



PRESS RELEASE

PR. No 021/2017

PBC LIMITED (PBC)
UN-AUDITED FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDING
DECEMBER 31, 2016

PBC has released its un-audited Financial Statements for the first quarter ending December 31, 2016 as per the attached.

Issued in Accra, this 31st
day of January, 2017

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att'd.

Distribution:

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

For enquiries, contact:

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

***HBM**



PBC LIMITED

UNAUDITED

CONSOLIDATED FINANCIAL STATEMENTS FOR FIRST QUARTER

FOR THE PERIOD ENDING

31ST DECEMBER, 2016

ADDRESS

PMB, Accra-North
106 Olusengun Obasanjo Way
Dzorwulu Junction

EMAIL

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www.pbcgh.com

PBC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31ST DECEMBER, 2016

1. ACCOUNTING POLICIES

A. REPORTING ENTITY

PBC Limited is a company registered and domiciled in Ghana.

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

BASIS OF PREPARATION

(i) Statement of Compliance

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

(ii) Basis of measurement

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

(iii) Functional and presentational currency

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

(iv) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

B. DEPRECIATION

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

The estimated useful lives are as follows:

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

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

C. INTANGIBLE ASSETS

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

D. INVENTORIES

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

E. TRADE AND OTHER RECEIVABLES

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

F. CASH AND CASH EQUIVALENTS

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

G. REVENUE

(i) Sale of goods

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

(ii) Sale of Services

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

H. SEGMENT REPORTING

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

The three main business segments are:

Produce - Sale of Cocoa beans

Sheanut - Sale of sheanut

Haulage - transporting of Cocoa beans.

I. CONSOLIDATED ACCOUNTS

The financial statement of the Parent Company PBC LTD. has been consolidated with that of its subsidiary Golden Bean Hotel Ltd, which is a 50-room hospitality facility located at Nhyiaeso, Kumasi.

PBC LIMITED

CONSOLIDATED INCOME STATEMENT
FIRST QUARTER ENDED 31ST DECEMBER, 2016

INCOME STATEMENT	NOTE	GROUP 2016 GH¢	COMPANY 2016 GH¢	COMPANY 2015 GH¢
Revenue	4	956,664,556	953,966,504	993,095,216
Cost of Sales		<u>(858,814,387)</u>	<u>(857,691,292)</u>	<u>(883,031,109)</u>
Gross Profit		97,850,169	96,275,212	110,064,107
Other Income	6	1,260,291	1,260,291	1,072,760
Direct Operating Expenses		<u>(25,114,981)</u>	<u>(25,114,981)</u>	<u>(26,364,181)</u>
General and Administrative Expenses	5	<u>(18,146,567)</u>	<u>(16,154,884)</u>	<u>(12,422,466)</u>
Operating profit before financing cost		55,848,912	56,265,638	72,350,220
Net Finance Expenses	7	<u>(39,072,450)</u>	<u>(39,054,422)</u>	<u>(45,692,458)</u>
Profit before Taxation		16,776,462	17,211,216	26,657,762
Income Tax Expense	8a	<u>(4,194,116)</u>	<u>(4,302,804)</u>	<u>(6,664,441)</u>
Profit for the quarter transferred to Income Surplus Account		<u><u>12,582,347</u></u>	<u><u>12,908,412</u></u>	<u><u>19,993,321</u></u>
INCOME SURPLUS ACCOUNT		2016 GH¢	2016 GH¢	2015 GH¢
Balance at 1 October		(18,655,501)	(14,117,856)	1,806,310
Net Profit for the quarter		12,582,347	12,908,412	19,993,321
Balance at 31 December		<u><u>(6,073,154)</u></u>	<u><u>(1,209,444)</u></u>	<u><u>21,799,631</u></u>

The Financial statement do not contain untrue statement, misleading facts or omit material facts to the best of my knowledge.

SIGN
.....
NANA AGYENIM BOATENG I
Ag. CHIEF EXECUTIVE OFFICER

SIGN
.....
J. OSEI MANU
DEP. CHIEF EXECUTIVE OFFICER (F&A)

PBC LIMITED
CONSOLIDATED BALANCE SHEET
FIRST QUARTER ENDED 31ST DECEMBER, 2016

BALANCE SHEET	NOTE	GROUP	COMPANY 2016 GH¢	COMPANY 2015 GH¢
Non-Current Assets				
Property, plant and equipment	10	148,758,430	119,844,878	101,249,027
Intangible Assets	16	417,883	0	0
Investment in Subsidiaries	20	37,555,596	69,805,596	69,805,596
Long term investment	9	2,589,092	2,589,092	2,756,365
Total non-current assets		189,321,001	192,239,566	173,810,988
Current Assets				
Inventories	11	383,311,747	381,451,869	396,077,470
Income Tax Asset		30,360	0	0
Trade and other receivables	12	288,105,713	294,695,576	412,654,604
Short term investments	13	106,122,523	103,929,735	73,616,666
Cash and cash equivalents	14	52,940,403	52,068,805	152,103,402
Total current assets		830,510,746	832,145,985	1,034,452,142
Total assets		1,019,831,747	1,024,385,551	1,208,263,130
Equity				
Stated Capital	22a	15,000,000	15,000,000	15,000,000
Retained earnings	22c	(6,073,154)	(1,209,444)	21,799,631
Other reserves	22e	2,589,092	2,589,092	2,525,962
Total equity		11,515,938	16,379,648	39,325,593
Liabilities				
Deferred tax liability	8b	1,460,216	1,166,584	1,725,042
Income Tax liability	8a	4,194,116	4,302,804	6,645,441
Finance Lease	21	1,646,469	1,646,469	3,347,579
Medium term loan	18	17,032,508	17,032,508	12,804,633
Long Term Loan	19	20,768,077	20,768,077	13,351,610
Preference share capital	22b	100	100	100
Total non-current liabilities		45,101,486	44,916,542	37,874,405
Bank Overdraft	16	109,042,751	109,042,751	140,768,081
Short Term Loan	17	838,001,455	838,001,455	980,745,409
Medium term loan (current portion)	18	5,915,816	5,915,816	3,797,690
Finance Lease (current portion)	21	1,020,500	1,020,500	1,122,644
Trade and other payables	15	9,233,801	9,108,839	4,629,308
Total current liabilities		963,214,323	963,089,361	1,131,063,132
Total liabilities		1,008,315,809	1,008,005,903	1,168,937,537
Total liabilities and equity		1,019,831,747	1,024,385,551	1,208,263,130

PBC LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 31 DECEMBER 2016

Cash Flows from Operating Activities	GROUP 2016 GH ¢	COMPANY 2016 GH ¢	COMPANY 2015 GH ¢
Profit before taxation	16,776,462	17,211,216	26,657,762
Adjustment for:			
Depreciation and Amortisation charges	5,156,616	4,343,112	3,659,330
Interest Received	(2,045,720)	(2,045,720)	(163,808)
Interest expense	41,118,170	41,100,142	45,856,266
Operating Profit Before Working Capital Changes	61,005,528	60,608,750	76,009,550
Change in inventories	(319,224,747)	(319,064,963)	(336,689,362)
Change in trade and other receivables	(183,355,456)	(183,898,264)	(287,198,785)
Change in trade and other payables	(1,994,199)	(1,566,496)	(8,647,682)
Cash generated from operations	(443,568,874)	(443,920,973)	(556,526,279)
Income taxes paid	-	-	19,000
Net cash flow from operating activities	(443,568,874)	(443,920,973)	(556,507,279)
Cash flow from investing activities			
Interest Received	2,045,720	2,045,720	163,808
Interest paid	(41,118,170)	(41,100,142)	(45,856,266)
Payments to acquire assets	(7,695,540)	(7,682,270)	(4,152,134)
Net Cash used in Investing Activities	(46,767,990)	(46,736,692)	(49,844,592)
Cash flows from Financing Activities			
Changes in Short Term Loan	767,967,314	767,967,314	857,106,318
Changes in Medium Term Loan	218,586	218,586	2,150,475
Changes in Finance Lease	(391,136)	(391,136)	(175,841)
Changes in Long Term Loan	1,483,275	1,483,275	
Net Cash used in Financing Activities	769,278,039	769,278,039	859,080,952
Net Increase in Cash and Cash equivalents	278,941,175	278,620,374	252,729,081
Cash and Cash equivalents at 1 October	(228,921,000)	(231,664,495)	(167,777,094)
Cash and Cash equivalents at 31 December	50,020,175	46,955,879	84,951,987
Cash and cash equivalents.			
		GH ¢	GH ¢
Cash in Hand and at Bank	52,940,403	52,068,895	152,103,402
Bank overdraft	(109,042,751)	(109,042,751)	(140,768,081)
Short Term Investment	106,122,523	103,929,735	73,616,666
	50,020,175	46,955,879	84,951,987

PBC LIMITED
STATEMENT OF CHANGES IN CONSOLIDATED EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2016

2

CAPITAL AND RESERVES

Reconciliation of movement in capital and reserves

GROUP	Share Capital	Retained Earnings	Other Reserves	Total Equity
	GH¢	GH¢	GH¢	GH¢
Balance at 01.10.16	15,000,000	(18,655,501)	2,635,053	(1,020,448)
Total recognised Income and Expenses	-	12,582,347	-	12,582,347
Movement in available for sale asset			(45,961)	(45,961)
Balance at 31.12.16	15,000,000	(6,073,154)	2,589,092	11,515,938

COMPANY	Share Capital	Retained Earnings	Other Reserves	Total Equity
	GH¢	GH¢	GH¢	GH¢
Balance at 01.10.16	15,000,000	(14,117,856)	2,635,053	3,517,197
Total recognised Income and Expenses	-	12,908,412	-	12,908,412
Movement in available for sale asset			(45,961)	(45,961)
Balance at 31.12.16	15,000,000	(1,209,444)	2,589,092	16,379,648

PBC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2016

3 SEGMENT REPORTING

Class of Business	PRODUCE		SHEANUT		HAULAGE		HOTEL	TOTALS	
	2016	2015	2016	2015	2016	2015	2016	2016	2015
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Segment Revenue	<u>946,145,419</u>	<u>983,209,696</u>	<u>-</u>	<u>1,036,000</u>	<u>7,821,085</u>	<u>8,849,520</u>	<u>2,698,052</u>	<u>956,664,556</u>	<u>993,095,216</u>
Segment Cost	<u>(854,328,225)</u>	<u>(878,144,425)</u>	<u>-</u>	<u>(904,400)</u>	<u>(3,363,067)</u>	<u>(3,982,284)</u>	<u>(1,123,095)</u>	<u>(858,814,387)</u>	<u>(883,031,109)</u>
Segment Results	<u>91,817,194</u>	<u>105,065,271</u>	<u>-</u>	<u>131,600</u>	<u>4,458,018</u>	<u>4,867,236</u>	<u>1,574,957</u>	<u>97,850,169</u>	<u>110,064,107</u>
Unallocated expenses								<u>(43,261,548)</u>	<u>(38,786,647)</u>
Results from Operating activities								<u>54,588,621</u>	<u>71,277,460</u>
Other Income								<u>1,260,291</u>	<u>1,072,760</u>
Net Finance Cost								<u>(39,072,450)</u>	<u>(45,692,458)</u>
Corporate tax expense								<u>(4,194,116)</u>	<u>(6,664,441)</u>
Profit for the year								<u>12,582,347</u>	<u>19,993,321</u>

PBC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2016

	GROUP 2016 GH ¢	COMPANY 2016 GH ¢	COMPANY 2015 GH ¢
4 REVENUE			
Sale of Produce	946,145,419	946,145,419	983,209,696
Sheanut	-	-	1,036,000
Services (Haulage)	7,821,085	7,821,085	8,849,520
Services(Hotel)	2,698,052		
	<u>956,664,556</u>	<u>953,966,504</u>	<u>993,095,216</u>
5 ADMINISTRATIVE AND GENERAL EXPENSES including the following:			
Depreciation and amortisation	1,221,308	432,142	328,090
Auditors Remuneration	8,750	15,000	12,500
Directors emoluments	45,742	57,234	48,578
Subscriptions and Donations	54,924	54,924	18,525
	<u>1,330,724</u>	<u>559,300</u>	<u>407,693</u>
6 OTHER INCOME			
Rent Income	22,910	22,910	31,428
Recoveries from Shortages/Haulages	494,381	494,381	1,041,332
Sundry Income	743,000	743,000	
	<u>1,260,291</u>	<u>1,260,291</u>	<u>1,072,760</u>
7 NET FINANCE EXPENSES			
Interest Income	2,045,720	2,045,720	163,808
Bank and Produce loan interest	(41,118,170)	(41,100,142)	(45,856,266)
	<u>(39,072,450)</u>	<u>(39,054,422)</u>	<u>(45,692,458)</u>

PBC LIMITED
NOTE TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE QUARTER ENDED 31ST DECEMBER 2016

8a TAXATION

GROUP				
Year of Assessment Corporate Tax	Balance at 1 October GH ¢	Payments during the year GH ¢	Charge for the year GH ¢	Balance at 30 September GH ¢
First Quarter 2016	-	-	4,194,119	4,194,119
	-	-	4,194,119	4,194,119

COMPANY				
Year of Assessment Corporate Tax	Balance at 1 October GH ¢	Payments during the year GH ¢	Charge for the year GH ¢	Balance at 30 September GH ¢
First Quarter 2016	-	-	4,302,804	4,302,804
	-	-	4,302,804	4,302,804

8b DEFERRED TAX	GROUP 2016	COMPANY 2016	COMPANY 2015
Balance at 31 December	<u>1,460,216</u>	<u>1,166,584</u>	<u>1,725,042</u>

PBC LIMITED
NOTE TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE QUARTER ENDED 31 DECEMBER 2016

9	LONG TERM INVESTMENTS	GROUP 2016 GH¢	COMPANY 2016 GH¢	COMPANY 2015 GH¢
	Quoted Equity Investments	<u>2,589,092</u>	<u>2,589,092</u>	<u>2,756,365</u>

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

PBC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2016

10 PROPERTY, PLANT AND EQUIPMENT

GROUP	Land and Buildings GH ¢	Plant and Machinery GH ¢	Motor Vehicles GH ¢	Furniture & Fitting GH ¢	Building W.I.P GH ¢	Total GH ¢
COST						
Balance at 1.10.2016:	52,544,742	20,134,496	82,348,328	15,067,444	49,975,488	220,070,498
Additions during the quarter	24,570	1,229,003		256,331	6,185,636	7,695,540
Disposals						
Balance at 31.12.2016	52,569,312	21,363,499	82,348,328	15,323,775	56,161,124	227,766,038
Depreciation						
Balance at 1.10.2016:	4,765,254	14,315,265	45,845,957	8,964,700	-	73,891,176
Charge for the quarter	282,116	1,129,609	2,805,699	899,012	-	5,116,436
Released on Disposals						-
Balance at 31.12.2016	5,047,370	15,444,874	48,651,656	9,863,712	-	79,007,612
Carrying amounts						
At 31.12.16	47,521,942	5,918,625	33,696,672	5,460,065	56,161,126	148,758,430

PBC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2016

PROPERTY, PLANT AND EQUIPMENT

COMPANY	Land and Buildings	Plant and Machinery	Motor Vehicles	Furniture & Fitting	Building W.I.P	Total
	GH ¢	GH ¢	GH ¢	GH ¢	GH ¢	GH ¢
COST						
Balance at 1.10.2016:	27,390,609	20,134,496	81,861,573	4,432,682	49,975,488	183,794,848
Additions during the quarter	24,570	1,229,003		243,061	6,185,636	7,682,270
Disposals						
Balance at 31.12.2016	27,415,179	21,363,499	81,861,573	4,675,743	56,161,124	191,477,118
Depreciation						
Balance at 1.10.2016:	4,040,313	14,315,265	45,651,696	3,281,854	-	67,289,128
Charge for the quarter	198,355	1,129,609	2,781,361	233,787	-	4,343,112
Released on Disposals						
Balance at 31.12.2016	4,238,668	15,444,874	48,433,057	3,515,641	-	71,632,240
Carrying amounts						
At 31.12.16	23,176,511	5,918,625	33,428,516	1,160,102	56,161,124	119,844,878
At 31.12.15	16,038,506	5,089,282	33,896,448	853,833	45,370,958	101,249,027

PBC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2016

	GROUP 2016 GH¢	COMPANY 2016 GH¢	COMPANY 2015 GH¢
11 INVENTORIES			
<u>Trading:</u>			
Cocoa	330,163,000	330,163,000	359,168,775
Sheanut	41,172,985	41,172,985	31,716,248
Agro Inputs	6,045,953	6,045,953	-
Non-Trading	4,069,931	4,069,931	5,192,447
Food & Beverage	1,859,878	-	-
	<u>383,311,747</u>	<u>381,451,869</u>	<u>396,077,470</u>

PBC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2016

	GROUP 2016 GH ¢	COMPANY 2016 GH ¢	COMPANY 2015 GH ¢
12 ACCOUNTS RECEIVABLE			
Trade receivables due from customers	231,860,712	230,699,929	361,096,007
Other receivables	44,063,363	51,897,125	46,656,200
Staff Loans and Advances	2,965,939	2,921,336	2,356,632
Staff Loans Discounted	(6,875)	(6,505)	(3,512)
Prepayments	2,084,883	2,046,000	2,545,765
	<u>280,968,022</u>	<u>287,557,885</u>	<u>412,654,604</u>
a. Prepayments represent the unexpired portion of certain expenditure spread on time basis.			
b. The maximum amount due from employees of the group during the quarter did not exceed GH¢2,965,939			
	GH ¢	GH ¢	GH ¢
13 SHORT TERM INVESTMENTS			
Call & Fixed Deposits	104,235,528	102,042,740	73,616,666
Treasury Bills	1,886,995	1,886,995	1,580,034
	<u>106,122,523</u>	<u>103,929,735</u>	<u>73,616,666</u>
14 CASH AND CASH EQUIVALENTS			
Bank Balances	52,932,928	52,063,630	152,095,752
Cash Balances	7,475	5,175	7,650
	<u>52,940,403</u>	<u>52,068,805</u>	<u>152,103,402</u>
15 ACCOUNTS PAYABLE			
Non-trade payables and accrued expense	5,688,481	5,668,839	4,365,345
Accrued Charges	3,545,320	3,440,000	2,876,000
	<u>9,233,801</u>	<u>9,108,839</u>	<u>7,241,345</u>

PBC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2016

16	BANK OVERDRAFT	GROUP	COMPANY	COMPANY
		2016 GH ¢	2016 GH ¢	2015 GH ¢
	Ghana Commercial Bank	70,949,010	70,949,010	40,064,423
	ADB	8,739,954	8,739,954	-
	SG-SSB Limited	4,932,496	4,932,496	26,133,024
	NIB	500,929	500,929	53,990,686
	UBA	13,864,739	13,864,739	14,037,581
	Bank Of Africa	10,055,623	10,055,623	6,542,367
		109,042,751	109,042,751	140,768,081

PBC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31ST DECEMBER 2016

	GROUP 2016 GH ₵	COMPANY 2016 GH ₵	COMPANY 2015 GH ₵
17 SHORT TERM LOANS			
Produce Loan (Seed Fund)	583,588,080	583,588,080	880,745,409
Bank Short Term Loan	254,413,375	254,413,375	100,000,000
	838,001,455	838,001,455	980,745,409
18 MEDIUM TERM LOAN			
Stanchart	8,966,395	8,966,395	11,318,276
SG-SSB	2,432,395	2,432,395	4,537,669
NIB	149,534	149,534	747,669
EDAIF	11,400,000	11,400,000	
Processing Fee	-	-	(1,291)
	22,948,324	22,948,324	16,602,323
Current portion payable within 12 months	5,915,816	5,915,816	3,797,690
Long term portion payable after 12 months	17,032,508	17,032,508	12,804,633
LONG TERM LOAN	2016	2016	2015
	GH ₵	GH ₵	GH ₵
19 Ghana Cocoa Board	13,630,386	13,630,386	13,351,610

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

	2016 GH ₵	2016 GH ₵	2015 GH ₵
20 INVESTMENT IN SUBSIDIARIES			
Buipe Shea Nut Company Limited	37,556,596	37,556,596	37,555,596
Golden Bean Hotel Limited	-	32,250,000	32,250,000
Balance as at 31st December	37,556,596	69,806,596	69,805,596

This represents PBC Limited investment in two subsidiaries, namely PBC Shea Ltd. and Golden Bean Hotel Limited. The PBC Shea Ltd. is a state of the art factory established to process sheanut into shea butter for export and it is located at Buipe in the Central Gonja District. The Golden Bean Hotel is a 50 Room hospitality facility located at Nyiaeso in the Kumasi Metropolies.

PBC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2016

	GROUP 2016 GH¢	COMPANY 2016 GH¢	COMPANY 2015 GH¢
21 FINANCE LEASE			
Current portion payable within 12 months	1,020,500	1,020,500	1,122,644
Long term portion payable after 12 months	1,646,469	1,646,469	3,347,579
	2,666,969	2,666,969	4,470,223

The company has been granted a Finance Lease by SG-SSB of GH¢4,000,000 for the purchase of 5 TGM (4x2) cargo trucks, 10 articulator trucks and 15 BMC cargo trucks. The facility is for a period of (7) years. The interest rate is at the bank's base rate of 20.75% less 2.5% (18.25%). The total Lease rental payable at the prevailing rate of 18.25% shall be GH¢6,606,778.62, and the Bank has granted six (6) months moratorium for the repayment of the principal amount granted.

PBC LIMITED
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22 STATED CAPITAL

	2016		2015	
	No. of Shares	Proceeds GH¢	No. of Shares	Proceeds GH¢
Authorised Ordinary Shares of no par value	<u>20,000,000,000</u>		<u>20,000,000,000</u>	
Issued and fully paid	2,005,000	1,586,800	2,005,000	1,586,800
For cash	477,995,000	13,413,200	477,995,000	13,413,200
For consideration other than cash	<u>480,000,000</u>	<u>15,000,000</u>	<u>480,000,000</u>	<u>15,000,000</u>

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

	No. of Shares	Proceeds	No. of Shares	Proceeds
No. of preference shares	<u>1</u>	<u>100</u>	<u>1</u>	<u>100</u>
Total stated capital		<u>100</u>		<u>100</u>

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

PBC LIMITED
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c Share in treasury

Shares in Treasury as at 31st December 2016:- 1,877,370 (2015 -1,877,370).

d Income surplus (Retained earning)

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

e Other reserves

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

	GROUP 2016 GH¢	COMPANY 2016 GH¢	COMPANY 2015 GH¢
Balance at 1st October	2,635,053	2,635,053	2,467,780
Revaluation	(45,961)	(45,961)	58,182
Balance at 31st December	<u>2,589,092</u>	<u>2,589,092</u>	<u>2,525,962</u>

TITLE DEED

- a** Included in the ordinary shares issued for consideration other than cash is an amount of GH¢954,000 which represents part of the value of fixed assets ceded to Produce Buying Company Limited by Ghana Cocoa Board. In a letter dated November 18, 1999 the Government of Ghana gave the following undertaking to ensure that Cocobod takes all steps required of it under the Ceding Agreement of June 30, 1999 executed between the Cocobod and PBC including but not limited to the perfection of all interests and the execution of all documents to effectuate the cession of assets to PBC.
- b** That in the event of Cocobod failing its obligations under the ceding agreement, it will take such additional steps including but not limited to compulsory acquisition and arranging of payment of adequate compensation by Cocobod so as to concretise the interest of PBC in the said assets.