MEGA AFRICAN CAPITAL LIMITED

FINANCIAL STATEMENTS
31 DECEMBER, 2015

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Contents

MEGA AFRICAN CAPITAL LIMITED

CORPORATE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2015

Board of directors	Christine Dowuona- Hammond- Chairman (Effective 12th March, 2015) Kwesi Amonoo-Neizer – Managing Director Opoku-Gyamfi Boateng –Non Executive Director Eugene Addison - Non Executive Director Margaret Boateng-Sekyere – Non Executive Director Rosalyn Darkwa Non-Executive Director
Company secretary	Trustee Services Limited 4th Momotse Avenue. Adabraka, Accra P.O.Box GP 1632, Accra
Principal place of business	The Alberts, 2nd Floor, Kanda Estates Accra.
Registered office	H/no 4/3 BAE, Baatsonaa Estate P. O. Box CT 2197 Cantonments, Accra
Independent auditors	UHYVoscon Chartered Accountants No. C806/4, Boundary Road, Tudu, Accra Adjacent to City Paints Supply P. O. Box LA 476 La, Accra.
Bankers	Standard Chartered Bank (GH) Limited Societe Generale Ghana

Financial highlights

Year ended 31 December 2015

	2015 GH¢'000	2014 GH¢'000	Change %
Revenue	15,885	18,224	-12.8
Profit before income tax	10,398	14,693	-29.2
Income tax expense	-	-	N/A
Profit for the year	10,398	14,693	-29.2
Retained earnings on account	33,673	23,707	42.0
Total assets	96,214	64,956	48.1
Total equity	54,837	39,528	39.7
Diluted and basic earnings per share	1.191	1.700	-29.9
Net assets per share	5.65	4.57	23.5

REPORT OF DIRECTORS
TO THE MEMBERS OF
MEGA AFRICAN CAPITAL LIMITED
FOR THE YEAR ENDED 31 DECEMBER, 2015

We are pleased to present the annual report of the Company for the year ended 31 December, 2015.

Nature of business

The nature of business the Company is authorized to carry on is the development, purchase, sale and rental of real estate and investment in equities and fixed income investments and any other financial services.

Financial results of operations

The net increase in net assets resulting from operations for year of GH¢10,398,491 is shown in the attached financial statements, which resulted in a surplus of GH¢ 33,673,292 (2014: GH¢ 23,803,125) to be carried forward on the retained earnings account as of 31 December, 2015.

Directors

The directors who held office during the year end to the date of this report were

Christine Dowuona-Hammond	Chairman (Effective 12th March, 2015)
Kwesi Amonoo-Neizer	Managing Director
Opoku-Gyamfi Boateng	Non-executive Director
Eugene Addison	Non-executive Director
Margaret Boateng Sekyere	Non-executive Director
Rosalyn Darkwa	Non-Executive Director

Directors and their interests

The directors named below held the following number of shares in the Company as at 31 December, 2015.

	Number of Shares
Kwesi Amonoo-Neizer	445,274
Opoku-Gyamfi Boateng	127,447
Eugene Addison	2,500
Margaret Boateng Sekyere	101

Auditors

In accordance with section 134(5) of the Companies Act, 1963, Act 179, UHYVoscon will continue in office as auditors of the Company.

By the order of the Board

Name of director: …….. **Name of director:** …….

Signature: …… **Signature:** ……..

Date: …… **Date: ……..**

STATEMENT OF DIRECTORS' RESPONSIBILITIES
Directors' responsibilities in respect of the financial statements

The Directors are required to ensure that adequate accounting records are maintained so as to disclose at reasonable adequacy, the financial position of the Company. They are also responsible for steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. They must present financial statements for each financial year, which give a true and fair view of the affairs of the Company, and the results for that period. In preparing these financial statements, they are required to:

- select suitable accounting policies and apply them on a consistent basis using reasonable and prudent judgment.
- state whether or not the Companies Act 1963 (Act 179) and International Financial Reporting Standards ("IFRS") have been adhered to and explain material departures thereto.
- use the going concern basis unless it is inappropriate.

The Board acknowledge its responsibility for ensuring the preparation of the annual financial statements in accordance with IFRS and the responsibility of external auditors to report on these financial statements. The Board is responsible for ensuring the maintenance of adequate accounting records and an effective system of internal controls and risk management.

Nothing has come to the Board's attention, to indicate any material breakdown in the functioning of the internal controls and systems during the period under review, which could have a material impact on the business.

The financial statements are prepared from the accounting records on the basis of consistent use of appropriate records supported by reasonable and prudent judgments and estimates that fairly present the state of affairs of the Company. The financial statements have been prepared on a going concern basis and there is no reason to believe that the Company will not continue as a going concern in the next financial year. The Directors confirm that in preparing the financial statements, they have:

- selected suitable accounting policies and applied them consistently.
- made judgments and estimates that are reasonable and prudent
- followed the International Financial Reporting Standards
- prepared the financial statements on the going concern basis

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them ensure that the financial statements comply with the Companies Act 1963 (Act 179). They are also responsible for safe guarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By the order of the Board

Name of director: …….. **Name of director:** …….

Signature: …… **Signature:** ……..

Date: …… **Date:** ……..

Corporate Governance (CG)

The Company is committed to strong corporate governance practices that allocate rights and responsibilities among the Company's shareholders, the Board and Executive Management to provide an effective oversight and management of the Company in a manner that enhances shareholder value and promotes investors' confidence.
The Company's corporate governance principles are contained in a number of corporate documents.

The Board of Directors

The Board oversees the conduct of the Company's business and is primarily responsible for providing effective governance over the Company's key affairs, including the appointment of Executive Management, approval of business strategies, evaluation of performance and assessment of major risks facing the Company. In discharging its obligations, the Board exercises judgment in the best interest of the Company and relies on the Company's Executive Management to implement approved business strategies, resolve day-to-day operational issues, keep the Board informed, and maintain and promote high ethical standards. The Board delegates authority in management matters to the Company's Executive Management subject to clear instructions in relation to such delegation of authority and the circumstances in which Executive Management shall be required to obtain Board approval prior to taking a decision on behalf of the Company. The Board is made up of majority Non-Executive Directors.

At 31 December 2015, the Board had its full complement of six (6) members, made up of five (5) Non- Executive Directors and one (1) Executive Director. Christine Dowuona-Hammond was appointed by the Board on 12th March, 2015 as the Chairperson of the Board. The Board has delegated various aspects of its work to the Audit Committee and Investment Committee.

Board committee members are appointed by the Board. Each Board committee has its own written terms of reference, duties and authorities as determined by the Board.

Audit Committee

The Audit Committee is made up of three members who are Eugene Addison (Chairman), Margaret Boateng-Sekyere and Opoku-Gyamfi Boateng. The Committee carries out the duties set out below for the Company, giving full consideration to relevant laws, regulations and best practices in discharging its responsibilities:

- To consider the appointment of the external auditor, audit fees and any questions of resignation or dismissal.
- To discuss with the external audit programme, its reports and its activities; and ensure that the internal audit function is adequately resourced and has appropriate standing within the Company.
- To review internal audit programme, its reports and its activities and ensure that the internal audit function is adequately resourced and has appropriate standing within the Company.
- To review internal and external audit reports particularly reports of regulatory authorities and supervising the implementation of recommendations.
- To facilitate dialogue between auditors and management on the outcome of audit activities.
- To work with the external auditors to finalise the annual financial statements for Board approval.

Audit Committee (continued)

- To review quarterly, half-yearly and annual financial results.
- To set up procedures for selecting suppliers, consultants and other service providers and ensuring compliance therewith.
- To review, approve and follow up major contracts, procurement and capital expenditures.
- To review actual spending against budget
- To review and approve proposals for extra-budgetary spending.
- To be responsible for the co-ordination of the internal and external auditors.

Investment committee

The investment committee was established as a sub-committee of the board to supervise the investment activities of Mega African Capital Limited. The investment committee is made up of three members who are Rosalyn Darkwa (Chairperson), Kwesi Amonoo-Neizer and Christine Dowuona-Hammond.

Report of Independent Auditors
to the Members
Mega African Capital Limited

We have audited the accompanying financial statements of Mega African Capital Limited which comprise the statement of financial position as at 31 December, 2015, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, together with the summary of significant accounting policies and other explanatory notes, and have obtained all information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

Directors' responsibility for the financial statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the Companies Act, 1963 (Act 179). These responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatements.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our audit opinion.

Report of Independent Auditors
to the Members
Mega African Capital Limited (continued)

Opinion

In our opinion, the Company has kept proper accounting records and the financial statements are in agreement with the records in all material respects and report in the prescribed manner, information required by the Companies Act, 1963 (Act 179). The financial statements give a true and fair view of the financial position of the Company as at 31 December, 2015, and of its financial performance and statement of cash flow for the year then ended and are drawn up in accordance with the International Financial Reporting Standards, issued by the International Accounting Standards Board (IASB).

Report on other legal and regulatory requirements

The Ghana Companies Act, 1963 (Act 179) requires that in carrying out our audit work we consider and report on the following matters. We confirm that:

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

2. In our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and

3. The statement of financial position and statement of profit or loss and other comprehensive income of the Company are in agreement with the books of account.

Emmanuel K.D. Abbey (ICAG/P/1167)
For and on behalf of UHYVoscon **(ICAG/F/086)**
Chartered Accountants
Accra, Ghana

Date: --- **March, 2016**

MEGA AFRICAN CAPITAL LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER, 2015

(All amounts are expressed in Ghana cedis unless otherwise stated)

	NOTE	2015	2014
Revenue			
Investment and operating income	3(a)	884,314	1,012,354
Gain/ (loss) on investments at market value	3(b)	15,000,483	17,211,233
Total revenue		15,884,797	18,223,587
Expenses			
Administrative, legal and professional expenses	4	(1,897,691)	(1,692,357)
Net profit before finance costs and tax		13,987,106	16,531,230
Finance costs	5	(3,588,615)	1,837,808)
Net profit before tax		10,398,491	14,693,422
Corporate tax credit/expense	11	-	-
Profit for the year		10,398,491	14,693,422
Other comprehensive income			
Profit for the year		10,398,491	14,693,422
Total comprehensive income		10,398,491	14,693,422

Notes 1 to 22 form an integral part of these financial statements.

MEGA AFRICAN CAPITAL LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER, 2015
(All amounts are expressed in Ghana cedis unless otherwise stated)

Assets	**NOTE**	**2015**	**2014**
Non-current assets			
Investments assets			
Financial assets at fair value through profit or loss	6(a)	52,932,434	46,012,467
Investment property	6(c)	12,516,427	9,236,652
Total investments assets		65,448,861	55,249,119
Property, plant and equipment	7a	143,619	183,194
Total non-current assets		65,592,480	55,432,313
Current assets			
Financial assets at fair value through profit or loss	6(b)	28,214,131	6,400,863
Other accounts receivable	8	1,962,184	3,293
Cash and cash equivalents	9	445,248	3,120,328
Total current assets		30,621,563	9,524,484
Total assets		96,214,043	64,956,797
Current liabilities			
Accounts payable and accruals	10	3,541,150	8,643,705
Current taxation	11	(41,530)	(32,230)
Contract borrowings	12	37,884,648	16,817,524
Total current liabilities		41,384,268	25,428,999
Equity			
Stated capital	13	21,156,483	15,820,923
Retained earnings		33,673,292	23,706,875
Total equity		54,829,775	39,527,798
Total liabilities & equity		96,214,043	64,956,797

Name of Director: …….. **Name of Director:** ……..

Signature: …… **Signature:** ……..

Date:…….. **Date:**……

Notes 1 to 22 form an integral part of these financial statements.

MEGA AFRICAN CAPITAL LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER, 2015

(All amounts are expressed in Ghana cedis unless otherwise stated)

For the year ended 31 December, 2015	**Stated capital**	**Retained earnings**	**Total equity**
Balance as at 1 January	15,820,923	23,706,875	39,527,798
Net profit for the year	-	10,398,491	10,398,491
Dividend paid	-	(432,074)	(432,074)
Right shares issued during year	5,335,560	-	5,335,560
Balance as at 31 December, 2015	21,156,483	33,673,292	54,829,775

For the year end 31 December, 2014	**Stated capital**	**Retained earnings**	**Total equity**
Balance as at 1 January	11,820,922	9,013,453	20,834,375
Net profit for the year	-	14,693,422	14,693,422
Shares issued during year	4,000,001	-	4,000,001
Balance as at 31 December	15,820,923	23,706,875	39,527,798

Notes 1 to 22 form an integral part of these financial statements

MEGA AFRICAN CAPITAL LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER, 2015

(All amounts are expressed in Ghana cedis unless otherwise stated)

	NOTE	2015	2014
Cash flow from operating activities	15	(17,929,063)	2,971,555
Tax paid		(9,300)	(135)
Cash flow from operating activities		(17,938,363)	2,971,420
Cash flow from investing activities:			
Purchase of property, plant and equipment		-	(220,187)
Additions to investment property		-	(220,645)
Purchase of financial assets		(24,841,605)	(33,433,088)
Sale of financial assets		14,134,278	19,420,632
Net cash flow used in investing activities		(10,707,327)	(14,453,288)
Net cash flow from financing activities:			
Capital contributions received from shareholders		5,335,560	4,000,001
Dividend paid		(432,074)	-
Tenured deposit		21,067,124	9,020,407
Net cash flow from financing activities		25,970,610	13,020,408
Net increase/ (decrease) in cash and cash equivalents		(2,675,080)	1,538,540
Cash & cash equivalents			
at beginning of the year		3,120,328	1,581,788
at end of the year		445,248	3,120,328

Notes 1 to 22 form an integral part of these financial statements.

MEGA AFRICAN CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2015

NOTE 1 - REPORTING ENTITY

Mega African Capital Limited is an investment company domiciled and incorporated as a Private Limited Liability Company in Ghana on 21 April, 2008. It was converted from a Private Limited Liability Company into a Public Limited Liability Company on 19 October, 2011. Mega African Capital Limited was listed on the Ghana Stock Exchange on 23 April, 2014.

The nature of the business which the company is authorized to carry on is the:

- development, purchase, sale and rental of real estate and investment in equities and fixed income investments and any other financial services.

NOTE 2 - BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of Mega African Capital Limited for the year ended 31 December, 2015 have been prepared in accordance with International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB).

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention, except the revaluation of financial assets, financial liabilities (including derivative financial instruments at fair value through profit or loss), investment property were held at current market value and tenured deposits at amortised cost.

2.3 (a) Use of estimates and judgment

In preparing these financial statements in conformity with IFRS, management makes judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, incomes and expenses. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under circumstances, the results of which form the basis of making the judgment about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting policies and estimates are recognized retrospectively and prospectively respectively.

(b) **Changes in accounting policies**.

There were no changes in the accounting policies of the Company during the year.

(All amounts are stated in Ghana cedis unless otherwise stated)

2.4 New and amended standards and interpretations

At the date of authorisation of these financial statements the following new standards and amendments to existing standards were in issue, but not yet effective:

• IFRS 9 "Financial instruments" (effective for annual periods beginning on or after 1 January 2018).

IFRS 9 "Financial instruments" issued on 24 July 2014 is the IASB's replacement of IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting.

Classification and measurement - IFRS 9 introduces new approach for the classification of financial assets, which is driven by cash flow characteristics and the business model in which an asset is held. This single, principle-based approach replaces existing rule-based requirements under IAS 39. The new model also results in a single impairment model being applied to all financial instruments.

Impairment - IFRS 9 has introduced a new, expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis.

Hedge accounting - IFRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities.

Own credit - IFRS 9 removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss.

• IFRS 14 "Regulatory Deferral Accounts" (effective for annual periods beginning on or after 1 January 2016).

IFRS 14 "Regulatory Deferral Accounts" issued by IASB on 30 January 2014. This Standard is intended to allow entities that are first-time adopters of IFRS, and that currently recognise regulatory deferral accounts in accordance with their previous GAAP, to continue to do so upon transition to IFRS.

• IFRS 15 "Revenue from Contracts with Customers" and further amendments (effective for annual periods beginning on or after 1 January 2018).

IFRS 15 "Revenue from Contracts with Customers" issued by IASB on 28 May 2014 (on 11 September 2015 IASB deferred effective date of IFRS 15 to 1 January 2018). IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18 "Revenue", IAS 11

"Construction Contracts" and a number of revenue-related interpretations. Application of the standard is mandatory for all IFRS reporters and it applies to nearly all contracts with customers: the main exceptions
New and amended standards and interpretations (continued)
IFRS 15 "Revenue from Contracts with Customers (continued)

are leases, financial instruments and insurance contracts. The core principle of the new Standard is for Companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. The new Standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple element arrangements.

- IFRS 16, Leases

The International Accounting Standard Board (IASB) issued IFRS 16 Leases in January 2016. IFRS 16 sets out the principles for the recognition, measurement presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor').

IFRS 16 is effective from 1 January, 2019. A company can choose to apply IFRS 16 before that date but only if it also applies IFRS 15. Revenue from contracts with customers, IFRS 16 complete the IASB's project to improve the financial reporting of lease; IFRS 16 replaces the previous lease standard, IAS 17 leases, and related interpretation.

The objective of IFRS 15 is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer.

The standard should be applied in an entity's IFRS financial statements for annual reporting periods beginning on or after 1 January, 2018. Earlier application is permitted. An entity that chooses to apply IFRS 15 earlier than 1 January, 2018 should disclose this fact in its relevant financial statements.

When first applying IFRS 15, entities should apply the standard in full for the current period, including retrospective application to all contracts that were not yet complete at the beginning of that period. In respect of prior periods, the transition guidance allows entities an option to either:

apply IFRS 15 in full to prior periods (with certain limited practical expedients being available); or retain prior period figures as reported under the previous standards, recognizing the cumulative effect of applying IFRS 15 as an adjustment to the opening balance of equity as at the date of initial application (beginning of current reporting period).

• Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in
Associates and Joint Ventures" - Sale or Contribution of Assets between an Investor and its Associate or
Joint Venture and further amendments (effective date was deferred indefinitely until the research project on the equity method has been concluded).

(All amounts are stated in Ghana cedis unless otherwise stated)

New and amended standards and interpretations (continued)

Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture issued by IASB on 11 September 2014 (on 17 December 2015 IASB deferred indefinitely effective date). The amendments address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business.

• Amendments to IFRS 10 "Consolidated Financial Statements", IFRS 12 "Disclosure of Interests in Other Entities" and IAS 28 "Investments in Associates and Joint Ventures" - Investment Entities: Applying the Consolidation Exception (effective for annual periods beginning on or after 1 January 2016).

Amendments to IFRS 10 "Consolidated Financial Statements", IFRS 12 "Disclosure of Interests in Other Entities" and IAS 28 "Investments in Associates and Joint Ventures" - Investment Entities: Applying the Consolidation Exception issued by IASB on 18 December 2014. The narrow scope amendments to IFRS 10, IFRS 12 and IAS 28 introduce clarifications to the requirements when accounting for investment entities. The amendments also provide relief in particular circumstances.

• Amendments to IFRS 11 "Joint Arrangements" – Accounting for Acquisitions of Interests in Joint Operations (effective for annual periods beginning on or after 1 January 2016).

Amendments to IFRS 11 "Joint Arrangements" – Accounting for Acquisitions of Interests in Joint Operations issued by IASB on 6 May 2014. The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.

• Amendments to IAS 1 "Presentation of Financial Statements" - Disclosure Initiative (effective for annual periods beginning on or after 1 January 2016).

Amendments to IAS 1 "Presentation of Financial Statements" - Disclosure Initiative issued by IASB on 18 December 2014. The amendments to IAS 1 are designed to further encourage Companies to apply professional judgment in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that Companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.

• Amendments to IAS 16 "Property, Plant and Equipment" and IAS 38 "Intangible Assets" - Clarification of Acceptable Methods of Depreciation and Amortisation (effective for annual periods beginning on or after 1 January 2016).

(All amounts are stated in Ghana cedis unless otherwise stated)

New and amended standards and interpretations (continued)

Amendments to IAS 16 "Property, Plant and Equipment" and IAS 38 "Intangible Assets" - Clarification of Acceptable Methods of Depreciation and Amortisation issued by IASB on 12 May 2014. Amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. Amendments also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

• Amendments to IAS 16 "Property, Plant and Equipment" and IAS 41 "Agriculture" - Agriculture: Bearer Plants (effective for annual periods beginning on or after 1 January 2016).

Amendments to IAS 16 "Property, Plant and Equipment" and IAS 41 "Agriculture" - Agriculture: Bearer Plants issued by IASB on 30 June 2014. The amendments bring bearer plants, which are used solely to grow produce, into the scope of IAS 16 so that they are accounted for in the same way as property, plant and equipment.

• Amendments to IAS 27 "Separate Financial Statements" - Equity Method in Separate Financial Statements (effective for annual periods beginning on or after 1 January 2016).

Amendments to IAS 27 "Separate Financial Statements" - Equity Method in Separate Financial Statements issued by IASB on 12 August 2014. The amendments reinstate the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.

• Amendments to various standards "Improvements to IFRSs (cycle 2012-2014)" issued by IASB on 25 September 2014. Amendments to various standards and interpretations resulting from the annual improvement project of IFRS (IFRS 5, IFRS 7, IAS 19 and IAS 34) primarily with a view to removing inconsistencies and clarifying wording. The revisions clarify the required accounting recognition in cases where free interpretation used to be permitted. Changes include new or revised requirements regarding: (i) changes in methods of disposal; (ii) servicing contracts; (iii) applicability of the amendments to IFRS 7 to condensed interim financial statements; (iv) discount rate: regional market issue; (v) disclosure of information 'elsewhere in the interim financial report'. The amendments are to be applied for annual periods beginning on or after 1 January, 2016.

The Entity has elected not to adopt these new standards and amendments to existing standards in advance of their effective dates. The Entity anticipates that the adoption of these standards and amendments to existing standards will have no material impact on the financial statements of the Entity in the period of initial application.

(All amounts are stated in Ghana cedis unless otherwise stated)

2.5 Foreign currency translation

(a) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date.

(b) Functional and presentation currency

These financial statements are presented in Ghana Cedis (the primary economic environment in which the company operates) which is the Company's functional currency. All amounts have been rounded to the nearest Cedi, unless otherwise stated.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise foreign currency and local cedi accounts and highly liquid financial assets that are subject to an insignificant risk of changes in their fair value and are used by the Company in the management of short-term commitments, other than cash collateral provided in respect of derivatives, securities sold.

2.7 Taxation

2.7a Current taxation

Current tax is the expected tax payable on taxable income for the year using tax rates enacted or substantially enacted at the year end, and any adjustment to tax payable in respect of previous years.

2.7b Deferred Taxation

Deferred tax is provided using the balance sheet method, providing for 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 the following temporary differences: the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future.
Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

(All amounts are stated in Ghana cedis unless otherwise stated)

Deferred taxation (continued)

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. 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 realized.

2.8 Financial assets and financial liabilities at fair value through profit or loss (FVTPL)

(a) Classification

The Company classifies its investments in debt and equity securities, and related derivatives, as financial assets or financial liabilities at fair value through profit or loss. These financial assets and financial liabilities are classified as held for trading or designated by the Company's Management at Fair Value Through Profit or Loss at inception.

This category has two sub-categories: financial assets and financial liabilities held for trading; and those designated at fair value through profit or loss at inception.

(i) Financial assets and liabilities held for trading

A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for purpose of selling or repurchasing in the short term; or if, on initial recognition, it is part of a portfolio of identifiable financial investments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking. Derivatives are also categorized as held for trading. The Company does not classify any derivatives as hedges in a hedging relationship.

(ii) Financial assets and liabilities designated at fair value through profit or loss at inception

Financial assets and liabilities designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed; their performance is evaluated on a fair value basis in accordance with the Company's documented investment strategy.

Assets and liabilities in this category are classified as current assets and current liabilities if they are expected to be realized within 12 months of the balance sheet date. Those not expected to be realized within 12 months of the balance sheet date will be classified as non-current.

(All amounts are stated in Ghana cedis unless otherwise stated)

Fair value estimation (continued)

The valuation techniques also consider the original transaction price and take into account the relevant developments since the acquisitions of the investments and other factors pertinent to the valuation of the investments, with reference to such rights in connection with realization, recent third-party transactions of comparable types of instruments, and reliable indicative offers from potential buyers. In determining fair valuation, management in many instances relies on the financial data of investees and on estimates by the management of the investee Companies as to the effect of future developments. Although management uses its best judgment, and cross-references results of primary valuation models against secondary models in estimating the fair value of investments, there are inherent limitations in any estimation techniques. The fair value estimates presented herein are not necessarily indicative of an amount the Company could realize in a current transaction. Future confirming events will also affect the estimates of fair value. The effect of such events on the estimates of fair value, including the ultimate liquidation of investments, could be material to the financial statements.

Impairment

A financial asset not classified at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset or a group of financial assets is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset(s) and that loss event(s) had an impact on the estimated future cash flows of that asset(s) that can be estimated reliably.

Objective evidence that financial assets are impaired includes significant financial difficulty of the borrower or issuer, default or delinquency by a borrower indicates that a borrower or issuer will enter bankruptcy, or adverse changes in the payment status of the borrowers.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the assets original effective interest rate. Losses are recognized in the statement of profit or loss and other comprehensive income and reflected in an allowance against receivables. When an event occurring after the impairment was recognized causes the amount impairment loss to decrease, the decrease in impairment loss is reversed in the Statement of profit or loss and other comprehensive income.

2.9 Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognized initially at fair value. They are subsequently measured at amortized cost using the effective interest rate method, less provision for impairment.

(All amounts are stated in Ghana cedis unless otherwise stated)
Receivables (continued)

A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts to be received. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganization, and default in payments are considered indicators that the amount to be received is impaired. Once a financial asset or a company of similar financial assets has been written down as a result of an impairment loss, interest income is recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

The effective interest rate method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument – or, when appropriate, a shorter period – to the net carrying amount of the financial asset of financial liability. When calculating the effective interest rate, Management estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and interest rate points paid or received between parties to the contract that are integral part of the effective interest rate, transaction costs and all other premiums or discounts.

2.10 Offsetting

Financial assets and liabilities are offset and the net amount reported in the financial position when there is currently a legal enforceable right to offset the amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.11 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statement of comprehensive income over the period of the borrowing using the effective interest method.

2.12 Investment property

Investment property comprises completed property and property under construction or re-development that is held to earn rentals or for capital appreciation or both. Property held under a lease is classified as investment property when the definition of an investment property is met.

Investment property is measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

(All amounts are stated in Ghana cedis unless otherwise stated)
Investment property (Continued)

Subsequent to initial recognition, an entity can elect to measure investment property at cost model or fair value model. Gains or losses arising from changes in fair value are included in the income statement in the year in which they arise. Investment property is derecognized when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from
its disposal. Any gains or losses on the retirement or disposal of investment property are recognized in the income statement in the year of retirement or disposal.

Gains or losses on the disposal of investment property are determined as the difference between net disposal proceeds and the carrying value of the asset in the previous full period financial statements.

2.13 Interest

Interest income and expense are recognized in the statement of profit or loss and other comprehensive income using the contractual rate.

Interest received or receivable and interest paid or payable are recognized in statement of profit or loss and other comprehensive income as interest income and interest expense respectively.

2.14 Dividend income

Dividend income is recognized in the statement of profit or loss and other comprehensive income on the date that the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date when the shareholders have approved the payment of a dividend or when a dividend warrant is received.

2.15 Rental income

Rental income arising from the investment property is accrued on a straight line basis over the contract period.

2.16 Net gain from financial instruments

Net gain from financial instruments at fair value through profit or Loss includes all realized and unrealized fair value changes in the market value of the securities.

(b) Recognition, derecognition and measurement

Regular purchases and sales of investments are recognized on the trade date – the date on which the Company commits to purchase or sell the investment. Financial assets at Fair Value through Profit or Loss at inception are initially recognized at fair value. Transaction costs are expensed as incurred in the consolidated statement of comprehensive income.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership

Financial liabilities are derecognized when they are extinguished – that is, when the obligation specified in the contract is discharged or cancelled or expires.

Subsequent to the initial recognition, all financial assets at Fair Value through Profit or Loss at inception are measured at fair value. Gains and losses arising from changes in the fair value 'financial assets at fair value through profit or loss' category are presented in the consolidated statement of comprehensive income within other net changes in fair value of financial assets through the profit or loss' in the period in which they arise.

Dividend income from financial assets at Fair Value through Profit or Loss at inception is recognized in the statement of comprehensive income within dividend income when the Company's right to receive payments is established. Interest income on debt securities at Fair Value through Profit or Loss at inception is recognized in the consolidated statement of comprehensive income with interest income based on the effective interest rate.

(a) Fair value estimation

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. The fair value of financial assets traded in active markets (such as publicly traded derivatives and equity securities publicly traded on a stock exchange) are based on quoted market prices at the close of trading on the reporting date.

As per IFRS 13 fair values for unlisted equity securities are determined by the Company's management using valuation techniques. Such valuation techniques may include earnings multiples (based on the budget earnings or historical earnings of the issuer and earnings multiples of comparable listed Companies) and discounted cash flows. The Company adjusts the valuation model as deemed necessary for factors such as non-maintainable earnings, tax risk, growth stage and cash traps.

(All amounts are stated in Ghana cedis unless otherwise stated)

NOTE 3 - INCOME

		2015	2014
(a)	**Investment and Operating Income comprises**		
	Listed Dividends- Ghana	171,105	188,958
	Listed Dividends-Overseas	317,582	662,173
	Other income	17,074	-
	Rental income	378,554	161,223
	Total investment Income	884,314	1,012,354

		2015	2014
(b)	**Changes in market value of investments and other attributable income**	**GH¢**	**GH¢**
	Realised gain	4,131,020	4,754,772
	Unrealised gain	17,174,667	15,260,893
		21,305,687	20,015,665
	Other attributable income		
	Exchange gain or loss	(6,305,204)	(2,804,432)
		15,000,483	17,211,233

NOTE 4 -	**ADMINISTRATIVE, LEGAL AND PROFESSIONAL EXPENSES**	**2015**	**2014**
	Auditors remuneration	23,500	18,800
	Bank charges	109,113	24,701
	Board fees	81,763	57,525
	Consultancy	82,321	36,294
	Corporate finance & advisory	199,981	43,100
	Custodial fees	34,946	54,315
	Company administration charges	354,000	270,588
	Shareholders meeting expenses	1,888	9,978
	Listing expenses	231,556	212,498
	Impairment on receivables	-	96,250
	Cleaning and sanitation	1,621	4,325
	Depreciation	39,575	36,992
	Insurance	8,845	4,853
	Communication	30,705	30,952
	Utilities	14,355	37,681
	Capital duty	2,668	2,000
	Repairs and maintenance	51,485	7,506
	Registration and license	550	3,497
	Staff cost	406,094	527,762
	Travel and transport	100,805	102,305
	Marketing and publicity	42,075	50,000
	Office supplies	10,395	12,243
	Security	3,900	18,238
	Penalty charges	800	3,000
	Generator running expenses	3,810	3,000
	Investment property management fee	26,196	15,454
	Printing and stationery	24,984	-
	Subscriptions	1,873	-
	Other expenses	6,787	-
	Food and entertainment	1,100	
	Donation	-	8,500
		1,897,691	1,692,357

NOTE 5 – FINANCE COST

This represents interest paid on contract borrowings.

(All amounts are stated in Ghana cedis unless otherwise stated)

NOTE 6 – INVESTMENTS

		2015	2014
6a)	**Financial assets designated at fair value through profit or loss**		
	Equity securities traded in a quoted market	11,942,929	18,784,690
	Equity securities not traded in a quoted market	40,989,505	27,227,776
		52,932,434	46,012,466
6b)	**Financial assets held for trading**		
	Commercial paper	28,214,131	6,400,863
6c)	**Investment property**		
	The Alberts	12,516,427	9,236,652
	Total investments	93,662,992	61,649,981

NOTE 7a– PROPERTY, PLANT AND EQUIPEMENT SCHEDULE

2015	**Computer**	**Equipment**	**Furniture & fittings**	**Generator set**	**Total**
Cost					
At 1 January	11,686	39,361	48,816	120,323	220,186
Additions	-	-	-	-	-
At 31 December	11,686	39,361	48,816	120,323	220,186
DEPRECIATION					
At 1 January	3,304	4,062	12,319	17,307	36,992
Charge for the year	3,892	4,320	13,315	18,048	39,575
At 31 December	7,196	8,382	25,634	35,355	76,567
NET BOOK VALUE					
At 31 December, 2015	4,491	30,979	23,182	84,968	143,619
At 31 December, 2014	8,382	35,299	36,497	103,016	183,194

(All amounts are stated in Ghana cedis unless otherwise stated)

NOTE 7b– PROPERTY, PLANT AND EQUIPMENT SCHEDULE

2014	Computer	Equipment	Furniture & fittings	Generator set	Total
Cost					
At 1 January	11,686	39,361	48,816	120,323	220,186
Additions	-	-	-	-	-
At 31 December	11,686	39,361	48,816	120,323	220,186
DEPRECIATION					
At 1 January	-	-	-	-	-
Charge for the year	3,304	4,062	12,319	17,307	36,992
At 31 December	3,304	4,062	12,319	17,307	36,992
Carrying value					
At 31 December 2014	8,382	35,299	36,497	103,016	183,194

NOTE 8– OTHER ACCOUNTS RECEIVABLE & PREPAYMENT

	2015	2014
Insurance prepayment	-	2,603
Staff loan	-	690
Others	1,962,184	-
	1,962,184	3,293

NOTE 9 – CASH AND CASH EQUIVALENTS

	2015	2014
Bank		
Foreign currency accounts	80,568	2,990,307
Local cedi accounts	214,497	110,051
	295,065	3,100,358
Cash		
Malawi	132,399	7,028
Tanzania	6,199	2,692
Kenya	11,586	8,964
	150,183	18,684
Local petty cash	-	1,286
	150,183	19,970
Total cash and cash equivalents	445,248	3,120,328

(All amounts are stated in Ghana cedis unless otherwise stated)

NOTE 10 –	**ACCOUNTS PAYABLE AND ACCRUALS**	**2015**	**2014**
	Accounting fee	33,590	-
	Rental income received in advance	106,494	230,752
	Board fees	12,838	13,500
	SSF	4,967	1,026
	PAYE	3,440	2,157
	Staff bonus	-	251,495
	Management fee payable	42,295	20,045
	Withholding tax payable	1,295	2,852
	Audit fees	23,100	12,000
	Custody fees	25,615	34,099
	Investment	3,274,168	8,066,168
	Capital duty	4,667	2,000
	Staff medical Company	3,000	-
	Others	5,681	7,611
		3,541,150	8,643,705

NOTE 11 - TAXATION

Y/A	**Balance 1 January 2015**	**Payments during the year**	**Tax Credit**	**Balance 31 December 2015**
2013	(32,091)	-	-	(32,091)
2014	(139)	-		(139)
2015	-	(9,300)	-	(9,300)
	(32,230)	(9,300)	-	(41,530)

The tax liability is subject to the agreement with the
Domestic Tax Revenue Division of the Ghana Revenue Authority (DTRD).

NOTE 12 -	**CONTRACT BORROWINGS**	**2015**	**2014**
	Client Borrowings	35,198,002	13,395,219
	Interest payable	2,686,646	3,422,305
		37,884,648	16,817,524

(All amounts are stated in Ghana cedis unless otherwise stated)

NOTE 13 - STATED CAPITAL

	2015		2014	
	Number	**Amount**	**Number**	**Amount**
Authorised number of shares of no par value:	100,000,000		100,000,000	
Issued and fully paid				
Issued for cash	9,708,576	21,156,483	8,641,469	15,820,923

There are no treasury shares on any unpaid call on any share.

Ordinary shares and distribution payable

Holders of these shares are entitled to one vote per share at general meetings of the Company. There was no distribution paid during the year. Additional shares of 1,067,107 were issued in 2015.

NOTE 14 - CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There were no contingent assets and liabilities or capital commitments at 31 December, 2015 (2014: Nil).

NOTE 15 - RECONCILIATION OF NET PROFIT TO CASH FLOW FROM OPERATIONS

	2015	2014
Profit for the year before tax	10,398,491	14,693,422
Adjustments for Valuation of investments		
Depreciation	39,575	36,992
Valuation of investments	(21,305,686)	(20,408,126)
	(10,867,620)	(5,677,712)
Changes in working capital		
(Increase)/decrease in trade and other accounts receivable	(1,958,891)	92,958
Increase/(decrease) in payables & accruals	(5,102,552)	8,556,309
Cash flow from operating activities	(17,929,063)	2,971,555

(All amounts are stated in Ghana cedis unless otherwise stated)

NOTE 16 - FINANCIAL RISK MANAGEMENT

The objective of the Company is to achieve medium to long – term capital growth through investing in selected listed and unlisted private Companies mainly in Africa.

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and other price risk), credit risk and liquidity risk.

Market risk

(a) Price risk

The Company's investments and financial instruments are susceptible to market price risk arising from uncertainties about future values of the instruments. The Company's management provides the Company with investment recommendations. The Management's recommendations are reviewed by Board of Directors. To manage the market price risk, management reviews the performance of the portfolio Companies on a monthly basis and is in regular contact with the management of the portfolio Companies for business operational matters.

The performance of investments held by the Company is monitored by the Company's management on a weekly basis and is reviewed by the Directors on a quarterly basis.

(b) Foreign currency risk

The Company holds assets (both monetary and non-monetary) denominated in currencies other than the functional currency (the US Dollar, Tanzanian Shilling, Kenya Shilling and Malawian Kwacha). It is therefore exposed to currency risk, as the value of the financial instruments denominated in other currencies will fluctuate due to the changes in exchange rates. On behalf of the Company, Management closely monitors the net position of the monetary and non-monetary positions in each foreign currency.

In accordance with the Company's policy, management monitors the Company's currency position, including monetary and non-monetary items, on a weekly basis; the Directors review it on a quarterly basis.

(All amounts are stated in Ghana cedis unless otherwise stated)

FINANCIAL RISK MANAGEMENT (CONTINUED)
Foreign currency risk (continued)

The table below has therefore been analysed between monetary and non-monetary items to meet the requirement of IFRS 7.

2015

Non-Monetary	Monetary				
*FAFVTPL	Cash	Bank	Trade & other receivables	Trade & other payables	Gross exposure
52,932,434	150,183	295,065	1,962,184	(3,541,152)	51,798,714

2014

Non-Monetary	Monetary				
*FAFVTPL	Cash	Bank	Trade and other receivables	Trade and other payables	Gross exposure
46,012,467	19,970	3,100,358	3,293	(8,643,705)	40,492,383

*FAFVTPL – Financial Assets at Fair value through Profit or Loss.

(c) Regulatory risk

Mega African Capital Limited is subject to laws and regulations in various countries in which it operates and invests. Management has put in place regulatory policies and procedures aimed at compliance with local and other laws.

(d) Interest rate risk

The Company is subject to cash flow interest rate risk due to fluctuations in the prevailing levels of market interest rates. All debt instruments included in the category financial assets at fair value through profit or loss and all borrowings have fixed interest rates.

(All amounts are stated in Ghana cedis unless otherwise stated)

FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk

The Company takes on exposure to credit risk, which is the risk that one party will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to the risk of non-payment of debt instruments or the interest due on commercial papers and other securities to Companies.

The Company has no significant concentration of credit risk. Cash transactions are limited to credit worthy Companies with the ability to comply with the contractual requirements in terms of principal and interest repayment.
The Company assesses all counterparties, including its investors (partners), for credit risk before contracting with them.

The credit quality of these investments is based on the financial performance of the individual portfolio company. For those assets that are not past due, it is believed that the risk of default is low, and the capital repayments and interest payments will be made in accordance with the agreed terms and conditions. No terms or conditions have been renegotiated.

(c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.
The Company has the ability to borrow in the short term to ensure settlement of investment transactions; however the company has not used this option to date.

NOTE 17 - The table below analyses the Company's financial liabilities into relevant maturities based on the remaining period at the statements of financial position date to the contractual maturity date. Unfunded capital commitments to investee Companies represent the maximum amount and can be called on demand. The amounts in the table are the contractual undiscounted cash flows.

	2015		**2014**	
Current (less than 60 days)				
Between 61 – 180 days				
More than 180 days	37,884,648		16,817,524	

(All amounts are stated in Ghana cedis unless otherwise stated)

Capital risk management

The capital of the Company is represented by the net assets attributable to the Shareholders. The Company's objective when managing the capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Company. The Directors monitor capital on the basis of the value of net assets attributable to the shareholders.

NOTE 18 RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Administration

OAK Partners Limited, an investment manager is a related party of the Company, being responsible for some administrative decisions of the Company. OAK Partners Limited is entitled to receive a monthly fee equal to GH¢17,000 subject to review annually.

OAK Partners Limited received a fee of GH¢ 204,000 (2014: GH¢270,588). The balance due to OAK Partners Limited as at 31 December 2015 is GH¢17,000.

Key management personnel and director transactions

Some of the key management personnel, or their related parties, hold positions in other related entities that result in them having control or significant influence over the financial or operating policies of these entities.

The terms and conditions of the transactions with key management personnel and their related parties were no more favorable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

All outstanding balances with these related parties are priced on an arm's length basis.

Cross Directorship

The following directors of Mega African Capital Limited served on the board of OAK Partners Limited.
Opoku Gyamfi Boateng
Kwesi Amonoo-Neizer

(All amounts are stated in Ghana cedis unless otherwise stated)

NOTE 19 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of a financial instrument is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at a measurement date. The exit price notion embodies the expectations about the future cash flows associated with the asset or liability from the perspective of market participants at the measurement date under current market conditions.

Assets as per statement of financial position	**Loans and receivables**	**Assets at fair value through profit or loss**	**Total Equity**
31 December 2015			
Financial assets at fair value through profit or loss		52,932,434	52,932,434
Investment properties		12,516,427	12,516,427
Commercial paper	-	28,214,131	28,214,131
Cash & bank	445,248	-	445,248
Total	445,248	93,662,992	94,108,240
31 December 2015			
Accounts payable & accruals	3,541,152		
Contract borrowings	37,884,648		
Total	**41,425,800**		

(All amounts are stated in Ghana cedis unless otherwise stated)

NOTE 20 PORTFOLIO VALUATION

VALUATION OF EQUITY SECURITIES AND SECTOR ANALYSIS

	Number of shares	2015 Market value
Foreign Financial/Insurance Sector (Listed)		
DCB Bank- Tanzania	72,720	73,612
National Insurance Company Ltd. (Malawi)	63,281,377	10,133,476
	63,354,097	10,207,088
Local Financial/ Insurance Sector (Listed)		
Standard Chartered Bank Ghana	9,180	149,359
Local Financial/ Insurance Sector (Unlisted)		
Ghana Union Assurance	1,283,162	6,125,123
Axis Pension Group	414,828	6,400,796
	1,697,990	12,525,919
Agricultural Engineering		
Zimplow (Zimbabwe)	6,846,965	520,369
Automobile		
Mechanical Lloyd Ghana (Listed)	5,612,700	1,066,413
Total equities	77,520,932	24,469,148
Other portfolios		
Money Market Instruments		
Commercial paper	-	28,212,339
Real estate		
The Alberts	-	12,516,427
Edendale Properties Ltd. (Unlisted)	2,547,761	28,463,586
	2,547,761	40,980,013
Total portfolio	**80,068,693**	**93,661,500**

(All amounts are stated in Ghana cedis unless otherwise stated)

NOTE 21 - COMPARATIVE FIGURES

Some of the comparative figures in 2014 have been reclassified in line with the 2015 presentation.

NOTE 22 - EVENT AFTER THE END OF THE REPORTING YEAR

Events subsequent to the statement of financial position date are reflected only to the extent that they are material. There were no such events as at the date the financial statements were signed.

(All amounts are stated in Ghana cedis unless otherwise stated)

Shareholders' Information
Shareholding distribution as at 31 December, 2015

Holding	Number of shareholders	Percentage holders(%)	Number of shares	Percentage of holding(%)
1-1000	32	26	10,953	0.11
1,001-5,000	23	19	60,981	0.63
5,001-10,000	11	9	82,651	0.85
10, 001-50,000	27	22	745,812	7.68
Over 50,000	29	24	8,808,178	90.73
	122	100%	9,708,576	100.00

Twenty largest shareholders as at 31 December 31, 2015

Shareholders	Number of shares	Percentage of share holding
1. OAK Partners Limited	2,904,895	29.92
2. Omega Partners Ltd	1,101,828	11.35
3. Rehoboth Capital	733,900	7.56
4. Amonoo-Neizer Kwesi, Rita Amonoo-Neizer	445,274	4.59
5. BBGN/EPACK Investment Company Limited	400,000	4.12
6. Omega Capital Limited	337,594	3.48
7. SCBN/Ghana Medical Association Pension Company	300,000	3.09
8. Kingsley-Nyinah Patrick	295,290	3.04
9. Isabella Nyan	262,570	2.70
10. All Africa Financials Company Ltd	159,010	1.64
11. Damsel/Kitcher Emmanuel Dugbatey	158,305	1.63
12. Damsel/Yamson Ishmael and Lucy, Yamson Lucy	153,917	1.59
13. Lamptey Emmanuel	139,933	1.44
14. Boateng, Opoku-Gyamfi	127,447	1.31
15. ZBGC/Cedar Provident Company	126,000	1.30
16. Damsel/ Oteng-Gyasi Anthony	114,544	1.18
17. Zigma Investment Club	110,660	1.14
18. SCGN/Enterprise Tier 2 Occupational Pension Scheme	110,563	0.99
19. HFCN/ GPHA Staff Provident Company	96,242	0.99
20. Damsel/ Yamson Michael Harry	90,149	0.94
	8,168,121	**84.13%**

(All amounts are stated in Ghana cedis unless otherwise stated)

FIVE YEAR FINANCIAL SUMMARY

	2015	2014	2013	2012	2011
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Revenue	15,885	18,224	10,146	2,392	1,276
Profit before taxes	10,398	14,693	8,010	986	584
Income tax expense	-	-	(104)	(53)	(8)
Profit after tax	10,398	14,693	7,906	933	576
Financial Position					
Financial assets					
At fair value (non-current assets)	52,933	46,012	14,842	11,910	9,815
Investment property	12,517	9,237	6,350	3,619	-
Financial assets (current assets)	28,214	6,401	5,816	4,064	1,269
At fair value (current assets)					
Other current assets	1,962	3	96	55	363
Cash and cash equivalents	445	3,120	1,582	762	1,963
Property, plant & equipment	143	183	-	-	-
Total assets	**96,214**	**64,956**	**28,686**	**20,410**	**13,410**
Total liabilities	41,384	25,429	7,852	7,481	2,023
Stated capital	21,156	15,821	11,821	11,821	11,212
Preference shares	-	-	-	-	9,993
Retained earnings	33,674	23,706	9,013	1,108	175
Total equity and liabilities	**96,214**	**64,956**	**28,686**	**20,410**	**13,410**