PRESS RELEASE

PR. No. 092/2023

QUANTUM TERMINALS PLC (QTL)-

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

QTL has released its Audited Financial Statements for the year ended December 31, 2022, as per the attached.

Issued in Accra, this 3rd.
day of April 2022

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att'd.

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Quantum Terminals PLC

Report and financial statements
31 December 2022

Quantum Terminals PLC

Report and financial statements

For the year ended 31 December 2022

Contents	**Pages**

Corporate information
For the year ended 31 December 2022

Board of directors:	Emmanuel Egyei-Mensah - Executive Chairman Felix Gyekye Kow Ainoo-Ansah Matilda Egyei-Mensah
Registered office:	Plot No. 64A/28 – 32 Tema Industrial Area, Tema P. O. Box CT 4377 Cantonments Accra
Secretary:	Damaris Tanoh-Rivers E17/9 Ablade Road, Kanda P. O. Box CT 4377 Cantonments Accra
Auditor:	Deloitte & Touche Chartered Accountants The Deloitte Place Plot No. 71 Off George Walker Bush Highway P. O. Box GP 453 Accra – Ghana
Bond trustees:	Guaranty Trust Bank (Ghana) Limited
Bankers:	Stanbic Bank Ghana Limited Standard Chartered Bank Ghana Limited

Report of the directors
For the year ended 31 December 2022

The Directors present their report and the financial statements of the Company for the year ended 31 December 2022.

Directors' responsibility statement
The Directors are responsible for the preparation of financial statements that give a true and fair view of Quantum Terminals PLC (QTPLC) comprising the statements of financial position as at 31 December 2022, and the statement 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 in the manner required by the Companies Act, 2019 (Act 992). In addition, the Directors are responsible for the preparation of the report of the Directors.

The Directors are also responsible for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

Going concern
The Directors have made an assessment of the ability of the Company to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

Nature of business/principal activities
The Company is registered to build, own and operate petroleum tank farms in Ghana, and also to process and blend petroleum products. There was no change in the nature of business of the Company during the year.

Objectives of the company
The objective(s) of the company is to construct and manage petroleum tank farms.

Holding company
The Company is a wholly owned subsidiary of The Quantum Terminals Group Limited, a Company incorporated in Ghana. Its ultimate parent company is Arch Holding Limited.

Subsidiaries of the company
The Company does not directly or indirectly own any subsidiary as at 31 December 2022.

Financial statements/business review
The financial results for the year ended 31 December 2022 is reflected in the accompanying financial statements. The directors consider the state of the Company's affairs to be satisfactory following improved performance over the previous year despite the current macro-economic challenges in Ghana. The directors project a positive business outlook for the coming year.

Report of the directors - continued
For the year ended 31 December 2022

Five-year financial highlights

Operating results:	2022 GH¢	2021 GH¢	2020 GH¢	2019 GH¢	2018 GH¢
Revenue	61,322,350	34,027,973	31,663,288	24,439,795	25,115,812
EBITDA	52,866,934	25,494,752	23,583,250	18,159,313	18,504,022
(Loss)/profit after tax	16,641,370	11,265,718	7,156,723	(2,277,874)	8,551,543
EPS	0.24	0.16	0.10	(0.03)	0.12
Financial position					
Property, plant & equipment	96,712,175	103,830,456	109,017,474	114,829,885	125,100,524
Other non-current assets	76,707,259	67,627,031	58,739,192	52,820,599	44,623,005
Current assets	46,183,950	24,302,048	27,948,097	31,703,803	30,088,584
Total assets	219,603,384	195,759,535	195,704,763	199,354,287	199,812,113
Non-current liabilities	84,717,673	81,787,271	91,269,396	101,090,825	108,296,648
Current liabilities	24,408,995	20,136,918	21,865,739	22,850,557	13,824,686
Equity	110,476,716	93,835,346	82,569,628	75,412,905	77,690,779
Total equity and liabilities	219,603,384	195,759,535	195,704,763	199,354,287	199,812,113

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).

Related party transactions
Related party transactions and balances are also disclosed in note 18 to the financial statements.

Corporate social responsibility and code of ethics
QTPLC incurred a total expenditure of GH¢294,418 (2021: GH¢122,001) on its various Corporate Social Responsibility (CSR) activities. The Company focuses its CSR activities on educational improvement and community safety. The educational programmes include teacher motivation allowances, provision of learning materials, improvement of existing school buildings, provision of water and electricity for selected schools within the community. In the area of community safety, the Company engages at its own cost traffic wardens who direct the movement of LPG Bulk Road Vehicles and human traffic within the communities to ensure road safety. The company on regular basis undertakes community sensitization programs that create awareness of the impact of the company's operations on the community and the emergency management plan in the event of any adverse incident.

In addition to the above, the company commenced the second phase of the jointly managed CSR program with Sage Distribution Limited and Ghana National Gas Company in the various communities within the Ellembelle District Assembly in the Western Region. This phase will entail the construction of a 20 seater toilet facility, Early Childhood School and Teachers Quarters with a total budget of Four Million, Six Hundred Thousand Ghana Cedis (GH¢4,600,000). The total amount spent as at year end was Two Hundred and Fifty-One Thousand, Seven Hundred and Twenty-Eight Ghana Cedis (GH¢251,728).

Report of the directors - continued

For the year ended 31 December 2022

Board of directors' profiles

Executives		
	Qualification	**Outside board and management position**
Emmanuel Egyei-Mensah	Master of Science degree in Business Administration from the University of Ghana, Legon. Member of the Institute of Chartered Accountants (Ghana) and the Chartered Institute of Taxation (Ghana)	Director on the Board of all related companies disclosed in Note 18
Kow Ainoo-Ansah	Bachelor of Commerce degree from the University of Cape Coast and an MBA, Finance degree	Director, Arch Holdings Limited, Arch Services Limited, Quantum LPG Logistics Limited, Quantum Oil Terminals limited
Non-executive		
Matilda Egyei-Mensah	Bachelor of Education in Social Science from the University of Cape Coast and a Masters in Healthcare Quality Improvement and Leadership Development from the University of Helsinki	Director, Arch Holdings Limited, Arch Services Limited, Quantum LPG Logistics Limited, Quantum Oil Terminals Limited
Felix Gyekye	Master of Science degree in Business Administration. Member of the Institute of Chartered Accountants (Ghana) and a fellow of the Association of Chartered Certified Accountants (United Kingdom)	Director, Cardinal Petroleum Limited. Director, Glory Oil Company Limited Director, Association of Oil Marketing Companies

Report of the directors - continued
For the year ended 31 December 2022

Biographical information of directors

Age category	Number of directors
41 – 60 years	4

Role of the board
The directors are responsible for the long-term success of the Company, determination of the strategic direction of the Company and review of the operating, financial and risk performance of the Company. There is a formal schedule of matters reserved for the board of directors, including approval of the Company's annual business plan, strategy, acquisitions, disposals and capital expenditure projects above certain thresholds, all guarantees, treasury policies, the financial statements, the Company's dividend policy, transactions involving the issue or purchase of company shares, borrowing powers, appointments to the Board, alterations to the regulations, legal actions brought by or against the Company, and the scope of delegations to Board committees, subsidiary boards and the management committee.

Responsibility for the development of policy and strategy and operational management is delegated to the executive director and the management team, which as at the date of this report includes the executive director and five (5) senior managers.

Internal control systems
The directors have overall responsibility for the Company's internal control systems and annually reviews their effectiveness, including a review of financial, operational, compliance and risk management controls. The implementation and maintenance of the risk management and internal control systems are the responsibility of the executive director and other senior management. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss. The directors have reviewed the effectiveness of the internal control systems, including controls related to financial, operational and reputational risks identified by the Company as at the reporting date and no significant failings or weaknesses were identified during this review.

Directors' performance evaluation
Every year the performance and effectiveness of the Board of Directors ("the Board), its committees and individual directors are evaluated. The results of the evaluation is shared with all members of the Board. Overall, it was noted that the board of directors and its committees were operating in an effective manner and performing satisfactorily, with no major issues identified.

Conflict of interest
The Company has established appropriate conflict authorisation procedures, whereby actual or potential conflicts are regularly reviewed and authorisations sought as appropriate. During the year, no such conflicts arose and no such authorisations were sought.

Board balance and independence
The composition of the board of directors and its Committees is regularly reviewed to ensure that the balance and mix of skills, independence, knowledge and experience is maintained.

The Board considers that the Chairman is independent on appointment and all non-Executive Directors are independent as it pertains to the management of the company. The continuing independent and objective judgement of the non-Executive Directors has been confirmed by the Board of Directors

Report of the directors - continued

For the year ended 31 December 2022

Professional development and capacity building of directors to discharge their duties
On appointment to the Board, directors are provided with a full, formal and tailored programme of induction, to familiarise them with the Company's business, the risks and strategic challenges it faces, and the economic, competitive, legal and regulatory environment in which the Company operates.

A programme of strategic and other reviews during the year, together with other trainings provided from time to time, ensures that directors continually update their skills, their knowledge and familiarity with the Company's business, and their awareness of sector, risk, regulatory, legal, financial and other developments to enable them to fulfil effectively their role on the Board and committees of the Board.

Auditors and audit fees
Messrs. Deloitte & Touche have indicated their willingness to remain in office as auditors of the Company in accordance with Section 139 of the Companies Act, 2019 (Act 992).

The Directors have agreed an audit fee of GH¢200,000 with the auditors for the 2022 audit (2021: GH¢158,000).

Approval of the report of the directors and the financial statements
The report of the directors and the financial statements were approved by the board of directors on 30TH MARCH, 2023 and signed on their behalf as follows:

Emmanuel Egyei-Mensah	**Kow Ainoo-Ansah**
(Executive Chairman)	**(Director)**
Date: 30TH MARCH, 2023	**Date: 30TH MARCH, 2023**

P. O. Box GP453
Accra
Ghana

Deloitte & Touche
Chartered Accountants
The Deloitte Place, Plot No. 71,
Off George Walker Bush Highway
North Dzorwulu
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Independent auditor's report
To the members of Quantum Terminals PLC

Report on the audit of the financial statements

Opinion
We have audited the financial statements of Quantum Terminals PLC, set out on pages 13 to 59, which comprise the statement of financial position at 31 December 2022 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies and other explanatory disclosures.

In our opinion, the financial statements give a true and fair view of the financial position of Quantum Terminals PLC as at 31 December 2022, and of its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards and the requirements of 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 requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Ghana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of financial statements in Ghana.

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 significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Deloitte.

Independent auditor's report
To the members of Quantum Terminals PLC

The key audit matter noted below relate to the financial statements.

Key audit matter: Revenue	How our audit addressed the key audit matter
The total revenue for the year was GH¢61 million. The Company generates revenue from storage service, rack loading services and premium charge. The Company depends solely on a related party, for all its revenues, as disclosed in Note 18. The relationship between the Company and its related party poses an opportunity for management to inappropriately recognise revenue to show a favourable financial performance. Given the significance of the amount generated as revenue from the related party, who is also a sole customer, we consider occurrence of recognition of revenue as a key audit matter.	We performed the following audit procedures in testing revenue. We evaluated the design and tested the implementation and operating effectiveness of relevant controls over occurrence of revenue. Inspected the agreement between the Company and its customer. Agreed charge rates and quantities to the underlying documents in the form of transfer certificates and invoices to support revenue recorded in the general ledger. Re-computed revenue taking into consideration the volume of Liquefied Petroleum Gas stored and the agreed prices. Performed procedures to ensure revenue was recorded in the appropriate accounting period. Evaluated the adequacy of the Company's disclosures on revenue recognition in the financial statements in accordance with the applicable IFRS. Based on the procedures described above, we concluded that revenue was appropriately recognised.

Other information

The directors are responsible for the other information. The other information comprises the Report of the Directors, which we obtained prior to the date of this auditor's report. The other information 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 and will not express an audit opinion or any form of assurance 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 on the other information obtained prior to the date of this auditor's report, 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.

Deloitte.

Independent auditor's report
To the members of Quantum Terminals PLC

Responsibilities of the directors for the financial statements
The Directors are responsible for the preparation of financial statements that give a true and fair view 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.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements
Our objectives are to obtain reasonable assurance about whether the 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 judgement 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.

Deloitte.

Independent auditor's report
To the members of Quantum Terminals PLC

- 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 conclude 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 disclosures 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 statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements
In accordance with the Seventh Schedule of the Companies Act, 2019 (Act 992) we expressly state that:

1. We have obtained the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit.

2. In our opinion:
    - proper books of accounts have been kept by the Company, so far as appears from our examination of those books.

    - the information and explanations given to us, were in the manner required by the Companies Act, 2019 (Act 992) and give a true and fair view of the:

        a. statement of financial position of the Company at the end of the financial year, and
        b. statement of comprehensive income for the financial year.

Deloitte.

Independent auditor's report
To the members of Quantum Terminals PLC

3. The Company's statement of financial position and statement of comprehensive income are in agreement with the accounting records and returns.

4. We are independent of the Company, pursuant to Section 143 of Act 992.

The engagement partner on the audit resulting in this independent auditor's report is **Emmanuel Martey (ICAG/P/1476).**

Deloitte & Touche

For and on behalf of Deloitte & Touche (ICAG/F/2023/129)
Chartered Accountants
The Deloitte Place
Plot No.71
Off George Walker Bush Highway
North Dzorwulu
Accra - Ghana

31 March **2023**

Statement of comprehensive income
For the year ended 31 December 2022

	Notes	2022 GH¢	2021 GH¢
Revenue	6	61,322,350	34,027,973
Direct costs	7	(10,407,689)	(9,738,292)
Gross profit		50,914,661	24,289,681
Other income	8	6,011,010	2,870,194
General and administrative expenses	9(a)	(12,634,601)	(10,761,363)
Impairment (loss)/reversal on trade receivables	20(i)	(12,447)	11,928
Operating profit		44,278,623	16,410,440
Impairment loss on related party loans	20(i)	(77,624)	(76,646)
Net finance costs	10	(23,602,563)	(3,110,539)
Profit before tax		20,598,436	13,223,255
Income tax charge	11(a)	(3,957,066)	(1,957,537)
Profit after tax		16,641,370	11,265,718
Total comprehensive income for the year		16,641,370	11,265,718
Earnings per share			
Basic earnings per share	21	0.24	0.16
Diluted earnings per share	21	0.24	0.16

The accompanying notes on pages 18 to 59 form an integral part of these financial statements.

Quantum Terminals PLC

Statement of financial position

As at 31 December 2022

	Notes	2022 GH¢	2021 GH¢
Assets			
Property, plant and equipment	12(ai)	96,712,175	103,830,456
Intangible asset	12(aii)	79,047	-
Amount due from related parties	18(c)(ii)	76,628,212	67,627,031
Non-current assets		**173,419,434**	171,457,487
Inventories	13	55,241	28,528
Trade and other receivables	14(a)	7,795,562	5,532,506
Other assets	14(b)	14,180,549	10,354,335
Cash and cash equivalents	15	24,152,598	8,386,679
Current assets		**46,183,950**	24,302,048
Total assets		**219,603,384**	195,759,535
Equity			
Share capital	19(a)	70,000,000	70,000,000
Deposit for shares	19(b)	47,292,758	47,292,758
Revaluation reserve	19(c)	43,445,370	47,855,713
Retained earnings	19(d)	(50,261,412)	(71,313,125)
Total equity		**110,476,716**	93,835,346
Liabilities			
Deferred tax liability	11(d)	19,866,509	21,506,683
Loans and borrowings	16	64,851,164	60,280,588
Non-current liabilities		**84,717,673**	81,787,271
Loans and borrowings	16	18,155,498	15,135,663
Trade and other payables	17	2,027,189	2,004,368
Amount due to related parties	18(c)(i)	329,068	1,406,623
Current tax liabilities	11(b)	3,897,240	1,590,264
Current liabilities		**24,408,995**	20,136,918
Total liabilities		**109,126,668**	101,924,189
Total equity and liabilities		**219,603,384**	195,759,535

Emmanuel Egyei-Mensah
(Executive Chairman)

Date: 30TH MARCH, 2023

Kow Ainoo-Ansah
(Director)

Date: 30TH MARCH, 2023

The accompanying notes on pages 18 to 59 form an integral part of these financial statements.

Quantum Terminals PLC

Statement of changes in equity

For the year ended 31 December 2022

31 December 2022

	Stated capital GH¢	Deposit for shares GH¢	Revaluation reserve GH¢	Retained earnings GH¢	Total GH¢
Balance at 1 January 2022	70,000,000	47,292,758	47,855,713	(71,313,125)	93,835,346
Total comprehensive income					
Profit for the year	-	-	-	16,641,370	16,641,370
Total comprehensive income	-	-	-	16,641,370	16,641,370
Transfers within equity					
Transfer to retained earnings for excess depreciation on revalued property, plant and equipment	-	-	(4,410,343)	4,410,343	-
Total transfers within equity	-	-	(4,410,343)	4,410,343	-
Balance at 31 December 2022	70,000,000	47,292,758	43,445,370	(50,261,412)	110,476,716

Statement of changes in equity - continued
For the year ended 31 December 2022

31 December 2021

	Stated capital GH¢	Deposit for shares GH¢	Revaluation reserve GH¢	Retained earnings GH¢	Total GH¢
Balance at 1 January 2021	70,000,000	47,292,758	52,733,860	(87,456,990)	82,569,628
Total comprehensive income					
Profit for the year	-	-	-	11,265,718	11,265,718
Total comprehensive income	-	-	-	11,265,718	11,265,718
Transfers within equity					
Transfer to retained earnings for excess depreciation on revalued property, plant and equipment	-	-	(4,878,147)	4,878,147	-
Total transfers within equity	-	-	(4,878,147)	4,878,147	-
Balance at 31 December 2021	70,000,000	47,292,758	47,855,713	(71,313,125)	93,835,346

The accompanying notes on pages 18 to 59 form an integral part of these financial statements.

Quantum Terminals PLC

Statement of cash flows
For the year ended 31 December 2022

	Notes	2022 GH¢	2021 GH¢
Cash flows from operating activities			
Profit after tax		**16,641,370**	11,265,718
Adjustments for:			
Depreciation/amortization	**12**	**8,575,864**	9,096,240
Tax expense	**11(a)**	**3,957,066**	1,957,537
Impairment loss/(reversal) on trade receivables	**20(i)**	**12,447**	(11,928)
Loss on impairment of related party receivables	**20(i)**	**77,624**	76,646
Finance cost	**10**	**27,669,961**	13,870,718
Imputed interest on related party receivables	**10**	**(2,678,433)**	(9,992,175)
Effect of movement in exchange rates on cash held		**(154,895)**	936,870
		54,101,004	27,199,626
Changes in working capital:			
Inventories	**13**	**(26,713)**	(28,318)
Trade and other receivables	**14**	**(2,275,503)**	1,257,389
Other assets	**14(b)**	**(3,826,214)**	(775,979)
Trade and other payables	**17**	**22,821**	(1,089,241)
Amount due to related parties	**18(c)(i)**	**(1,077,555)**	876,588
Cash from operating activities		**46,917,840**	27,440,065
Tax paid	**11(b)**	**(3,290,264)**	(3,206,967)
Interest paid		**(12,807,090)**	(13,112,618)
Net cash generated from operating activities		**30,820,486**	11,120,480
Cash flows from investing activities			
Acquisition of property, plant and equipment	**12**	**(1,456,243)**	(3,909,222)
Acquisition of intangible assets		**(80,387)**	-
Funds received from related parties	**18(b)**	**-**	1,027,690
Net cash used in investing activities		**(1,536,630)**	(2,881,532)
Cash flows from financing activities			
Repayment of borrowings	**16(c)**	**(13,517,937)**	(11,443,833)
Payment on lease liabilities		-	-
Net cash used in financing activities		**(13,517,937)**	(11,443,833)
Net increase in cash and cash equivalents		**15,765,919**	(3,204,885)
Cash and cash equivalents at 1 January		**8,386,679**	11,591,564
Cash and cash equivalents at 31 December	**15**	**24,152,598**	8,386,679

The accompanying notes on pages 18 to 59 form an integral part of these financial statements.

Notes to the financial statements
For the year ended 31 December 2022

1. Reporting entity
Quantum Terminals PLC is incorporated in Ghana under the Companies Act, 1963 (Act 179) replaced by the Companies Act, 2019 (Act 992) as a Public Limited Company and is domiciled in Ghana. The address of the company's registered office and principal place of business can be found on page 2 of this report.

The company is primarily involved in the construction, ownership and operation of petroleum tank farms in Ghana and also in the processing and blending of petroleum products.

The Company has issued a bond that is listed on the Ghana Stock Exchange.

2. Basis of preparation
a. Statement of compliance
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies Act, 2019 (Act 992).

b. Basis of measurement
These financial statements have been prepared on the historical cost basis except for some classes of property, plant and equipment which are measured on revaluation basis and some financial instruments which are carried at fair value.

c. Functional and presentation currency
These financial statements are presented in Ghana cedis (GH¢) which is the company’s functional currency. All amounts have been rounded to the nearest Ghana cedi, unless otherwise indicated.

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 accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates and underlying 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 the judgements about 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 recognized 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.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to carrying amounts of assets and liabilities in the year ending 31 December 2022 is set out below and in the following note:

Note 20(i) – measurement of expected credit loss allowance for trade receivables and amount due from related parties; key assumptions in determining the weighted-average loss rate.

Note 12- determining the fair value of some classes of property, plant and equipment.

Fair valuation measurement and valuation process
Some of the Company’s assets are measured at fair value for financial reporting purposes.
In estimating the fair value of an asset, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation.

Deferred taxation
Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

Leases - Estimating the incremental borrowing rate
The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

ECL assessment
ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

3. Changes in significant accounting policies
There was no change.

4. Significant accounting policies
The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except if mentioned otherwise.

New and amended IFRS Accounting Standards that are effective for the current year (2022)
In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IFRS 3 Reference to the Conceptual Framework
the Company has adopted the amendments to IFRS 3 Business Combinations for the first time in the current year. The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Amendments to IFRS 3 Reference to the Conceptual Framework - continued
The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

Amendments to IAS 16 Property, Plant and Equipment—Proceeds before Intended Use
the Company has adopted the amendments to IAS 16 for the first time in the current year. The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract
the Company has adopted the amendments to IAS 37 for the first time in the current year. The amendments specify that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Annual Improvements to IFRS Accounting Standards 2018-2020 Cycle
the Company has adopted the amendments included in the Annual Improvements to IFRS Accounting Standards 2018-2020 Cycle for the first time in the current year. The Annual Improvements include amendments to four standards.

IFRS 1 First-time Adoption of International Financial Reporting Standards
The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Accounting Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).

IFRS 9 Financial Instruments
The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

IFRS 16 Leases
The amendment removes the illustration of the reimbursement of leasehold improvements.

IAS 41 Agriculture
The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

(a) Foreign currency transactions
Transactions in foreign currencies are translated into the functional currency (GH¢) of the Company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing on the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognized in profit or loss.

Non-monetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate at the date of the transaction.

Foreign currency gains and losses are reported on a net basis under general and administrative expenses or other income. However, net foreign exchange gains on loans and borrowings are recognized as part of the net finance cost.

(b) Financial instruments
(i) Recognition and initial measurement
Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

(i) Recognition and initial measurement – continued

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI- equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL

- it is held within a business model whose objective is to hold assets to collect contractual cash flows;
  and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;

Financial assets - Business model assessment – continued

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated- e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment. 'principal' is defined as the fair -value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time -value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination is treated as consistent with this criterion if the fair –value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets at amortized cost – These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities - Classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortised cost. The Company's financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition
Financial assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(c) Impairment
(i) Non-derivative financial assets
The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for amounts due from related parties which are measured at 12-month ECLs.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

(i) Non-derivative financial assets – continued

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by
  the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax asset) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell.

An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(d) Property, plant and equipment

(i) Recognition and measurement

Plant and equipment are initially stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment are carried at revalued amounts less subsequent accumulated depreciation and any accumulated impairment except for motor vehicles which are carried at cost less accumulated depreciation and any accumulated impairment. The fair values are determined every three (3) years by external, independent, professional valuers. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. An increase in the carrying amount of the asset as a result of revaluation is recognized in other comprehensive income and accumulated in equity under revaluation reserve.

However, a decrease in the carrying amount of the asset as a result of revaluation is recognized in profit or loss. The decrease is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset.

Subsequent to revaluation, relevant portions of the revaluation reserve is transferred to retained earnings as the asset is depreciated, with the balance being transferred on ultimate disposal.

The cost of self-constructed assets includes the cost of materials and direct labour, capitalised borrowing costs and any other costs directly attributable to bringing the asset into a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property, plant and equipment have different useful lives they are accounted for as separate items (major components) of property, plant, and equipment.

Any gain or loss on the disposal of an item of property, plant and equipment is recognized in profit or loss

(ii) Subsequent costs

The cost of replacing part of an item of plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss, as incurred.

(iii) Depreciation
Depreciation is calculated over the depreciable amount, which is the cost of an asset or other amount substituted for cost, less its residual value. Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives of the right of use assets. Owned undeveloped land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Buildings	-	50 years
Right of use assets	-	2-50 years
Motor vehicles	-	3 years
Furniture and fittings	-	2-5 years
Civil works	-	50 years
Plant and machinery	-	2-25 years

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

(iv) Intangible assets acquired separately
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(e) Leases
At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of identified asset- this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all the economic benefits from the use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The company has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - the Company the right to operate the asset; or
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

The Company as a Lessee
At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Company as a Lessee – continued
The Company recognises a right-of-use asset and a lease liability at the commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before commencement date, plus any initial direct costs attributable to the lease contract and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise of:
- Fixed repayment, including in-substance fixed payments
- The effects of prepayments or rent-free periods
- Contractually-stipulated increases in rent payments
- Lease payments in an optional renewal period if the Company is reasonably certain to exercise an exercise option.

The lease liability is measured at amortised cost using the effective interest method. A re-measurement of the lease liability and right-of-use asset is required under the following circumstances:

(a) A change in future lease payment amount due to a market rent review;
(b) A change in fixed future lease payment amount due to rent being linked to an inflation index;
(c) A change in expected lease term (e.g. no longer expect to exercise extension option or now expect to exercise an early termination option).

When the lease liability is re-measured in this way, a corresponding adjustment is made to the current amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use asset in property and equipment and lease liabilities in trade and other liabilities in the statement of financial position.

Short term leases and leases of low-value assets
The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases of property that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(f) Revenue from contract with customer
Based on contracts with customers, the Company receives and stores LPG at the storage facility. The performance obligation therefore relates to the storage of LPG.

Revenue is recognised when the customer receives LPG storage and rack loading service provided by the Company. Revenue is recognised at a point in time on receipt of LPG into tanks at the facility.

Revenue is measured at the fair value of the consideration received or receivable, net of sales taxes, discounts, and other similar deductions.

Throughput fees
Transaction price is determined by applying a fixed charge rate to quantities recorded on the certified meter reading report (transfer certificate). The transaction price is allocated between storage fees and rack loading fees (throughput fees).

Premium charge
This relates to charge made against its customer above NPA’s comparative charges by operators in other locational zones of US$12/MT. This additional charge is applicable to customers to cover the high cost and risk associated with the construction of the facility in its location.

(i) Other sources of income
Residual income
This relates to the residue of gases sold to customers. The transaction price is determined using the prevailing world market price for LPG using the Argus benchmark. The income is recognized when control of the gas in tank has transferred, being when the invoice is raised.

(ii) Direct costs
Direct costs
The entity recognizes direct costs which are mainly made up of costs directly attributed to the operations of the facility. These include staff cost, depreciation of plant and machinery and utilities.

(g) Income tax
Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax
Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax
Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects either accounting nor taxable profit or loss.

Deferred tax - continued
The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(h) Segment reporting
A segment is a distinguishable component of the company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

For details of segment reporting, refer to Note 25.

(i) Employee benefits
Short term benefits
Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal and constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contributions plans (Social Security)
Under a National Pension Scheme, the company contributes 13% of employees' basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pensions under the terms of the Pension Act 2008 (Act 766). The company's obligation is limited to the relevant contributions, which have been provided in these financial statements. The pension liabilities and obligations, however, rest with SSNIT.

(j) Finance income and finance cost
The Company's finance income and finance cost includes interest income on funds invested or held in bank accounts, interest expenses on borrowings, foreign currency gain or loss on borrowings, bank charges and unwinding of day-one gains or losses arising on fair vale measurement

Interest income and expense is recognised, as it accrues in profit or loss, using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instruments to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

(k) Earnings Per Share
The company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares

(l) Stated capital
Ordinary shares
Proceeds from issue of ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from stated capital.

(m) Subsequent events
Events subsequent to the reporting date are reflected only to the extent that they relate directly to the financial statements and the effect is material.

(n) Operating profit
Operating profit is the result generated from the continuing principal revenue-producing activities of the Company as well as other income and expenses related to operating activities. Operating profit excludes net finance costs and income taxes.

(o) Capital work in progress
Property, plant and equipment under construction is stated at cost. Property, plant and equipment under construction are depreciated from the date the asset is made available for use over its estimated useful life. Assets are transferred from capital work in progress to an appropriate category of property, plant and equipment when commissioned and ready for its intended use.

5. Determination of fair values
'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially

5. Determination of fair values – continued

measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price.

Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out. If transaction is with the Shareholder, then the difference between the transaction price and the fair value is recognised directly in equity.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

Some of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The Company regularly reviews significant unobservable inputs and valuation adjustments. When measuring the fair value of an asset or liability, the Company uses market observable data as far as possible.

Fair values are categorised into different levels in the fair value hierarchy based on inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset and liability that are not based on observable market data (unobservable inputs).

If inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognized transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in determining fair values is included in note 20 financial instrument – fair value and risk management.

Notes to the financial statements
For the year ended 31 December 2022

6. Revenue

	2022	2021
Throughput fees:	**GH¢**	GH¢
Storage services	**4,679,923**	2,603,853
Rack loading service	**6,551,892**	3,645,394
	11,231,815	6,249,247
Other revenue		
Premium charge**	**50,090,535**	27,778,726
	61,322,350	34,027,973

**This relates to a charge made against its customer, Sage Distribution Limited (a related party) above NPA's comparative charges by operators in other locational zones of US$12/MT. This additional charge is applicable to customers to cover the high cost and risk associated with the construction of the facility in its location. All revenues are recognized at a point in time.

7. Direct costs

	2022	2021
	GH¢	GH¢
Utilities	**322,821**	157,389
Staff costs (Note 9b)	**3,126,955**	2,105,122
Depreciation of plant and machinery	**6,957,913**	7,475,781
	10,407,689	9,738,292

8. Other income

	2022	2021
	GH¢	GH¢
Residual gas	**3,854,016**	2,100,520
Net foreign exchange gain	**2,153,194**	416,669
Disposal of scrap	**3,800**	35,000
Grant	**-**	293,005
Hiring/rental fees	**-**	25,000
	6,011,010	2,870,194

Notes to the financial statements

For the year ended 31 December 2022

9(a). General and administrative expenses

	2022 GH¢	2021 GH¢
Staff costs (Note 9b)	**3,802,995**	2,382,326
Advertising and promotions	-	700
Consultancy services	**1,024,546**	662,226
Donations	**226,165**	100,700
IT service charge	**385,116**	574,693
Rent and rates	**181,668**	124,617
Repairs and maintenance	**1,011,292**	541,975
Utilities	**244,820**	223,067
Auditor's remuneration	**200,000**	158,000
Corporate social responsibility	**294,418**	122,001
Communication services	**39,161**	37,928
Travel and accommodation expenses	**562,822**	193,376
Freight & clearing charges	**-**	16,605
Security expenses	**392,932**	351,542
Insurance expenses	**325,398**	220,207
Fuel expenses	**346,811**	118,680
Tax charges and penalties*	**-**	524,990
Other expenses (Note 9c)	**1,338,243**	2,296,677
Health and safety	**413,094**	271,589
Depreciation	**1,616,611**	1,620,459
Amortization of intangibles	**1,340**	-
Licenses and fees	**227,169**	219,005
	12,634,601	10,761,363

*The tax authorities carried out a tax audit relating to 2018 to 2020 years of assessment. The audit resulted in an additional tax liability of GH¢584,549 relating to VAT, PAYE, NHIL/GETFUND and Withholding liability of GH¢524,990, PAYE and corporate tax liability of GH¢49,704. These additional liabilities have been incorporated into the 2021 financial statements. There was no tax audit for the year 2022.

Notes to the financial statements

For the year ended 31 December 2022

9(b). Staff costs

	2022	2021
	GH¢	GH¢
Staff bonus	**708,828**	209,736
Other staff allowances	**38,000**	29,230
Staff training and development	**46,448**	23,652
Salaries and wages	**5,082,742**	3,516,555
Social security contribution	**265,651**	183,529
Meals and canteen	**788,281**	524,746
Total staff cost	**6,929,950**	4,487,448
Direct staff cost	**3,126,955**	2,105,122
Indirect staff cost	**3,802,995**	2,382,326
	6,929,950	4,487,448

The number of persons employed by the Company at the end of the year was 81 (2021: 72).

9(c) Other expenses

	2022	2021
	GH¢	GH¢
General office expenses	**325,813**	378,189
Group cost recovery expense	**934,614**	1,869,228
Office supplies and consumables	**77,816**	49,260
	1,338,243	2,296,677

10. Net finance costs

	2022	2021
Finance cost	**GH¢**	GH¢
Bank charges	**(39,599)**	(22,096)
GFIM bond interest and charges	**(8,359,661)**	(9,479,547)
EAIF loan interest and charges	**(10,188,582)**	(3,979,461)
Net exchange loss on borrowings	**(9,082,119)**	(389,614)
Total finance cost	**(27,669,961)**	(13,870,718)
Finance income		
Interest income on bank balances	**1,388,965**	768,004
Finance income on related party loan	**2,678,433**	9,992,175
Total finance income	**4,067,398**	10,760,179
Total net finance costs	**(23,602,563)**	(3,110,539)

11. Taxation

	2022 GH¢	2021 GH¢
Amount recognized in profit or loss		
Current tax expense		
Current year	**5,597,240**	1,744,177
Changes in estimate from prior year	**-**	49,704
	5,597,240	1,793,881
Deferred tax charge - Note 11(d)	**(1,640,174)**	163,656
	3,957,066	1,957,537

(b) Current tax liabilities

2022	**Balance at 1 Jan GH¢**	**Payments during the year GH¢**	**Charge for the year GH¢**	**Balance at 31 Dec GH¢**
2021	1,590,264	(1,590,264)	-	-
2022	-	(1,700,000)	5,597,240	3,897,240
	1,590,264	**(3,290,264)**	**5,597,240**	**3,897,240**

2021	Balance at 1 Jan GH¢	Payments during the year GH¢	Charge for the year GH¢	Balance at 31 Dec GH¢
Up to 2019	3,003,350	(3,003,350)	-	-
2020		(49,704)	49,704	-
2021	-	(153,915)	1,744,177	1,590,264
	3,003,350	(3,206,969)	1,793,881	1,590,264

The above tax position is subject to agreement with the Ghana Revenue Authority (GRA).

(c) Reconciliation of effective tax rate

	2022 GH¢	2021 GH¢
Profit before taxation	**20,598,436**	13,223,255
Income tax using the statutory rate of 25%	**5,149,609**	3,305,814
Effect of non-deductible expenses /allowable expense*	**1,117,239**	948,140
Effect of non-taxable income**	**(669,608)**	(2,509,776)
Changes in estimates related to prior years	**-**	49,704
Tax charge	**5,597,240**	1,793,882
	27%	14%

*Non-deductible expenses relate to depreciation, donations, excess repairs and provisions whereas allowable expenses relate to capital allowance on property plant and equipment.
** Non-taxable income relates to fair value imputed interest.

Notes to the financial statements

For the year ended 31 December 2022

(d) Deferred tax liability

	2022 **GH¢**	2021 GH¢
Balance at 1 January	**21,506,683**	21,343,027
Charge to profit or loss	**(1,640,174)**	163,656
Charge to other comprehensive income	-	-
Balance at 31 December	**19,866,509**	21,506,683

(e) Movement in deferred tax liabilities

Deferred tax liabilities are attributable to the following

31 December 2022 Deferred tax (assets) /liabilities	**Net Balance At 1 Jan GH¢**	**Recognised in profit and loss GH¢**	**Recognised in OCI GH¢**	**Balance at 31/12 GH¢**
Property, plant and equipment	**21,506,683**	(1,640,174)	-	**19,866,509**
Carried forward losses	**-**	**-**	-	**-**
	21,506,683	(1,640,174)	-	**19,866,509**

31 December 2021 Deferred tax (assets)/liabilities	Net Balance At 1/1 GH¢	Recognised in profit and loss GH¢	Recognised in OCI GH¢	Balance at 31/12 GH¢
Property, plant and equipment	23,483,093	(1,976,410)	-	21,506,683
Carried forward losses	(2,140,066)	2,140,066	-	-
	21,343,027	163,656	-	21,506,683

(f) Tax losses carried forward

There was no tax losses carried forward for the year (2021 – Nil).

Notes to the financial statements
For the year ended 31 December 2022

12ai. Property, plant and equipment

31 December 2022

Cost/valuation

	Land and Building GH¢	Civil works GH¢	Motor Vehicles GH¢	Office equipment GH¢	Plant and machinery GH¢	Capital work-in-progress GH¢	Total GH¢
At 1 Jan 2022	16,186,640	48,003,558	1,272,768	1,209,130	66,941,416	1,995,122	**135,608,634**
Additions	-	19,285	-	13,990	109,324	1,313,644	**1,456,243**
Disposals	-	-	-	-	-	-	-
Transfers	-	100,000	926,578	277,092	475,018	(1,778,688)	-
At 31 Dec 2022	**16,186,640**	**48,122,843**	**2,199,346**	**1,500,212**	**67,525,758**	**1,530,078**	**137,064,877**
Accumulated depreciation							
At 1 Jan 2022	1,290,308	3,136,569	970,510	1,039,850	25,340,941	-	**31,778,178**
Charge for the year	346,954	1,038,104	165,806	65,747	6,957,913	-	**8,574,524**
Disposals	-	-	-	-	-	-	-
At 31 Dec 2022	**1,637,262**	**4,174,673**	**1,136,316**	**1,105,597**	**32,298,854**	-	**40,352,702**
Carrying amounts							
At 31 Dec 2022	**14,549,378**	**43,948,170**	**1,063,030**	**394,615**	**35,226,904**	**1,530,078**	**96,712,175**
Comprising of							
Surplus on revaluation	8,818,496	18,984,837	**-**	**-**	14,793,710	-	**42,597,043**
Cost of assets revalued	5,730,882	24,963,333	1,063,030	394,615	20,433,194	1,530,078	**54,115,132**
	14,549,378	**43,948,170**	**1,063,030**	**394,615**	**35,226,904**	**1,530,078**	**96,712,175**

12ai. Property, plant and equipment – continued

31 December 2021

Cost/valuation

	Land and Building	Civil works	Motor Vehicles	Office equipment	Plant and machinery	Capital work-in-progress	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
At 1 Jan 2021	16,171,385	45,287,235	997,532	1,066,153	62,707,098	5,470,009	131,699,412
Additions	15,255	1,073,593	275,236	142,977	1,923,866	478,295	3,909,222
Disposals	-	-	-	-	-	-	-
Transfers	-	1,642,730	-	-	2,310,452	(3,953,182)	-
At 31 Dec 2021	16,186,640	48,003,558	1,272,768	1,209,130	66,941,416	1,995,122	135,608,634
Accumulated depreciation							
At 1 Jan 2021	900,939	2,129,237	789,705	996,897	17,865,160	-	22,681,938
Charge for the year	389,369	1,007,332	180,805	42,953	7,475,781	-	9,096,240
Disposals	-	-	-	-	-	-	-
At 31 Dec 2021	1,290,308	3,136,569	970,510	1,039,850	25,340,941	-	31,778,178
Carrying amounts							
At 31 Dec 2021	14,896,332	44,866,989	302,258	169,280	41,600,475	1,995,122	103,830,456
Comprising of							
Surplus on revaluation	9,028,878	19,437,756	-	-	18,540,753	-	47,007,387
Cost of assets revalued	5,867,454	25,429,233	302,258	169,280	23,059,722	1,995,122	56,823,069
	14,896,332	44,866,989	302,258	169,280	41,600,475	1,995,122	103,830,456

Notes to the financial statements
For the year ended 31 December 2022

12ai. Property, plant and equipment – continued
The Company's property, plant and equipment consist of land & building, civil works, office equipment and plan and machinery.

The property plant and equipment are based on valuations performed by Assenta Property Consulting, an accredited independent valuer. Assenta Property Consulting. is a specialist in valuing these types of property plant and equipment. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied. The last valuation was performed in 2018.

Details of the Company's land & building, civil works, office equipment and plan and machinery and information about the fair value hierarchy as at the end of the reporting period are as follows;

	Level 2	Level 3	Total fair values as at 31 Dec 2022
	GH¢	GH¢	GH¢
Land and building	-	14,549,378	14,549,378
Civil works	-	43,948,170	43,948,170
Office equipment	-	394,615	394,615
Plant and machinery	-	35,226,904	35,226,904
Total fair values	-	**94,119,067**	**94,119,067**

12aii. Intangible asset (software license)

	2022	2021
Cost	**GH¢**	GH¢
At 1 Jan 2022	**-**	-
Additions	**80,387**	-
Disposals	**-**	-
At 31 Dec 2022	**80,387**	-
Accumulated depreciation		
At 1 Jan 2022	**-**	-
Charge for the year	**1,340**	-
Disposals	**-**	-
At 31 Dec 2022	**1,340**	-
Carrying amounts	**79,047**	**-**

Notes to the financial statements
For the year ended 31 December 2022

12(b) Leases
(i) Leases as a lessee
The Company leases land and buildings. The land leases typically run for a period of 50 years and buildings for a period of one to two years. For lease of buildings that run for a period of one year, the Company has elected not to recognise right-of-use and lease liabilities for these leases because they are short-term leases.

(ii) Right-of-use assets
Right-of-use assets are presented as part property, plant and equipment.

31 December 2022	**Land GH¢**	**Building GH¢**	**Total GH¢**
Balance at 1 January	3,050,901	-	3,050,901
Additions to right-of-use assets	-	-	-
Depreciation charge for the year	(71,089)	-	(71,089)
Balance at 31 December	**2,979,812**	-	**2,979,812**

31 December 2021	Land GH¢	Building GH¢	Total GH¢
Balance at 1 January	3,121,990	42,720	3,164,710
Additions to right-of-use assets	-	-	-
Depreciation charge for the year	(71,089)	(42,720)	(113,809)
Balance at 31 December	3,050,901	-	3,050,901

(iii) Amounts recognised in the statement of comprehensive income

	2022 GH¢	2021 GH¢
Expenses relating to short-term leases	-	42,720

(iv) Amount recognised in statement of cashflows

	2022 GH¢	2021 GH¢
Total cash outflow for leases	-	-

(v) Lease liabilities

	2022 GH¢	2021 GH¢
Lease liabilities payable within one year	-	-

13. Inventories

	2022 GH¢	2021 GH¢
Fuel stock	**32,007**	28,528
Other spare parts & tools stock	**23,234**	-
	55,241	28,528

Inventory is recognized as an expense upon usage.

14(a) Trade and other receivables

	2022 GH¢	2021 GH¢
Trade receivables	**6,708,433**	4,618,869
Other receivables	**958,013**	763,153
Prepayments	**129,116**	150,484
	7,795,562	5,532,506

Trade receivables consist of amount receivable from Sage Distribution Limited, a related party. The gross trade receivable is GH¢6,749,688 (2021: GH¢4,647,677) and expected credit loss of GH¢41,255 (2021: GH¢28,808).

Other receivables include staff imprest, advances, current year tax payments and withholding tax receivables. Prepayments includes rent, insurance, and license prepaid.

14 (b) Other assets

	2022 GH¢	2021 GH¢
GH¢ Debt Service Account – Bond	**4,680,554**	4,011,349
USD Debt Service Account – EAIF	**9,499,995**	6,342,936
QTP – SCB GH¢ ESC	**-**	50
	14,180,549	10,354,335

The Company issued a bond of GH¢ 45,000,000 on the Ghana Fixed Income Market (GFIM) in March 2018 and raised debt of USD 10,000,000 from Emerging Africa Infrastructure Fund (EAIF) in December 2018 both for a period of ten (10) years. As part of the security for both debts, cash was deposited into the debt service reserve accounts at GT bank (bond trustees) and Stanbic Bank (the account bank) for the Bond and EAIF loans respectively. The cash is not available for use by the company until the security is called or end of loan tenure, whichever comes first.

Notes to the financial statements
For the year ended 31 December 2022

15. Cash and cash equivalents

	2022 GH¢	2021 GH¢
Bank balances	**24,147,501**	8,379,255
Cash balances	**5,097**	7,424
Cash and cash equivalents in the statement of cashflows	**24,152,598**	8,386,679

16. Loans and borrowings

Non-current liabilities	2022 GH¢	2021 GH¢
GFIM bond (a)	**25,000,000**	30,000,000
GFIM transaction cost unamortized	**(1,477,737)**	(1,916,226)
	23,522,263	28,083,774
EAIF secured loan (b)	**42,901,500**	36,722,278
EAIF transaction cost unamortized	**(1,572,599)**	(4,525,464)
	41,328,901	32,196,814
Total non-current liabilities	**64,851,164**	60,280,588

Current liabilities	2022 GH¢	2021 GH¢
GFIM bond**	**5,000,000**	5,000,000
EAIF secured loan**	**9,533,667**	6,676,778
Loan interest payable	**3,621,831**	3,458,885
Total current liabilities	**18,155,498**	15,135,663

**This relates to the principal repayment due in year 2023 for both EAIF and GFIM bond.

Terms and debt repayment schedule

				31 December 2022		31 December 2021	
	Nominal interest	**Currency**	**Year of maturity**	**Face value**	**Carrying amount**	Face value	Carrying amount
				GH¢	**GH¢**	GH¢	GH¢
GFIM(a)	22.25%	GH¢	2028	**30,000,000**	**28,522,263**	35,000,000	33,083,774
EAIF(b)	7%-10% + LIBOR	US$	2028	**52,435,166**	**50,862,567**	43,399,056	38,873,592

In 2015 the Company began the process of raising additional capital for the purpose of;
- Refinancing existing debts secured from Standard Chartered Bank used to construct the facility
- Expanding the Facility including the construction of truck park and
- Investing in new business locations

Notes to the financial statements

For the year ended 31 December 2022

16. Loans and borrowings – continued

The required capital was secured in debt from two sources as described below.

The securities provided for the bond include debenture over all the QTPLC assets and plant and machinery, other assets per note 14 (b), mortgage over the QTPLC land and all charged accounts on a pari passu basis with the EAIF loan in 'b' below.

	2022	2021
	GH¢	GH¢
Carrying amount of total assets pledge as security for liabilities	**219,603,384**	195,759,535

a. Ghana Fixed Income Market Bond (GFIM) Bond

The company issued a bond of GH¢ 45,000,000 in March 2018 on the Ghana Fixed Income Market (GFIM) for a period of (10) years. The bond was partially (75%) guaranteed by Guarantco, a member of Private Infrastructure Development Group (PIDG) which has the objective of assisting local firms to overcome constraints in accessing local finance for infrastructure development.

The GFIM bond attracts a coupon rate of 22.250% per annum and payable every six (6) months. The current guarantee fee of 3.75% per annum (which will reduce to 3.5% in three months') on the 75% of the loan outstanding is payable on quarterly basis. The principal repayment of GH¢ 5,000,000 commenced in March 2020 and payable annually ending in March, 2028. The effective interest rate on the bond is 29.96%.

b. Emerging Africa Infrastructure Fund (EAIF) Loan

The company obtained a long term loan facility of USD 10,000,000.00 from EAIF in December 2018 for a period of (10) years.

The EAIF loan interest is variable and calculated as margin plus 6-month LIBOR. The margin is dependent on the leverage ratio the company achieves at each calculation date and it's from 7% to 10%.

The current margin for the interest payable in March 2023 was set at 7.0% and the LIBOR was 4.170% given a total interest rate of 11.170%. The interest is payable every six (6) months. The principal amount of US$ 555,555.56 is repayable semi-annually ending in March, 2028. The current effective interest rate on the loan is 13.12%.

Notes to the financial statements

For the year ended 31 December 2022

c. Reconciliation of movements of liabilities to cash flows arising from financing activities

The reconciliation represents the movement in the principal amount of loans and borrowings and movement in leases

31 December 2022

	Balance at 1/1/22 GH¢	Transaction cost amortised GH¢	Repayment of borrowings GH¢	Exchange difference GH¢	Balance at 31/12/22 GH¢
GFIM 10 year partial guarantee bond (a)	33,083,775	438,488	(5,000,000)	-	28,522,263
EAIF 10 year secured loan (b)	38,873,591	2,952,866	(8,517,937)	17,554,047	50,862,567
	71,957,366	**3,391,354**	**(13,517,937)**	**17,554,047**	**79,384,830**

31 December 2021

	Balance at 1/1/21 GH¢	Transaction cost amortised GH¢	Repayment of borrowings GH¢	Exchange difference GH¢	Balance at 31/12/21 GH¢
GFIM 10 year partial guarantee bond (a)	37,682,090	401,685	(5,000,000)	-	33,083,775
EAIF 10 year secured loan (b)	43,647,723	(147,354)	(6,443,833)	1,817,055	38,873,591
	81,329,813	254,331	(11,443,833)	1,817,055	71,957,366

17. Trade and other payables

	2022 GH¢	2021 GH¢
Project payables	**147,413**	249,756
Accrual of audit fee	**98,859**	158,000
Statutory payables*	**734,148**	248,146
Other payables**	**1,046,769**	1,348,466
	2,027,189	2,004,368

*This represents payable to statutory institutions such as SSNIT, Ghana Revenue Authority (Withholding Taxes, PAYE & VAT).

**This represents all other current payables to suppliers and partners.

18. Related party transactions
(a) Nature of transactions with related parties
The Company is a wholly owned subsidiary of The Quantum Terminals Group Limited, a company incorporated in Ghana. Arch Holdings Limited is the ultimate parent of the Group.

The following are other parties related to the Group. Transactions with related parties include; Quantum Gas Holdco Limited (QGHCL), Quantum Oil Terminals Limited (QOTL) and Quantum LPG Logistics Limited (QLLL) are companies under a common shareholding as Quantum Terminals PLC (QTPLC). Transactions with QTPLC include on-lending of EAIF loan to QGHCL to be used as shareholder investment in Quantum Gas Terminals Limited, another related party.

The Quantum Group Limited (TQGL) is a member of Arch Holdings Limited's Group. Transactions with QTPLC includes provision of IT and management support to QTPLC on cost basis.

Arch Services Limited is a member of Arch Holdings Limited's Group. Transactions with QTPLC during the year includes provision of IT Services and sale of software license.

Quantum Logistics Limited is a member of Arch Holdings Limited's Group. Transactions with QTPLC during the year includes provision vehicle rental services.

The Quantum Terminals Group Limited (TQTGL) is a member of Arch Holdings Limited's Group and the parent company of QTPLC, QGHCL, QOTL and QLLL. Transaction with QTPLC relates to repayment of loan.

Sage Distribution Limited (SDL), a member of Arch Holdings Limited's Group is currently the only customer of QTPLC at the Atuabo facility.

Power Fuel Distribution Co. Ltd (PFDC) is a member of Blueline Investments - a subsidiary of Arch Holdings Limited. During the year, PFDC provided fuel to QTPLC for its operations at Atuabo.

Glory Oil Company Limited, is a member of Cardinal Group - a subsidiary of Arch Holding Limited. During the year, Glory provided fuel to QTPLC for its operations in Accra and Tema.

(b) Transactions
The following transactions were carried out with related parties:

	2022	2021
	GH¢	GH¢
The Quantum Terminals Group Limited - loan repayment	**-**	2,267,481
Sage Distribution Limited - (Revenue)	**61,322,350**	34,027,973

(c) Outstanding balances arising from related party transactions:
All outstanding balances resulted from transactions with related parties in the normal course of business. They are settled through either cash payments or offsets between the parties under legally enforceable rights. Related party balances have not been secured. Refer to note 14 for related party trade receivables.

Notes to the financial statements
For the year ended 31 December 2022

(i) Amount due to related parties - current liabilities

	2022	2021
	GH¢	GH¢
Arch Services Ltd.	**86,078**	-
Cardinal Logistics Limited	**87,617**	87,617
Power Fuel Distribution Company Limited	**9,890**	110,821
Glory Oil Company Limited	**(13,802)**	9,972
Quantum Logistics Limited	**52,638**	345,454
The Quantum Group Ltd	**106,647**	-
The Quantum Terminals Group Ltd	**-**	852,759
	329,068	1,406,623

(ii) Amount due from related parties - long-term receivables

	2022	2021
	GH¢	GH¢
Balance at 1 January	**67,627,031**	58,739,192
Imputed finance income on related party receivable	**2,678,433**	9,992,175
Repayment - The Quantum Terminals Group Limited	**-**	(2,267,481)
Exchange gain on revaluation of related party receivables	**6,400,372**	1,239,791
Total related party receivables	**76,705,836**	67,703,677
Less expected credit loss	**(77,624)**	(76,646)
Balance at 31 December	**76,628,212**	67,627,031

These related party receivables are interest free long-term related party receivables. The face value due from The Quantum Terminals Group Limited is (GH¢131,664,489) and Quantum Gas Holdco Limited (GH¢72,381,000) which have been recognised at present value of GH¢76,705,836. They are expected to be repaid on 31 December 2027 and 17 December 2028 respectively.

The receivable from The Quantum Terminals Group as at 31st December, 2018 of GH¢132,856,835 was created from the corporate restructuring that occurred in November 2017 that resulted in the Group taking over the investments in the then subsidiaries (Quantum Oil Terminals Ltd and Quantum Gas Terminals Ltd). The addition in year 2018 of GH¢7,768,300 were additional funds provided to support the Group's activities for the year. In year 2020 and 2021, The Quantum Terminals Group Ltd repaid a total amount of GH¢5,995,026 through a corporate settlement arrangement with The Quantum Group Ltd. The receivable from Quantum Gas Holdco Ltd is the EAIF loan of US$ 10,000,000 on-lent to Holdco as stated in note 16 (b) above. This was converted to Ghana Cedis during the year 2022.

Notes to the financial statements
For the year ended 31 December 2022

(d) Transactions with key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly including any Director (whether executive or otherwise) of the Company.

	2022 GH¢	2021 GH¢
Short term benefits	**617,313**	213,910
Defined Contribution (SSNIT)	**62,888**	21,102

Compensation of the Company's key management personnel includes salaries, and contributions to a post- employment defined contribution plan.

19. Capital and reserves

(a) Stated capital

	No. of shares		Proceeds	
	2022 '000	2021 '000	**2022 GH¢**	2021 GH¢
Authorised				
Ordinary shares of no par value	**500,000**	500,000	**-**	-
Issued				
For cash	**70,000**	70,000	**70,000,000**	70,000,000

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

There is no share in treasury and no call or instalment unpaid on any share. Authorised but not issues shares are under control of directors.

(b) Deposit for shares

The Quantum Terminals Group Limited made a deposit for shares in 2017 amounting to GH¢47,292,758. The necessary formalities required to issue the shares were yet to be completed at the reporting date.

(c) Revaluation reserve

The revaluation reserve relates to revaluation of property, plant and equipment are set out below:

	2022 GH¢	2021 GH¢
Balance at 1 January	**47,855,713**	52,733,860
Transfer to retained earnings	**(4,410,343)**	(4,878,147)
Balance at 31 December	**43,445,370**	47,855,713

This is not available for distribution except when there is a sale of the assets by the asset owners.

(d) Retained earnings
This represents the residual of cumulative annual profits or losses that are available for distribution to shareholders.

20. Financial risk management

Overview
The company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risks

These risks have been explained below together with the necessary measures put in place by management to mitigate the impact of such risks on the company.

Risk management framework
The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. Management of the company also has the responsibility for developing and monitoring the company's risk management policies.

The company's risk management policies are established to identify and analyse risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The company's Board of Directors is responsible for monitoring compliance with the company's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the company.

(i) Credit risk
Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risks arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposure to customers and related parties. The Company's exposure to credit risk is minimised as all revenue are generated from Sage Distribution Limited, a related company. The Company has transacted business with this entity over the years and there has been no default in the payment of outstanding debts.

The carrying amounts of financial assets represent the maximum credit exposure.

Maximum exposure to credit risk are as follows:

	2022	2021
	GH¢	GH¢
Amount due from related parties	**76,628,212**	67,627,031
Trade receivables	**6,708,433**	4,618,869
Other receivables	**958,013**	763,153
Other assets	**14,180,549**	10,354,335
Cash and cash equivalents	**24,152,598**	8,386,679
	122,627,805	91,750,067

Notes to the financial statements
For the year ended 31 December 2022

(i) Credit risk - continued
The trade receivables includes impairment loss allowance of GH¢41,255 (2020: GH¢28,808). This excludes prepayments.

Impairment losses
Impairment loss on financial assets recognised in profit or loss were as follows:

	2022	2021
	GH¢	GH¢
Impairment gain/(loss) on trade receivables	**(12,447)**	11,928
Impairment gain/(loss) on amounts due from related parties	**(77,624)**	(76,646)
	(90,071)	(64,718)

Impairment losses
The movement in the allowance for impairment in respect of trade receivables and amount due from related parties are as follows:

2022	**Trade Receivables**	**Amount due from related parties**	**Total**
	GH¢	**GH¢**	**GH¢**
Balance at 1 January	28,808	583,197	612,005
Additional impairment loss allowance	12,447	77,624	90,071
	41,255	**660,821**	**702,076**

2021	Trade Receivables	Amount due from related parties	Total
	GH¢	GH¢	GH¢
Balance at 1 January	40,736	506,551	547,287
Additional impairment loss allowance	(11,928)	76,646	64,718
	28,808	583,197	612,005

Amount due from related parties
The company recognised impairment allowance of GH¢660,821 as at 31 December 2022 (2021: 583,197).

The company used a probability of default (PD) of 1.90% based on Moody's annual default rating and Loss Given Default (LGD) parameter of 45%. In management's assessment the LGD of 45% is the possible future loss the company is likely to incur in the event of default. This assessment resulted in an impairment allowance of GH¢660,821 as at 31 December 2022. The expected credit loss of GH¢77,624 was added in 2022 due to the increment in impairment loss.

Trade receivables
Expected credit loss assessment for individual customers as at 31 December 2022 is GH¢41,255 (2021: GH¢28,808).

The company uses an allowance matrix to measure the Expected Credit Loss (ECLs) of trade receivables from its customer. Loss rates are calculated using the roll rate method based on the probability of receivable progressing through successive stages of delinquency of write- off.

An increase in impairment loss of GH¢12,447 was recognised during the year resulting in a total impairment loss of GH¢41,255 as at 31 December 2022.

The following tables provides information about the exposure to credit risk and ECLs for trade receivables from its customer.

As at 31 December 2022

	Weighted average loss rate	**Trade receivables GH¢**	**Impairment allowance GH¢**	**Credit impaired**
Current	0.53%	5,715,431	30,292	No
1-30 days past due	1.06%	1,034,257	10,963	No
Total		**6,749,688**	**41,255**	

As at 31 December 2021

	Weighted average loss rate	Trade receivables GH¢	Impairment allowance GH¢	Credit impaired
Current	0.53%	3,859,835	20,457	No
1-30 days past due	1.06%	787,842	8,351	No
Total		4,647,677	28,808	

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of the economic conditions over the expected lives of the receivables. In particular, the following information is taken into account when assessing whether credit risk has increased;

- Gross domestic product;
- Inflation rate;
- Actual or expected significant deterioration in the debtor's credit rating;
- Significant deterioration in external market indicators of credit risk for the debtor, and;
- Forecast of adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.

Other receivables
The Company has determined that no expected credit loss will be recognised on amounts due from related parties because the expected credit loss is not significant to the financial statements.

Bank balance and other assets
For banks and financial institutions, only reputable banks are accepted by the company for its banking transactions. The company is not exposed to credit risks from its operating activities and banking activities. The company did not recognise any impairment allowance as at 31 December 2022 (2021: Nil).

(ii) Liquidity risk
Liquidity risk is the risk that the company either does not have sufficient financial resources available to meet all its obligations and commitments as they fall due, or can access them only at excessive cost. The company's approach to managing liquidity is to ensure that it will maintain adequate liquidity to meet its liabilities when due. The Company monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on borrowings, trade and other payables.

The following are contractual maturities of financial liabilities at the reporting date:

31 December 2022

	Carrying amount GH¢	**6months or less GH¢**	**6-12 months GH¢**	**More than one year GH¢**
Non-derivative financial liabilities				
Trade and other payables	**2,027,189**	**2,027,189**	**-**	**-**
Loans and borrowings	**83,006,662**	**13,388,664**	**4,766,833**	**64,851,165**
Due to related parties	**329,068**	**329,068**	**-**	**-**
Balance at 31 December 2022	**85,362,919**	**15,744,921**	**4,766,833**	**64,851,165**

31 December 2021

	Carrying amount GH¢	6months or less GH¢	6-12 months GH¢	More than one year GH¢
Trade and other payables	2,004,368	2,004,368	-	-
Loans and borrowings	75,416,251	11,797,274	3,338,389	60,280,588
Due to related parties	1,406,623	1,406,623	-	-
Balance at 31 December 2021	78,827,242	15,208,265	3,338,389	60,280,588

(iii) Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Majority of the company's transactions are denominated in US$ hence a way of the firm managing its market risk.

(a) Currency risk
The company is exposed to transactional foreign currency risk on purchases that are denominated in currencies other than the functional currency. The currency in which these transactions are primarily denominated is US Dollar (US$). Management currently does not have any currency risk management practices in place to manage exposure to this risk.

Notes to the financial statements
For the year ended 31 December 2022

(a) *Currency risk - continued*

The company's exposure to foreign currency risk was as follows based on notional amounts

	2022 US$	2021 US$
Assets		
Trade and other receivables	**786,649**	773,440
Due from related parties	**-**	5,149,156
Bank balances	**1,580,610**	774,099
Other assets	**1,055,555**	-
	3,422,814	6,696,695

	2022 US$	2021 US$
Liabilities		
Trade and other payables	**(214,082)**	(229,484)
Loans and borrowings	**(5,927,831)**	(7,222,222)
	(6,141,913)	(7,451,706)
Net exposure	**(2,719,099)**	(755,011)

The following significant exchange rates applied during the year:

Rates of exchange (ROE)

	Average rate 2022 GH¢	Average rate 2021 GH¢	Year-end spot rate 2022 GH¢	Year-end spot rate 2021 GH¢
US$ to GH¢	**8.2777**	5.8140	**8.5803**	6.0091

Sensitivity analysis

A reasonably possible strengthening or weakening of the US dollar as at 31 December 2022 would be affected by the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates remains constant and ignores impact of forecast sales and purchases. The analysis is performed on the same basis for 2021.

As of 31 Dec	**2022**				2021		
In GH¢	**% Change**	**Statement of comprehensive income impact: Strengthening**	**Statement of comprehensive income impact: Weakening**		% Change	Statement of comprehensive income impact: Strengthening	Statement of comprehensive income impact: Weakening
		GH¢	**GH¢**			GH¢	GH¢
USD	42.8%	(9,509,425)	9,509,425		4.3%	(193,661)	193,661

Sensitivity analysis - continued

As of 31 Dec	2022				2021		
In GH¢	% Change	Equity, net of tax: Strengthening	Equity, net of tax: Weakening		% Change	Equity, net of tax: Strengthening	Equity, net of tax: Weakening
		GH¢	GH¢			GH¢	GH¢
USD	42.8%	(7,132,069)	7,132,069		4.3%	(145,246)	145,246

(b) Interest rate risk
Interest rate risk is the exposure of current and future earnings and capital to adverse changes in interest rates. The Company currently has long term financial instruments that would be susceptible to interest rate risks. Management currently does not have any interest rate risk management practices in place to manage exposure to this risk. At the reporting date the interest rate profile of the Company's interest- bearing financial instruments were:

	2022 GH¢	2021 GH¢
Variable rate instruments	**50,862,568**	38,873,591
Fixed rate instruments	**28,522,263**	33,083,774

Cash flow sensitivity for variable rate instrument
A change of 100 basis points in interest rate at the reporting date would have increased/ (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

31 December 2022	**100bp Increase GH¢**	**100bp Decrease GH¢**
Effect on profit or loss		
Variable rate instrument	**(524,352)**	**524,352**
Effect on equity, net of tax		
Variable rate instrument	**(393,264)**	**393,264**

31 December 2021

	100bp Increase GH¢	100bp Decrease GH¢
Effect on profit or loss		
Variable rate instrument	(433,990)	433,990
Effect on equity, net of tax		
Variable rate instrument	(325,493)	325,493

Notes to the financial statements
For the year ended 31 December 2022

Cash flow sensitivity for fixed rate instrument
A change of 100 basis points in interest rate at the reporting date would have increased/ (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

31 December 2022	**100bp Increase GH¢**	**100bp Decrease GH¢**
Effect on profit or loss	(300,000)	300,000
Fixed rate instrument		
Effect on equity, net of tax	(225,000)	225,000
Fixed rate instrument		

31 December 2021	100bp Increase GH¢	100bp Decrease GH¢
Effect on profit or loss		
Fixed rate instrument	(350,000)	350,000
Effect on equity, net of tax		
Fixed rate instrument	(262,500)	262,500

(c) Accounting classifications and fair values
The carrying amounts of the Company's financial assets and financial liabilities are an approximation of their fair values hence no fair value disclosure has been provided in these financial statements. The table below shows the carrying amounts of the Company's financial assets and financial liabilities.

31 December 2022	**Carrying amount Financial assets at amortized cost GH¢**	**Fair value GH¢**	**Total GH¢**
Financial assets not measured at fair value			
Amount due from related parties	76,628,212	76,628,212	**76,628,212**
Trade and other receivables	7,795,562	7,795,562	**7,795,562**
Other assets	14,180,549	14,180,549	**14,180,549**
Cash and cash equivalents	24,152,598	24,152,598	**24,152,598**
Total financial assets	**122,756,921**	**122,756,921**	**122,756,921**

(c) Accounting classifications and fair values - continued

31 December 2022

	Carrying amount Other financial liabilities GH¢	**Fair value GH¢**	**Total GH¢**
Financial liabilities not measured at fair value			
Trade and other payables	2,027,189	2,027,189	2,027,189
Loans and borrowings	83,006,662	83,006,662	83,006,662
Amount due to related parties	329,068	329,068	329,068
Total financial liabilities	**85,362,919**	**85,362,919**	**85,362,919**

31 December 2021	Carrying amount Financial assets at amortized cost GH¢	Fair value GH¢	Total GH¢
Financial assets not measured at fair value			
Amount due from related parties	67,627,031	67,627,031	67,627,031
Trade and other receivables	5,382,022	5,382,022	5,382,022
Other assets	10,354,335	10,354,335	10,354,335
Cash and cash equivalents	8,386,679	8,386,679	8,386,679
Total financial assets	91,750,067	91,750,067	91,750,067

	Carrying amount Other financial liabilities GH¢	Fair value GH¢	Total GH¢
Financial liabilities not measured at fair value			
Trade and other payables	2,004,368	2,004,368	2,004,368
Loans and borrowings	75,416,250	75,416,250	75,416,250
Amount due to related parties	1,406,623	1,406,623	1,406,623
Total financial liabilities	78,827,241	78,827,241	78,827,241

Valuation technique
For all financial assets and financial liabilities not measured at fair value, the discounted cash flows method was used. The valuation model considers the present value of expected payments or receipts, discounted using a risk-adjusted discount rate.

Capital management
The Company monitors capital using the ratio of adjusted net debt to equity. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less deferred tax liabilities and cash and cash equivalents. Adjusted equity comprises all components of equity. The primary objective of the company's capital management policies are to ensure that the company complies with Ghana's regulations as far as public companies are concerned, and that the company operations achieve the returns on gross investment and to maintain a strong capital ratio in order to support its business and to maximise shareholders value.

	2022	2021
	GH¢	GH¢
Total liabilities	**109,126,668**	101,924,189
Less: Cash and cash equivalents	**(24,152,598)**	(8,386,679)
Less: Deferred tax liability	**(19,866,509)**	(21,506,683)
Adjusted net debt	**65,107,561**	72,030,827
Total equity	**110,476,717**	93,835,346
Adjusted net debt to equity	**0.59:1**	0.77:1

21. Earnings Per Share (EPS)

Basic
The calculation of basic EPS has been based on the following profit attributable to ordinary shareholders and the weighted-average number of shares outstanding.

	2022	2021
	GH¢	GH¢
Profit attributable to ordinary shareholders	**16,641,370**	11,265,718
Weighted average number of ordinary shares in issue	**70,000,000**	70,000,000
Basic earnings per share (expressed in GH¢ per share)	**0.24**	0.16

Diluted
Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares, to assume of all dilutive potential ordinary shares. At 31 December 2022 and 2021, the company had no dilutive potential ordinary shares.

22. Debt service cover ratio

The debt service cover ratio is used to measure the ability of the company to meet its debt payment obligations during the period. This is the ratio of Adjusted Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) to The Debt Service Cost falling due during the period. The Debt Service Cover Ratio for the period 2022 was 1.96 times (2021:1.07 times). The company could therefore pay its debt obligations 1.96 times using its earnings for the period. The minimum ratio specific to the debt was 1.25 times. The detailed computation has been disclosed in sub-note a-c.

a) Adjusted Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)

The Directors of the Company monitor the performance measure EBITDA and they believe this measure is relevant to gaining an understanding of the Company's financial performance. EBITDA is calculated by adjusting profit from continuing operations to exclude the impact of taxation, net finance costs, foreign exchange differences, depreciation and amortisation.

Reconciliation of EBITDA to profit from operations

	2022 GH¢	2021 GH¢
Profit before tax	**20,598,436**	13,223,255
Add depreciation (Note 12)	**8,575,864**	9,096,240
Add net finance costs (Note 10)	**23,602,563**	3,110,539
Add impairment loss/(reversal) on financial assets (Note 20(i))	**90,071**	64,718
Adjusted EBITDA	**52,866,934**	25,494,752

b) Debt service cost

	2022 GH¢	2021 GH¢
Net finance cost	**23,602,563**	3,110,539
Add: imputed and interest income	**4,067,398**	10,760,179
Loan exchange difference	**(9,082,119)**	(389,614)
Less: non-cash finance cost	**(5,083,230)**	(254,330)
Add principal repayments due from earnings	**13,517,937**	11,443,833
Total debt service cost	**27,022,549**	24,670,607

c) Debt service cover ratio

Adjusted EBITDA (Note 22a)	**52,866,933**	25,494,752
Total Debt Service Cost (Note 22b)	**27,022,549**	23,902,603
Debt service cover ratio	**1.96**	1.03

23. Contingent liabilities

There were no contingent liabilities in 2022. (2021: Nil).

24. Capital commitments

The Company has capital commitments in respect of the purchase of LPG Bulk Road Vehicles tanks to aid in the evacuation of LPG at Anokyi to the tune of GH¢2,960,204 outstanding as at the reporting date (2021: GH¢ 2,073,140).

25. Segment reporting

Quantum Terminals PLC has only one reportable segment. Required disclosure information is listed below for this segment.

a. Information about reportable segment

	2022 GH¢	2021 GH¢
Revenue	**61,322,350**	34,027,973
Profit/(loss) before taxation	**20,598,436**	13,223,255
Net finance cost	**(23,602,563)**	(3,110,539)
Depreciation and amortisation	**8,575,864**	9,096,240
Other material non-cash items:		
Impairment (loss)/reversal on related party receivable	**(77,624)**	(76,646)
Imputed interest on unwinding of related party receivable	**2,678,433**	9,992,175
Total assets	**219,603,384**	195,759,535
Total liabilities	**109,126,668**	101,924,189

b. Geographical information

Quantum Terminals PLC operates an LPG storage and loading facility at Anokyi within the Western Region of Ghana. The company's registered office is Plot No. 64A/28 – 32, Tema Industrial Area, Tema.

c. Major customer

Total revenue of GH¢61,322,350 is from Sage Distribution Limited, the sole customer of the company (2021: GH¢34,027,973)

26. Going concern

The Directors have made an assessment of the ability of the Company to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

26. Events after reporting period

There were no significant events after the reporting date of 31 December 2022 which are likely to affect these financial statements.