720</u> |

MERIDIAN MARSHALLS HOLDINGS LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JULY 2020

| | 2020 | 2019 |
|--|------------------|------------------|
| | GH¢ | GH¢ |
| OPERATING ACTIVITIES | | |
| Operating (Loss) (before Interest and Tax) | (519,993) | (686,231) |
| Add /(Less): | | |
| Depreciation | 121,834 | 127,290 |
| Amortisation of Software | 0 | 3,156 |
| Directors Current Account | (8,757) | 302,000 |
| Students and Other Account Receivables | (361,027) | 33,126 |
| Other Account Payables | 563,653 | 915,967 |
| | <u>315,703</u> | <u>1,381,539</u> |
| Net Cash (Outflow)/Inflow from Operating Activities | (204,290) | 695,308 |
| Returns on Investment & Servicing of Finance | | |
| Loan Interest Expense | 0 | (42,041) |
| TAXATION | | |
| Tax paid | 0 | - |
| Investing Activities | | |
| Purchase of Fixed Assets | (17,053) | (28,750) |
| Net Cash(Outflow)/ Inflow before Financing | (221,343) | 624,517 |
| Financing | | |
| Bank Loans | 0 | (458,083) |
| Increase in Cash and Cash Equivalents | (221,343) | 166,434 |
| Opening Cash and Bank Balance | 304,683 | 138,249 |
| Closing Cash & Bank Balance | 83,340 | 304,683 |

MERIDIAN MARSHALLS HOLDINGS LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY, 2020

1. CORPORATE INFORMATION

1.1 Nature of Company

Meridian Marshalls Holdings Limited is a publicly owned limited liability company incorporated in Ghana under the Companies, 2019 (Act 992). Its registered office is at House No. A4 Pilot Link, NTHC Estate, East Airport. Its main operations are carried out at its main campus located at Odorkor, on the Kasoa Mallam Highway opposite the Gloryland Hotel.

2. BASIS OF ACCOUNTING

These Financial Statements have been prepared under the historical cost basis, except for financial assets and liabilities held at fair values that have been measured at fair value initially and/or subsequently.

3. ACCOUNTING POLICIES

The following Accounting Policies adopted have been consistently applied in dealing with items, which are considered material in relation to the Company's Financial Statements.

A. Depreciation

Depreciation is provided for on a straight-line basis at rates calculated to write off the cost of each Fixed Asset over its estimated useful economic life. The carrying amounts of the Fixed Assets are assessed whether they are recoverable in the form of future economic benefits. If the recoverable amount of any asset has declined below its carrying amount, an impairment loss is recognised to reduce the value of the asset to its recoverable amount.

The annual rates generally in use are as follows:

| | | |
|-----------------------------------|---|--------|
| Motor Vehicles | - | 20% |
| Furniture and Fittings | - | 20% |
| Library Books | - | 33.33% |
| Office Equipment | - | 20% |
| Computers and Printers | - | 33.33% |
| Building | - | 2% |
| Prefabricated Buildings/Container | - | 10% |

Gains and losses on disposal of Fixed Assets are determined by comparing proceeds from disposal with the carrying amount of Fixed Assets and are recognised in the Income Statement as other come.

B. Intangible Assets Software

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

Subsequent expenditure on software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation is recognised in the Income Statement on a straight-line basis over the estimated useful life of the software from the date that it was put into use.

C. Stocks

Stocks are measured at the lower of cost and net realisable value. The cost of closing stock is based on the first-in-first-out principle and comprises of all other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of doing business less estimated selling expenses.

D. Students Account Receivables:

Students Receivables are stated after providing for impairment losses. Specific allowances are made for receivables considered to be doubtful, general allowances for doubtful debts are recorded for the remaining receivables taking into account past experiences.

E. Foreign Currencies:

Transactions denominated in foreign currencies are translated into Ghana Cedis and recorded at the rate of exchange ruling at the date of the transactions. Balances denominated in foreign currencies are translated into Ghana Cedis and recorded at the rate of exchange ruling at year end. All differences arising on translation are dealt with in the Income Statement.

F. Cash and Cash Equivalent:

Cash and Cash Equivalents comprise cash on hand and bank balances and highly liquid short-term investments that are easily convertible to known amounts of cash and are subject to insignificant risks of changes in value.

G. Employee Benefits

(i) Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution to a separate entity and will have no legal or contractual obligation to pay future amounts. Obligations for contributions to defined contribution schemes are recognised as an expense in the income statement when they are due.

(ii) Short-term Benefits

Short-term employee benefits are amounts payable to employees that fall due within twelve months after the end of the period in which the employee rendered the related service.

The said benefits are recognised as an expense in the period when the economic benefit is given as an employment cost. Unpaid short-term benefits at the year-end are recognised as an accrued expense and any short-term benefits paid in advance are recognised as prepayments.

The company's contribution of 13% to the Social Security Fund is also charged to the income statement.

H. Revenue

(i) Tuition and Admission Fees, Other Academic Fees and Charges

Tuition and Admission Fees, Other Academic Fees and Charges are measured at the fair value of the consideration received or receivable, net of returns, bursaries and scholarships. Revenue is recognized when significant risks and rewards of ownership have been transferred to the buyer and recovery of the consideration is probable.

(ii) Miscellaneous Income

These are revenue from the sale of text and exercise books, school uniforms etc. Revenue is recognized in the Income Statement when the said items are sold to Student.

I Finance Income and Costs

Finance income comprises interest received on bank balances, funds invested and interest charged to customers on overdue receivables and discounted cheques. Interest income is recognised using the effective interest method in the income statement.

Finance costs comprise interest expense on borrowings and interests charged by the bank. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the income statement using the effective interest method.

J. Income Tax

Income tax expense comprises of current and deferred tax. Current tax is the tax expected to be tax payable on taxable income for the period using the current tax rates applicable and any adjustment to tax payable in respect of previous periods.

Deferred income tax is provided on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts.

Deferred tax is measured at tax rates that are expected to be applicable to temporary differences in the period during which the assets will be realised or the liabilities settled.

Deferred tax assets are recognised to the extent that it is probable future taxable profit will be available against which deductible temporary differences can be utilised while deferred tax liabilities are generally recognised for all taxable temporary differences that are expected to reverse in the foreseeable future.

(b) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost in general includes all other costs incurred in bringing the inventories to their present location.

| | 2019 GH¢ | 2019 GH¢ |
|---|----------------|------------------|
| 3. OTHER FEES AND CHARGES | | |
| GES Fees | 580 | 0 |
| Project Work Fees | 15,000 | 13,500 |
| Issuing of Letters | 1,105 | 1,805 |
| Transcripts & Certificates | 560 | 1,360 |
| Resits | 10,950 | 23,730 |
| Matriculation Fees | 5,300 | 0 |
| Late Payment Penalties | 0 | 12,334 |
| Graduation/Other Fees | 15,600 | 46,949 |
| | <u>49,095</u> | <u>99,678</u> |
| 4. DIRECT OPERATING COST | | |
| Academic Staff Salaries | 168,477 | 796,616 |
| Students Welfare | 0 | 1,680 |
| GES Fees/Permits | 183,950 | 52,920 |
| Exams Expenses | 26,197 | 20,401 |
| Fashion School Expenses | 231,107 | 124,100 |
| Graduation Expenses | 17,540 | 49,970 |
| | <u>627,271</u> | <u>1,045,687</u> |
| 5. OTHER INCOME | | |
| Exchange Gains | 2,952 | 3,468 |
| Rent Received | 0 | 24,350 |
| Fidelity Loan Waiver | 0 | 250,062 |
| | <u>2,952</u> | <u>277,880</u> |
| 6. GENERAL & ADMINISTRATIVE EXPENSES | | |
| General & Administrative Expenses Includes | | |
| Directors' Remuneration | 233,232 | 205,768 |
| Audit Fees (VAT Inclusive) | 2,394 | 43,470 |
| Depreciation | 121,834 | 127,290 |
| Interest on Bank Loans | 0 | 42,041 |
| | <u></u> | <u></u> |

7. TAXATION

(i) Income Tax Expense

| | 2020 | 2019 |
|--------------------------|---------------|---------------|
| | GH¢ | GH¢ |
| Current Tax Expense(iii) | 0 | 0 |
| Deferred Tax Expense(ii) | 47,069 | 55,770 |
| | <u>47,069</u> | <u>55,770</u> |

(ii) Deferred Tax

| | Balance at 1/08/ 2019 GH¢ | Credit to P/L GH¢ | Charge to P/L GH¢ | Balance at 31/07/2020 GH¢ |
|------|--|----------------------------------|----------------------------------|--|
| 2018 | 47,361 | 0 | 0 | 47,361 |
| 2019 | 55,770 | 0 | 0 | 55,770 |
| 2020 | 0 | 0 | 47,069 | 47,069 |
| | <u>103,131</u> | <u>0</u> | <u>47,069</u> | <u>150,201</u> |

(iii) Current Tax

| | Balance at 1/08/ 2019 GH¢ | Payments GH¢ | Charge to P/L A/c GH¢ | Balance at 31/07/2020 GH¢ |
|------------|--|-------------------------|--------------------------------------|--|
| Up to 2016 | 138,209 | 0 | 0 | 138,209 |
| 2017 | 15,178 | 0 | 0 | 15,178 |
| 2018 | 14,036 | 0 | 0 | 14,036 |
| 2019 | 0 | 0 | 0 | 0 |
| 2020 | 0 | 0 | 0 | 0 |
| | <u>167,423</u> | <u>0</u> | <u>0</u> | <u>167,423</u> |

All tax liabilities are subject to the agreement of the GRA (Domestic Tax Division).

8. FIXED ASSETS

| COST | Land & Buildings GH¢ | Furniture & Fitting GH¢ | Motor Vehicles GH¢ | Computers GH¢ | Equipment GH¢ | Capital Work-in-Progress GH¢ | Prefabricated Buildings/ Containers GH¢ | Gowns GH¢ | Library Books GH¢ | Total GH¢ |
|---------------------|-------------------------|----------------------------|-----------------------|------------------|------------------|---------------------------------|---|--------------|----------------------|--------------|
| As at 1/08/ 2019 | 3,925,241 | 141,605 | 111,090 | 111,926 | 258,302 | 3,679,348 | 4,626 | 9,650 | 14,552 | 8,256,340 |
| Additions | 4,200 | 0 | 0 | 0 | 2,603 | 9,250 | 0 | 0 | 1,000 | 17,053 |
| As at 31/07/2020 | 3,929,441 | 141,605 | 111,090 | 111,926 | 260,905 | 3,688,598 | 4,626 | 9,650 | 15,552 | 8,273,393 |
| DEPRECIATION | | | | | | | | | | |
| As at 1/08/ 2019 | 565,687 | 110,518 | 111,090 | 109,287 | 183,019 | 0 | 4,626 | 4,824 | 14,468 | 1,103,519 |
| Charge for the Year | 73,951 | 10,708 | 0 | 2,034 | 32,311 | 0 | 0 | 2,413 | 417 | 121,834 |
| As at 31/07/2020 | 639,638 | 121,226 | 111,090 | 111,321 | 215,330 | 0 | 4,626 | 7,237 | 14,885 | 1,225,353 |
| NET BOOK VALUE | | | | | | | | | | |
| As at 31/07/2020 | 3,289,803 | 20,379 | 0 | 605 | 45,575 | 3,688,598 | 0 | 2,413 | 667 | 7,048,040 |
| As at 31/07/2019 | 3,359,554 | 31,087 | 0 | 2,639 | 75,285 | 3,679,348 | 0 | 4,826 | 84 | 7,152,823 |

**8a. FIXED ASSETS
COST**

| | Land & Buildings GH¢ | Furniture & Fitting GH¢ | Motor Vehicles GH¢ | Computers GH¢ | Equipment GH¢ | Capital Work-in-Progress GH¢ | Prefabricated Buildings/ Containers GH¢ | Gowns GH¢ | Library Books GH¢ | Total GH¢ |
|-----------------------|-------------------------|----------------------------|-----------------------|------------------|------------------|---------------------------------|---|--------------|----------------------|------------------|
| As at 1/08/ 2018 | 3,925,241 | 134,205 | 111,090 | 110,126 | 243,353 | 3,674,748 | 4,626 | 9,650 | 14,552 | 8,227,591 |
| Additions | 0 | 7,400 | 0 | 1,800 | 14,950 | 4,600 | 0 | 0 | 0 | 28,750 |
| As at 31/07/2019 | <u>3,925,241</u> | <u>141,605</u> | <u>111,090</u> | <u>111,926</u> | <u>258,303</u> | <u>3,679,348</u> | <u>4,626</u> | <u>9,650</u> | <u>14,552</u> | <u>8,256,341</u> |
| DEPRECIATION | | | | | | | | | | |
| As at 1/08/ 2018 | 491,736 | 99,694 | 111,090 | 103,877 | 148,871 | 0 | 4,163 | 2,412 | 14,385 | 976,228 |
| Charge for the Year | 73,951 | 10,824 | - | 5,410 | 34,147 | 0 | 463 | 2,412 | 83 | 127,290 |
| As at 31/07/2019 | <u>565,687</u> | <u>110,518</u> | <u>111,090</u> | <u>109,287</u> | <u>183,018</u> | <u>0</u> | <u>4,626</u> | <u>4,824</u> | <u>14,468</u> | <u>1,103,518</u> |
| NET BOOK VALUE | | | | | | | | | | |
| As at 31/07/2019 | <u>3,359,554</u> | <u>31,087</u> | <u>0</u> | <u>2,639</u> | <u>75,285</u> | <u>3,679,348</u> | <u>0</u> | <u>4,826</u> | <u>84</u> | <u>7,152,823</u> |
| As at 31/07/2018 | <u>3,433,505</u> | <u>34,511</u> | <u>0</u> | <u>6,249</u> | <u>94,482</u> | <u>3,674,748</u> | <u>463</u> | <u>7,238</u> | <u>167</u> | <u>7,251,363</u> |

9. INTANGIBLE ASSETS

| COST | Computer Software GH¢ | E-Library GH¢ | Total GH¢ |
|---------------------------------|--------------------------------------|--------------------------|----------------------|
| Balance as at 1/08/2019 | 34,460 | 1,800 | 36,260 |
| Additions | 0 | 0 | 0 |
| Balance as at 31/07/2020 | 34,460 | 1,800 | 36,260 |
| AMORTISATION | | | |
| Balance as at 1/08/2019 | 34,460 | 1,800 | 36,260 |
| Charges for the year | 0 | 0 | 0 |
| Balance as at 31/07/2020 | 34,460 | 1,800 | 36,260 |
| NET BOOK VALUE | | | |
| As at 31/07/2020 | 0 | 0 | 0 |
| As at 31/07/2019 | 0 | 0 | 0 |

| | 2020 GH¢ | 2019 GH¢ |
|---|---------------------|---------------------|
| 10. STUDENTS AND OTHER RECEIVABLES | | |
| Student Debtors | 1,256,768 | 1,043,105 |
| Sundry Debtors | 189,409 | 40,544 |
| Staff Debtors | 7,150 | 7,150 |
| Prepayments | 0 | 1,500 |
| | 1,453,327 | 1,092,299 |

| 11. OTHER ACCOUNTS PAYABLES | 2020 GH¢ | 2019 GH¢ |
|--|-------------------------|-------------------------|
| Sundry Creditors | 229,529 | 80,379 |
| Accruals | 2,116,550 | 1,701,047 |
| Amounts due to Related Parties (Note 14) | 744,552 | 745,552 |
| | <u>3,090,631</u> | <u>2,526,978</u> |

| 12. STATED CAPITAL | No. of Shares | | Proceeds | |
|---------------------------|----------------------|----------------------|---------------------|---------------------|
| | 2020 '000 | 2019 '000 | 2020 GH¢ | 2019 GH¢ |
| Authorised Shares | <u>500,000</u> | <u>500,000</u> | | |
| Issued Shares | <u>96,084</u> | <u>96,084</u> | <u>1,550,500</u> | <u>1,550,500</u> |

There are no shares in treasury and no call or instalment unpaid on any shares.

| 13. DIRECTORS ACCOUNT | 2020 GH¢ | 2019 GH¢ |
|------------------------------|-------------------------|-------------------------|
| Long-Term Loan | 398,950 | 398,950 |
| Short-Term Loan | 2,648,846 | 2,657,603 |
| | <u>3,047,796</u> | <u>3,056,553</u> |

These are made up amounts advanced the Company from inception and salaries not yet paid.

The Directors have pledge not to call for immediate repayment of these amounts until the Company is in a position to pay.

14. RELATED PARTY TRANSACTIONS

| | | |
|------------------------------|----------------|----------------|
| High Point Academy | 325,317 | 326,317 |
| EduAds | 194,235 | 194,235 |
| J. S. Addo Educational Funds | 225,000 | 225,000 |
| | <u>744,552</u> | <u>745,552</u> |

14.a RELATED PARTY TRANSACTIONS

Meridian Marshalls Holdings Limited is the parent company holding 100% shares in Meridian Pre-University. Marshalls University College Limited is also 100% owned by Meridian Marshalls Holdings Limited.

The majority shareholders of Meridian Marshalls Holdings Limited Dr & Mrs Tetteh Netey also owns 100% shares in EduAds and High Point Academy. EduAds placed educational advertisement for Pre-Meridian University. Transactions between these companies are carried out on arm's length.

15. CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date and at 31st July 2019.

16. CAPITAL COMMITMENTS

There were no commitments for capital expenditure not provided for in the financial statements at the balance sheet date and at 31st July 2019.

17. EXCHANGE CONTROL

All remittances from Ghana are subject to the approval of the Exchange Control Authorities.

MERIDIAN MARSHALL HOLDING LIMITED

ANALYSIS OF SHAREHOLDING AS AT 31ST JULY 2020

| Range | No. of Shareholders | Holders % | No. of Shares | % of Holding |
|-----------------|---------------------|---------------|-------------------|---------------|
| 1 - 1,000 | 6 | 3.87 | 2,740 | 0.00 |
| 1001 - 5,000 | 4 | 2.58 | 12,640 | 0.01 |
| 5001 - 10,000 | 72 | 46.45 | 712,950 | 0.74 |
| 10,001 - 20,000 | 43 | 27.74 | 776,812 | 0.81 |
| 20,001 - 30,000 | 6 | 3.87 | 165,000 | 0.17 |
| 30,001 - 40,000 | 4 | 2.58 | 153,100 | 0.16 |
| 40,001 - 50,000 | 4 | 2.58 | 200,000 | 0.21 |
| Over 50,001 | 16 | 10.32 | 94,060,924 | 97.90 |
| | 155 | 100.00 | 96,084,166 | 100.00 |

19. DIRECTORS' SHAREHOLDINGS

| | | 2020 | | 2019 | |
|---|----------------------------------|-------------------|--------------|-------------------|--------------|
| | | No. of Shares | % | No. of Shares | % |
| 1 | Dr. Tetteh Nettey | 37,500,000 | 39.03 | 37,500,000 | 39.03 |
| 2 | Mrs. Genevieve Naa-Aku Nettey | 37,500,000 | 39.03 | 37,500,000 | 39.03 |
| 3 | Mr. Patrick Ebo Kittoe | 125,000 | 0.13 | 125,000 | 0.13 |
| 4 | Prof. Divine Edem Kobla Amenumey | 50,000 | 0.05 | 50,000 | 0.05 |
| | | <u>75,175,000</u> | <u>78.24</u> | <u>75,175,000</u> | <u>78.24</u> |

| 19a. | | TOP TWENTY SHAREHOLDINGS | | |
|------|----|-------------------------------------|------------|-----------|
| | | | BALANCE | % Holding |
| | 1 | Dr. Tetteh Nettey | 37,500,000 | 39.03 |
| | 2 | Mrs. Genevieve Naa-Aku Nettey | 37,500,000 | 39.03 |
| CBL | 3 | Cal Brokers Limited | 16,648,424 | 17.33 |
| | 4 | Horizons Communications Limited | 687,500 | 0.72 |
| | 5 | Addo, Evelyn Naa Otua & John Sackah | 500,000 | 0.52 |
| | 6 | Lenssen, Marinus Petrus | 200,000 | 0.21 |
| CBL | 7 | Estate of the Late Nartey, Eric | 150,000 | 0.16 |
| CBL | 8 | Ofori, Emmanuel Kwame | 150,000 | 0.16 |
| | 9 | Mr. Patrick Ebo Kittoe | 125,000 | 0.13 |
| | 10 | Camara, Diagui Cheickina Miguel | 120,000 | 0.12 |
| | 11 | Akko, Roselind | 100,000 | 0.10 |
| | 12 | Donkor, Kwabena (Dr) | 100,000 | 0.10 |
| | 13 | Aubynn, Anthony Kwesi | 100,000 | 0.10 |
| CBL | 14 | Hayford, Eddie | 60,000 | 0.06 |
| | 15 | Bonney, Anita | 60,000 | 0.06 |
| | 16 | Aggrey, Michael | 60,000 | 0.06 |
| | 17 | Odotei, Sylvanus Sowah & Mercy | 50,000 | 0.05 |
| | 18 | Nyarko, John Sasu | 50,000 | 0.05 |
| | 19 | Amenumey, Divine Edem Kobla | 50,000 | 0.05 |
| | 20 | Owusu-Addy, Sally | 50,000 | 0.05 |
| | | | | |
| | | Sub Total | 94,260,924 | 98.10 |
| | | Others | 1,823,242 | 1.90 |
| | | Grand Total | 96,084,166 | 100.00 |

Schedule I

MERIDIAN MARSHALLS HOLDINGS LIMITED
ADMINISTRATIVE AND GENERAL EXPENSES

| | 2020 GH¢ | 2019 GH¢ |
|---|----------------|------------------|
| Directors' Remuneration | 233,232 | 205,768 |
| Administrative Staff Salaries | 365,519 | 502,230 |
| Audit Fees (VAT Inclusive) | 2,394 | 43,470 |
| Travelling & Transport | 6,370 | 47,955 |
| Cleaning/Sanitation | 2,495 | 4,056 |
| Advertisement & Business Promotions | 102,693 | 15,686 |
| Insurance | 1,500 | 7,762 |
| Medical Expenses and First Aid | 491 | 534 |
| Printing & Stationery | 14,998 | 8,947 |
| Bank Charges | 9,139 | 8,302 |
| Telephone & Communications | 12,125 | 27,313 |
| Registration & License | 7,200 | 13,837 |
| Staff Welfare | 2,500 | 11,218 |
| Repairs & Maintenance – Building | 2,263 | 2,868 |
| Depreciation | 121,834 | 127,290 |
| Utilities | 12,449 | 42,463 |
| Repairs & Maintenance – Office Equipment | 650 | 5,360 |
| Fuel & Lubricants for Generator | 230 | 3,030 |
| Office Supplies | 2,533 | 5,724 |
| Repairs & Maintenance – Motor Vehicles | 1,510 | 160 |
| Donations | 3,000 | 2,000 |
| Board Meeting Expenses | 0 | 9,623 |
| Repairs & Maintenance – Furniture | 1,671 | 3,170 |
| Sports/Games Expenses | 0 | 139 |
| Loan Interest | 0 | 42,041 |
| Consultancy Services | 0 | 12,550 |
| Penalties | 18,368 | 51,383 |
| Amortisation of Software | 0 | 3,156 |
| Newspapers & Journals | 370 | 1,100 |
| Listing Fees | 6,000 | 10,700 |
| Postage & Delivery | 0 | 370 |
| Fuel & Lubricants for Vehicles | 15,805 | 61,459 |
| Repairs & Maintenance – Fixtures & Fittings | 0 | 3,095 |
| Security Services | 100 | 0 |
| Professional Fees | 6,500 | 0 |
| Casual Staff | 9,900 | 0 |
| Scholarship | 9,398 | 0 |
| Property Rates | 2,010 | 0 |
| Certificate Verification | 290 | 0 |
| Commission | 50 | 0 |
| Internship | 17,900 | 0 |
| | <u>993,487</u> | <u>1,285,795</u> |