PZ Cussons

P Z Cussons Ghana Ltd
Annual Report and Financial Statements 2015

# Creating sustainable value for all


Camel.
GHANA MEDICAL ASSOCIATION
Camel.
Antiseptic
ORIGINAL
Camel.
Antiseptic
MILD ORANGE
KILLS 99.9% GERMS
500ml
Camel.
Antiseptic
ZESTY LIME FRESH
KILLS 99.9%
Camel.
Camel.
Antiseptic
SOAP
Camel.
Antiseptic
SOAP
Unbeatable Germ Protection

P Z CUSSONS GHANA LIMITED

# Annual Report and Financial Statements

FOR THE YEAR ENDED 31 MAY 2015

COMPANY PROFILE

# Our History

Paterson Zochonis (PZ) was formed in Ghana (then Gold Coast) in 1934. Paterson Zochonis Ghana became a Public Company in 1976, and was listed on the Ghana Stock Exchange within 12 months of its inception, in 1990.

From the early activities of importing, exporting and general trading, an industrial base was established in 1969.

Consequent to the Economic recovery Programme instituted by the Government at the time, opportunity was taken in the late 80's and 90's to rejuvenate PZ's industrial potential, concentrating on Health Care and Beauty products.

Effective 1st June, 2002, the group underwent a change in name, from Paterson Zochonis to PZ Cusssons. The objective of the change was to unify the Group further under one identity and to refresh and modernize our corporate image.

With a solid product portfolio that includes a number of well established brands such as Camel Antiseptic, Imperial Leather, Nunu Milk, Haier Thermocool, Carex, Duck, Drastin, Premier, Robb, Cussons Baby, PZ Cussons can look at the future with great confidence.

Our vision is driven by our commitment to continue to expand our business through providing consumers with goods of the highest quality standards at affordable prices, while making reasonable profit and maintaining our strong family values and respect for the environment in which we operate.

# CONTENTS

# Corporate Information

| | | |
|---|---|---|
| **Directors** | Paul K. Pepera | (Chairman) |
| | James Berkeley Judson | (Managing Director) |
| | Philip William Davies | (Retired 31 May 2015) |
| | Charles B. Janney | |
| | Helena Adu-Gyamfi | |
| | Christopher Davis | |
| | David Afflu | (Appointed 16 July 2014) |
| | MyraStella Ansah | (Appointed 16 July 2014) |
| **Secretary** | Accra Nominees Limited<br>2nd Floor, Cedar House<br>13 Samora Machel Road<br>Asylum Down<br>P. O. Box GP242<br>Accra, Ghana | |
| **Registered office** | Plot 27/3 - 27/7<br>Sanyo Road Tema Heavy Industrial Area<br>P. O. Box 628<br>Accra, Ghana | |
| **Auditor** | PricewaterhouseCoopers<br>Chartered Accountants<br>No.12 Airport City<br>UNA Home, 3rd Floor<br>PMB CT42<br>Cantonments<br>Accra | |
| **Solicitors** | Legal Ink (Lawyers and Notaries)<br>No F89/7 Emmaus Road<br>Off 2nd Labone Street<br>PMB 24<br>Kanda Accra | |
| **Bankers** | Access Bank (Ghana) Limited<br>Barclays Bank of Ghana Limited<br>Ecobank Ghana Limited<br>Ghana Commercial Bank Limited<br>Guaranty Trust Bank (Ghana) Limited<br>Standard Chartered Bank Ghana Limited<br>Stanbic Bank Ghana Limited<br>United Bank for Africa (Ghana) Limited<br>Zenith Bank (Ghana) Limited | |
| **Registrars** | Universal Merchant Bank Limited | |

# Notice of Meeting

**NOTICE** is hereby given that the 57th Annual General Meeting of the Shareholders of PZ Cussons Ghana Limited will be held at the Ghana-India Kofi Annan Centre for Excellence in ICT, Ringway Estates, Accra (near the Ghana Institute of Journalism) on Friday, 25 September 2015 at 11 O'clock in the forenoon to transact the following:

## AGENDA

### ORDINARY BUSINESS

1. To receive and consider the Report of the Directors, Auditors and the Audited Financial Statements for the year ended 31 May 2015.
2. To re-elect Directors.
3. To fix the remuneration of the Directors.
4. To authorise the Directors to fix the remuneration of the Auditors for the ensuing year.

**Dated this 22nd day of July, 2015**

By order of the Board

**ACCRA NOMINEES LIMITED**

**COMPANY SECRETARIES**

**Note:**

A member of the Company entitled to attend and vote may appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company. Completed proxy forms should be deposited at the offices of the Registrars, Universal Merchant Bank Limited, Ridge, Accra not less than 48 hours before the appointed time of the meeting. Failure to submit the forms before the **48 hour deadline** will result in the Proxy not being admitted to, or participating in, the meeting. A Form of Proxy is provided in the Annual Report.

# Chairman's Statement

The Global economy continues to slowly recover after a number of years of contraction and macro instability. Within Ghana, the year has been characterised by the continued rapid depreciation of the Ghana cedi, which has moved throughout the financial year under review, by more than 35% to the US Dollar and more than 25% to the GB Pound.

The challenges that we highlighted last year; rapid Ghana Cedi devaluation, rising inflation and the significant shift and worsening of the macro economic outlook for Ghana, all have impacted the business environment during the year under review.

At PZ Cussons Ghana we have maintained our record of strong growth during the period, with total sales revenues increasing by over 19%. Strong growth continues to be recorded for our main focus brands with Camel, Cussons Baby, Robb and Carex continuing to enjoy strong number one positions in their respective categories. In the year, we have also seen record shares for many of our other focus brands.

Much of this growth is the result of our continued investment in distribution and brand equity building activities for our focus brands. Our brand activation continues to grow and our growing market shares are reflecting these growing brand equities.

In terms of our operating profit, we have seen the impact of the significant devaluation of the Ghana Cedi on our costs, with an operating loss before exceptional items of GH¢1 million (FY14 operating loss before exceptional items of ¢0.7 million). Loss before tax, including impact of exceptional items was a loss of GH¢4.1 million (FY14 Loss before tax of ¢2.6 million). With this in mind, the Board proposes not to pay a dividend this year.

In June 2015, after the financial year ended 31 May, 2015, the company received the results of a tax audit from Ghana Revenue Authority. We have agreed to make a provision of GH¢2.1 million against profits in the year under review whilst discussions with the Ghana Revenue Authority are concluded.

The outlook for our business is that 2015/2016 financial year will continue to be influenced by the ongoing weakness of the Ghana Cedi and we anticipate increased pressure on margins and volume growth. We remain confident that the effects of our ongoing investment in our brands, distribution, supply chain and our people and processes will continue however, to deliver improved results.

We are committed to further increasing shareholders' value from our focus on delivering quality, value and innovation through our products and services to our Ghanaian consumers, whilst ensuring we continue to fulfil our corporate and social responsibilities.

At this point, I would like to extend my thanks and appreciation to our Management and Staff whose hard work, commitment and continuous focus on improvement and change, in a very demanding external environment, has been the major driving force in delivering this year's successes.

**Paul Kwabena Pepera**

**22 July 2015**

# Financial Highlights

**Revenue**

2015:
GH¢128,311,090
2014:
GH¢107,150,197

**Operating loss before exceptional item**

2015:
GH¢(1,042,023)
2014:
GH¢(659,273)

**Operating loss after exceptional item**

2015:
GH¢(1,272,023)
2014:
GH¢(1,022,273)

**Loss before income tax and exceptional item**

2015:
GH¢(3,894,548)
2014:
GH¢(2,187,364)

**Loss before income tax**

2015:
GH¢(4,124,548)
2014:
GH¢(2,550,364)

**Loss after income tax**

2015:
GH¢(2,742,748)
2014:
GH¢(1,703,480)

**Cash generated from/(used in) operating activities**

2015:
GH¢10,479,132
2014:
GH¢(21,019,972)

**Shareholders' funds**

2015:
GH¢33,969,823
2014:
GH¢36,712,571

**Basic and diluted loss per share (GH¢)**

2015:
GH¢(0.0163)
2014:
GH¢(0.0101)

**Loss before income tax margin (%)**

2015:
(3.2)
2014:
(2.4)

**Loss after income tax margin (%)**

2015:
(2.1)
2014:
(1.6)

Cussons Carex


# Cleans, Cares and Protects

## Governance



# Creating sustainable value through strong governance and successful financial performance

# Corporate Governance

## Introduction

PZ Cussons Ghana Limited recognises the importance of good corporate governance as a means of sustained long term viability of the business and therefore always seeks to align the attainment of the business objectives with good corporate behaviour.

In line with the framework, mission, values and business principles mandated through the PZ Cussons Group corporate accountability committee, planning takes place and resources are allocated toward achievement of accountability, compliance and reporting standard. The business adopts standard accounting practices and ensures sound internal controls to facilitate transparency in the disclosure of information and to give assurance to the reliability of the financial statements.

## Board of Directors

The Board is responsible for the Company's strategic development, monitoring of its business objectives and maintaining a system of effective corporate governance.

## Audit Committee

The Audit Committee reviews the financial performance, risk management, compliance with policies and legislation, internal and external audit reports and business practices.

The Audit Committee comprises two non-executive directors and one executive director.

## Internal Control

PZ Cussons Ghana Limited has in place an internal control system that enables the Company to respond appropriately to significant business, operational compliance and other risks to achieve its objectives.

## Health and Safety

PZ Cussons Ghana Limited, continues to ensure that business activities are undertaken in a responsible manner and in accordance with relevant statutory legislation and that employees at all levels participate in the development, promotion and maintenance of a safe and healthy working environment.

## Environment

PZ Cussons Ghana Limited ensures that manufacturing processes, facilities, distribution practices and products are designed to minimise the effect on the environment. With respect to the environment within which it operates, the Company continues to ensure that it complies with environmental legislation and regulations by assessing potential impact of the business and finding effective ways of reducing them.

GOVERNANCE

# Board of Directors

**Paul Kwabena Pepera**
Chairman

**James Berkeley Judson**
Managing Director

**Christopher Davis**
Executive Director

**Charles B. Janney**
Corporate Affairs Director

**MyraStella Ansah**
Head of Finance

**Helena Adu-Gyamfi**
Non-Executive Director

**David Afflu**
Business Unit Director

GOVERNANCE

# Directors' Report

The directors have the pleasure in submitting to the members of PZ Cussons Ghana Limited ('the Company') their report together with the audited financial statements for the year ended 31 May 2015.

## Holding company

The Company is a subsidiary of PZ Cussons (Holdings) Limited, a company incorporated in the United Kingdom. The Company's ultimate parent is PZ Cussons plc, a company incorporated in the United Kingdom.

## Principal activities

The Company is engaged in business to manufacture as well as purchase, distribute and sell soaps, electrical appliances, nutritional products, cosmetics, and pharmaceutical products.

## Financial results

The financial results of the Company for the year ended 31 May 2015 are set out below:

| | GH¢ |
|---|---|
| Loss before exceptional item and income tax for the year is | (3,894,548) |
| to which is deducted exceptional item of | (230,000) |
| giving loss before income tax for the year of | (4,124,548) |
| to which is added income tax credit of | 1,381,800 |
| giving a loss for the year of | (2,742,748) |
| to which is added balance brought forward on income surplus account of | 31,086,997 |
| giving a balance carried forward on income surplus account of | 28,344,249 |

## Dividend

The directors do not recommend the payment of dividend for the year ended 31 May 2015 (2014: Nil).

## Directors and their interests

The members of the Board is set out on page 6. None of the directors had interests in the ordinary shares of the Company at 31 May 2015.

## Directors' interests in contracts

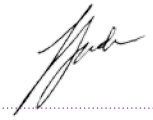
The directors have no interest in contracts entered into by the Company.

## Auditor

In accordance with Section 134 (5) of the Companies Act, 1963 (Act 179), the auditor, Messrs PricewaterhouseCoopers, has expressed willingness to continue in office as auditor of the Company.

BY ORDER OF THE BOARD:

**Paul Kwabena Pepera**
Chairman



**James Berkeley Judson**
Director

Date: 22 July 2015

GOVERNANCE

# Statement of Directors' Responsibilities

The directors are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss and cash flows for that period. In preparing these financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards (IFRS) and complied with the requirements of the Companies Act, 1963 (Act 179).

The directors are responsible for ensuring that the Company keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company. The directors are also responsible for safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Paul Kwabena Pepera**
Chairman

Date: 22 July 2015

**James Berkeley Judson**
Director

# Nunu

## The Healthier Choice

**Low Fat. Rich in calcium & vitamins A & D**

- ★ CALCIUM
- ★ Vitamin A
- ★ Vitamin D

# Independent Auditor's Report

TO THE MEMBERS OF PZ CUSSONS GHANA LIMITED

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of PZ Cussons Ghana Limited set out on pages 18 to 54. These financial statements comprise the statement of financial position as at 31 May 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Directors' responsibility 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 with the requirements of the Companies Act, 1963 (Act 179) 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.

### Auditor's responsibility

Our responsibility is to express an opinion on the 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 about whether the financial statements are free from material misstatement.

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 judgement, 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 control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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 a basis for our audit opinion. Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of PZ Cussons Ghana Limited as at 31 May 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179).

## REPORT ON OTHER LEGAL REQUIREMENTS

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

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) in our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books; and

iii) the Company's balance sheet (statement of financial position) and profit and loss account (included in the statement of comprehensive income) are in agreement with the books of account.

PricewaterhouseCoopers

**PricewaterhouseCoopers (ICAG/F/028)**
**Chartered Accountants**
**Signed by: Sarah-Mary Frimpong (ICAG/P/1141)**
**Accra, Ghana**
28 **August 2015**

pwc

FINANCIAL STATEMENTS

# Statement of Financial Position

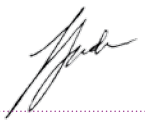
(All amounts are expressed in Ghana cedis)

| | Note | At 31 May 2015 | 2014 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 4 | 12,131,530 | 10,854,916 |
| Investments | 5 | 1,405,271 | 1,405,271 |
| Deferred income tax assets | 16 | 2,083,703 | - |
| Finance lease receivables | 7 | 1,553,167 | 773,466 |
| | | 17,173,671 | 13,033,653 |
| **Current assets** | | | |
| Inventories | 6 | 26,205,083 | 25,828,588 |
| Finance lease receivables | 7 | 877,733 | 779,465 |
| Current income tax assets | 25 | 210,917 | 719,040 |
| Trade and other receivables | 8 | 52,550,771 | 40,770,200 |
| Cash and cash equivalents | 28 | 5,740,514 | 4,130,000 |
| | | 85,585,018 | 72,227,293 |
| **Total assets** | | 102,758,689 | 85,260,946 |
| **Equity attributable to owners** | | | |
| Stated capital | 9 | 2,160,000 | 2,160,000 |
| Capital surplus account | 10 | 3,465,574 | 3,465,574 |
| Income surplus account | 11 | 28,344,249 | 31,086,997 |
| **Total equity** | | 33,969,823 | 36,712,571 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 12 | 41,452,742 | 18,711,428 |
| Borrowings | 13 | 22,999,913 | 25,865,786 |
| Dividend payable | 14 | 2,334,165 | 2,334,165 |
| Provisions for other liabilities | 15 | 230,000 | 363,000 |
| | | 67,016,820 | 47,274,379 |
| **Non-current liabilities** | | | |
| Borrowings | 13 | 1,772,046 | 1,096,360 |
| Deferred income tax liabilities | 16 | - | 177,636 |
| | | 1,772,046 | 1,273,996 |
| **Total liabilities** | | 68,788,866 | 48,548,375 |
| **Total equity and liabilities** | | 102,758,689 | 85,260,946 |

The notes on pages [24] to [54] are an integral part of these financial statements.

The financial statements on pages 18 to 54 were approved by the Board of Directors on 22 July 2015 and signed on its behalf by:

**Paul Kwabena Pepera**
Chairman



**James Berkeley Judson**
Director

FINANCIAL STATEMENTS

# Statement of Comprehensive Income

(All amounts are expressed in Ghana cedis)

| | | Year ended 31 May 2015 | | | Year ended 31 May 2014 | | |
|---|---|---|---|---|---|---|---|
| | Note | **Before exceptional-item** | **Exceptional-item** | **After exceptional-item** | Before exceptional-item | Exceptional item | After exceptional item |
| **Revenue** | 17 | 128,311,090 | - | 128,311,090 | 107,150,197 | - | 107,150,197 |
| Cost of sales | 18 | (84,767,323) | - | (84,767,323) | (76,831,775) | - | (76,831,775) |
| **Gross profit** | | 43,543,767 | - | 43,543,767 | 30,318,422 | - | 30,318,422 |
| Distribution costs | 19 | (31,755,722) | - | (31,755,722) | (24,998,117) | - | (24,998,117) |
| Administrative costs | 20 | (9,684,148) | - | (9,684,148) | (6,715,854) | - | (6,715,854) |
| Other income | 21 | 3,780,259 | - | 3,780,259 | 2,298,775 | - | 2,298,775 |
| Other operating costs | 22 | (6,926,179) | (230,000) | (7,156,179) | (1,562,499) | (363,000) | (1,925,499) |
| **Operating loss** | | (1,042,023) | (230,000) | (1,272,023) | (659,273) | (363,000) | (1,022,273) |
| Finance costs | 23 | (2,852,525) | - | (2,852,525) | (1,528,091) | - | (1,528,091) |
| **Loss before income tax** | | (3,894,548) | (230,000) | (4,124,548) | (2,187,364) | (363,000) | (2,550,364) |
| Income tax credit | 26 | 1,381,800 | - | 1,381,800 | 846,884 | - | 846,884 |
| **Loss for the year** | | (2,512,748) | (230,000) | (2,742,748) | (1,340,480) | (363,000) | (1,703,480) |
| Other comprehensive income | | - | - | - | - | - | - |
| **Total comprehensive income for the year** | | (2,512,748) | (230,000) | (2,742,748) | (1,340,480) | (363,000) | (1,703,480) |
| **Loss per share (GH¢)** | | | | | | | |
| Basic and diluted | 33 | | | (0.0163) | | | (0.0101) |

The notes on pages [24] to [54] are an integral part of these financial statements.

FINANCIAL STATEMENTS

# Statement of Changes In Equity

(All amounts are expressed in Ghana cedis)

| | Stated capital | Capital surplus account | Income surplus account | Total |
|---|---|---|---|---|
| **Year ended 31 May 2015** | | | | |
| At 1 June 2014 | 2,160,000 | 3,465,574 | 31,086,997 | **36,712,571** |
| **Comprehensive income:** | | | | |
| Loss for the year | - | - | (2,742,748) | **(2,742,748)** |
| Other comprehensive income | - | - | - | **-** |
| **Total comprehensive income** | - | - | (2,742,748) | **(2,742,748)** |
| **At 31 May 2015** | **2,160,000** | **3,465,574** | **28,344,249** | **33,969,823** |
| Year ended 31 May 2014 | | | | |
| At 1 June 2013 | 2,160,000 | 3,465,574 | 33,563,277 | 39,188,851 |
| Comprehensive income: | | | | |
| Loss for the year | - | - | (1,703,480) | (1,703,480) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income | - | - | (1,703,480) | (1,703,480) |
| Transaction with owners: | | | | |
| Dividend declared - 2013 (Note 14) | - | - | (772,800) | (772,800) |
| At 31 May 2014 | **2,160,000** | **3,465,574** | **31,086,997** | **36,712,571** |

The notes on pages [24] to [54] are an integral part of these financial statements.

FINANCIAL STATEMENTS

# Statement of Cash Flows

(All amounts are expressed in Ghana cedis)

| | | Year ended 31 May | |
|---|---|---|---|
| | Note | **2015** | 2014 |
| **Cash flows from operating activities** | | | |
| Cash generated from/(used in) operations | 27 | **13,703,073** | (19,038,279) |
| Interest paid | 23 | **(2,852,525)** | (1,528,091) |
| Tax paid | 25 | **(371,416)** | (453,602) |
| **Net cash generated from/(used in)** | | | |
| **operating activities** | | **10,479,132** | (21,019,972) |
| **Cash flows from investing activities** | | | |
| Dividend received | 21 | 949,989 | - |
| Purchase of property, plant and equipment | 4 | **(2,924,745)** | (2,533,460) |
| Proceeds from sale of property, plant and equipment | 4 | **571,328** | 470,395 |
| **Net cash used in investing activities** | | **(1,403,428)** | (2,063,065) |
| **Cash flows from financing activities** | | | |
| Finance lease drawdown | 13(b) | **2,783,655** | 1,921,328 |
| Finance lease repaid | 13(b) | **(1,686,850)** | (1,202,341) |
| Draw down of related party loans | 13(a) | **-** | 13,462,498 |
| Dividend paid | 14 | **-** | (75,431) |
| | | **-** | - |
| **Net cash generated from financing activities** | | **1,096,805** | 14,106,054 |
| **Net increase/(decrease) in cash and cash equivalents** | | **10,172,509** | (8,976,983) |
| Cash and cash equivalents at 1 June | | **(4,431,995)** | 4,544,988 |
| **Cash and cash equivalents at 31 May** | 28 | **5,740,514** | (4,431,995) |

The notes on pages [24] to [54] are an integral part of these financial statements.

Cussons

# IMPERIAL LEATHER

## Treat yourself to life's little pleasures


pz Cussons

www.imperialleather.com.gh

Imperial Leather Ghana

# Notes to the Financial Statements

FOR THE YEAR ENDED 31 MAY, 2015

## 1. General information

PZ Cussons Ghana Limited is involved in the manufacture, purchase and distribution of electrical appliances, nutritional products, personal & home care and health care products such as soaps, cosmetics and pharmaceutical products.

The Company is a limited liability company incorporated and domiciled in Ghana. The address of its registered office is Plot 27/3-27/7 Sanyo Road, Tema Heavy Industrial Area, P.O. Box 628, Tema, Ghana. The Company is listed on the Ghana Stock Exchange.

## 2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The measurement basis applied is the historical cost basis, except for land and buildings, which have been measured at fair value. The fair value of buildings were used as deemed cost in the first year of the adoption of International Financial reporting Standards. The financial statements are presented in Ghana Cedis (GH¢).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires directors to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

#### 2.1.1 Changes in accounting policy and disclosures

**(i) New standards, amendments and interpretations adopted by the Company**

The following standards which are effective for the first time for financial year beginning on or after 1 January 2014 do not have material impact on the Company:

**Amendment to IAS 32, 'Financial instruments: Presentation'** on offsetting financial assets and financial liabilities. This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have a significant effect on the Company's financial statements.

**Amendments to IAS 36, 'Impairment of assets'**, on the recoverable amount disclosures for non-financial assets. This amendment removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13. The amendment did not have a significant effect on the Company's financial statements.

**Amendment to IAS 39, 'Financial instruments: Recognition and measurement'** on the novation of derivatives and the continuation of hedge accounting. This amendment considers legislative changes to 'over-the-counter' derivatives and the establishment of central counterparties. Under IAS 39 novation of derivatives to central counterparties would result in discontinuance of hedge accounting.

The amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument meets specified criteria. This amendment did not have any significant impact on the Company's financial statements as there are no derivatives and hedge accounting in place. The amendment did not have a significant effect on the Company's financial statements.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

## 2. Summary of significant accounting policies *continued*

### 2.1.1 Changes in accounting policy and disclosures *continued*

#### (i) New and amended standards adopted by the Company (continued)

**IFRIC 21, 'Levies'**, sets out the accounting for an obligation to pay a levy if that liability is within the scope of IAS 37 'Provisions'. The interpretation addresses what the obligating event is that gives rise to pay a levy and when a liability should be recognised. The Company is not currently subjected to significant levies so the impact on the Company is not material.

Other standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2014 are not material to the Company.

#### (ii) New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

**IFRS 9, 'Financial instruments'**, addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income (OCI) and fair value through profit or loss (P&L). The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Company is yet to assess IFRS 9's full impact.

**IFRS 15, 'Revenue from contracts with customers'** deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted. The Company is yet to assess the impact of IFRS 15.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

### 2.2 Foreign currency translation

***Functional and presentation currency***

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (functional currency). The Company's functional currency is Ghana cedis (GH¢).

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

## 2. Summary of significant accounting policies *continued*

### 2.2 Foreign currency translation *continued*

***Transactions and balances***

Other currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in currencies other than Ghana cedis at the reporting date are translated into Ghana cedis at the exchange rates ruling at that date. Gains and losses resulting from these translations are recognised in profit or loss.

### 2.3 Property, plant and equipment

Land and buildings comprising mainly factories and offices are stated at the revalued amount determined as the deemed cost at the date of transition to IFRS less accumulated depreciation and any accumulated impairment losses. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated unless it is a leasehold land. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their cost or deemed cost amounts to their residual values, over their estimated useful life as follows:

| | |
|---|---|
| Buildings | 2% to 4% |
| Plant, machinery and equipment | 10% to 33⅓% |
| Motor vehicles | 25% |

Depreciation commences when the assets are ready for their intended use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other income in profit or loss.

### 2.4 Leases

Leases are divided into finance lease and operating lease.

***(a) The Company as the lessee***

**(i) Operating lease**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

**(ii) Finance lease**

Leases are classified as finance leases whenever the terms of the lease involve the substantial transfer of all the risks and rewards of ownership to the lessee.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

## 2. Summary of significant accounting policies *continued*

### 2.4 Leases *continued*

Assets held under finance leases are recognised as assets of the Company at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between financing charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. The interest element of the finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance leases are depreciated over the useful life of such assets.

***(b) The Company as the lessor***

When assets are held subject to a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using net investment method (before tax), which reflects a constant periodic rate of return.

### 2.5 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than the carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### 2.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first in, first out (FIFO) method. The cost of finished goods comprises materials, direct labour and a share of production overheads appropriate to the relevant stage of production. Net realisable value is the estimated selling price in the ordinary course of business less costs of completion and selling expenses.

### 2.7 Financial assets

Financial assets are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

#### 2.7.1 Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. The directors determine the classification of its financial assets at initial recognition.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

## 2. Summary of significant accounting policies *continued*

### 2.7.1 Classification *continued*

***(a) Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets.

The Company's loans and receivables comprise 'trade and other receivables' (Note 7(a) excluding prepayments and recoverable tax), and cash and cash equivalents in the statement of financial position.

***(b) Available-for-sale financial assets***

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the directors intend to dispose of the investment within 12 months of the reporting date.

### 2.7.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Company commits to purchase or sell the asset. Financial instruments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss. Financial assets are derecognised 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.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in profit or loss within 'other income' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of other income when the Company's right to receive payments is established. Dividend income on available for sale equity instruments are recognised in profit or loss as part of other income when the Company's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in profit or loss as 'other income'.

Interest on available-for-sale securities calculated using the effective interest method is recognised in profit or loss as part of other income.

### 2.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

## 2. Summary of significant accounting policies *continued*

### 2.9 Impairment of financial assets *continued*

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired.

If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments are not reversed through profit or loss.

### 2.10 Trade receivables

Trade receivables are amounts due from customers for merchandise sold in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability the debtor will enter bankruptcy and default or delinquency in payments is considered indicators that the trade receivable is impaired.

The amount of the provision is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of trade receivables is reduced through the use of an allowance account and the amount of loss is recognised in profit or loss within "distribution costs". When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against "distribution costs" in profit or loss.

### 2.11 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held at bank and bank overdraft.

### 2.12 Stated capital

Ordinary shares are classified as equity. All shares were issued at no par value.

### 2.13 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

### 2.14 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

## 2. Summary of significant accounting policies *continued*

### 2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

### 2.16 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 2.17 Current and deferred income tax

Tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is the amount of tax payable on taxable profit for the year in accordance with the Income Tax Act, 2000 (Act 592) as amended.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

## 2. Summary of significant accounting policies *continued*

### 2.18 Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events at the reporting date; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination benefits and employee termination payments. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. An increase in provisions is recognised as an expense in profit or loss.

### 2.19 Employee benefits

**(i) Post-employment benefits**

The Company operates defined contribution retirement benefit schemes for its employees. The Company and all its employees contribute to the appropriate National Social Security Fund, which is defined contribution scheme.

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Company's contributions to the defined contribution schemes are recognised as an employee benefit expense when they fall due. The Company has no further payment obligations once the contributions have been paid.

**(ii) Termination benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

### 2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Company's activities. Revenue is shown net of discounts, Value Added Tax (VAT) and returns.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and the risk and rewards have been transferred.

The Company sells its products on mainly wholesale basis through its distribution partners (DPs). Sale of goods are recognised when the Company has delivered products to the DPs, the DPs have full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the DPs acceptance of the products. Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the DPs, and the DPs have accepted the products in accordance with the sales contract.

No element of financing is deemed present as the sales are made with credit terms of 30 days to 150 days, which is consistent with the market practice.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

## 2. Summary of significant accounting policies *continued*

### 2.20 Revenue recognition *continued*

Other income earned by the Company is recognised on the following basis:

- Interest income – on an accrual basis using the effective interest rate method.
- Dividend income – when the Company's right to receive payment is established.
- Rent income – on a straight line basis over the period of the lease.

### 2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee that makes strategic decisions.

### 2.22 Exceptional items

The Company adopts a columnar statement of comprehensive income format to highlight significant items within the results for the year. Such items are considered by the directors to be exceptional in nature rather than being a representative of the underlying trading of the Company. The directors apply judgement in assessing the particular items, which by virtue of their scale and nature should be disclosed in a separate column of the statement of comprehensive income and notes to the financial statements as 'Exceptional items'. The directors believe that the separate disclosure of these items is relevant to an understanding of the Company's financial performance.

## 3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 3.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

***Useful lives of property, plant and equipment***

The Company determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The directors will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. The rates used are set out in note 2.3.

***Income tax***

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due.

Where the final outcome of these matters are different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

## 3. Critical accounting estimates and judgements *continued*

### 3.2 Critical judgements in applying the entity's accounting policies

***Receivables***

Critical judgements are made by the directors in determining the recoverable amount of impaired receivables. The carrying amount of impaired receivables is set out in notes 30.1.

***Inventories***

Critical judgements are made by the directors in determining the recoverable amount of inventories.

***Investment in Norpalm Ghana Limited***

The directors have assessed the level of influence that the Company has on Norpalm Ghana Limited and concluded that the Company does not exercise significant influence over the affairs of Norpalm Ghana Limited as it does not participate in policy making decisions of the entity. The investment is therefore not treated as investment in an associated company.

# Robb...
# Fast and Effective Relief


ROBB

Trusted for Generations

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 4. Property, plant and equipment

| | Land & buildings | Plant, machinery & equipment | Motor vehicles | Assets under construction | Total |
|---|---|---|---|---|---|
| At 1 June 2013 | | | | | |
| Cost | 9,626,698 | 6,954,451 | 2,714,095 | 247,226 | 19,542,470 |
| Accumulated depreciation | (2,811,139) | (5,241,565) | (1,393,974) | - | (9,446,678) |
| Net book amount | **6,815,559** | **1,712,886** | **1,320,121** | **247,226** | **10,095,792** |
| **Year ended 31 May 2014** | | | | | |
| Opening net book amount | 6,815,559 | 1,712,886 | 1,320,121 | 247,226 | 10,095,792 |
| Additions | 362,336 | 519,570 | 1,310,275 | 341,279 | 2,533,460 |
| Transfers | (2,150) | 2,150 | - | - | - |
| Disposals | (57,981) | (394,957) | (6,209) | - | (459,147) |
| Depreciation charge | (404,371) | (464,750) | (446,068) | - | (1,315,189) |
| Closing net book amount | **6,713,393** | **1,374,899** | **2,178,119** | **588,505** | **10,854,916** |
| **At 31 May 2014** | | | | | |
| Cost | 9,848,370 | 5,915,957 | 3,737,893 | 588,505 | 20,090,725 |
| Accumulated depreciation | (3,134,977) | (4,541,058) | (1,559,774) | - | (9,235,809) |
| Net book amount | **6,713,393** | **1,374,899** | **2,178,119** | **588,505** | **10,854,916** |
| **Year ended 31 May 2015** | | | | | |
| Opening net book amount | 6,713,393 | 1,374,899 | 2,178,119 | 588,505 | 10,854,916 |
| Additions | - | - | - | 2,924,745 | 2,924,745 |
| Transfers | 6,286 | 496,887 | 1,019,804 | (1,522,977) | - |
| Disposals | - | - | (45,867) | - | (45,867) |
| Depreciation charge | (430,043) | (466,005) | (706,216) | - | (1,602,264) |
| **Closing net book amount** | **6,289,636** | **1,405,781** | **2,445,840** | **1,990,273** | **12,131,530** |
| **At 31 May 2015** | | | | | |
| Cost | 9,854,656 | 5,239,486 | 4,427,426 | 1,990,273 | 23,015,470 |
| Accumulated depreciation | (3,565,020) | (3,833,705) | (1,981,586) | - | (10,883,940) |
| **Net book amount** | **6,289,636** | **1,405,781** | **2,445,840** | **1,990,273** | **12,131,530** |

The Company's buildings were last revalued on 31 December 2004 by independent valuers. The revaluation surplus net of applicable deferred income taxes was credited to equity and is shown as 'capital surplus account' in equity (Note 10).

The revaluation amount of the said buildings were used as deemed cost in the first year of the adoption of International Financial Reporting Standards (IFRS).

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 4. Property, plant and equipment *continued*

If the land and buildings were stated on the historical cost basis, the amounts would be as follows:

| | 2015 | 2014 |
|---|---|---|
| Cost | **242,896** | 242,896 |
| Accumulated depreciation | **(122,729)** | (117,871) |
| | **120,167** | 125,025 |
| Profit on disposal of property, plant and equipment | | |
| Cost | **1,503,627** | 1,985,205 |
| Accumulated depreciation | **(1,457,760)** | (1,526,058) |
| **Net book amount** | **45,867** | 459,147 |
| Sale proceeds | **(571,328)** | (470,395) |
| **Profit on disposal** | **(525,461)** | (11,248) |
| Attributable to assets disposed-off in the ordinary | | |
| course of business (Note 21) | **(125,261)** | (11,248) |
| Attributable to assets disposed-off as part of | | |
| restructuring (Note 22) | **(400,200)** | - |
| | **525,461** | (11,248) |

Property, plant and equipment include motor vehicles with net book value of GH¢2,348,568 (2014: GH¢2,015,581) held under finance lease. Finance lease obligations arising from vehicles purchased on finance lease are secured on the said vehicles.

| | 2015 | 2014 |
|---|---|---|
| Cost - capitalised finance leases | **3,401,883** | 3,497,231 |
| Accumulated depreciation | **(1,053,315)** | (1,481,650) |
| | **2,348,568** | 2,015,581 |
| **Depreciation charge** | | |
| Depreciation has been charged to profit or loss as follows: | | |
| Cost of sales | **115,368** | 169,043 |
| Distribution costs | **806,603** | 576,474 |
| Administrative costs | **680,293** | 569,672 |
| | **1,602,264** | 1,315,189 |

## 5. Investments

| | | |
|---|---|---|
| Norpalm Ghana Limited | **1,405,271** | 1,405,271 |

Investments comprise a 31% shareholding of the share capital of Norpalm Ghana Limited, an oil palm plantation company incorporated in Ghana. The Company does not exercise significant influence over the affairs of Norpalm Ghana Limited as it does not have the power to influence the financial and operating policies of the entity. The investment is therefore not treated as an associated company.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 6. Inventories

| | 2015 | 2014 |
|---|---|---|
| Raw and packing materials | 881,904 | 1,731,155 |
| Finished products | 21,953,111 | 19,328,681 |
| Goods-in-transit | 3,127,430 | 4,526,114 |
| Engineering spares | 242,638 | 242,638 |
| | 26,205,083 | 25,828,588 |

No inventories were valued at fair less cost to sell at the reporting date (2014: Nil). During the year ended 31 May 2015, an amount of GH¢1,320,823 (2014: GH¢351,822) was charged to profit or loss for damaged, obsolete and lost inventories. The cost of inventories recognised as expense and including 'cost of sales' amounted GH¢81,839,446 (2014: GH¢69,971,923).

## 7. Finance lease receivables

As at 31 May 2015, the Company had finance lease agreement with Barclays Bank of Ghana Limited to finance forty-nine vans for its Distribution Partners. The receivables from the Distribution Partners under the sub-lease agreement are as follows:

| Gross finance lease receivables – minimum lease receipts: | 2015 | 2014 |
|---|---|---|
| Not later than 1 year | 1,114,721 | 974,334 |
| Later than 1 year and no later than 5 years | 1,972,522 | 966,830 |
| | 3,087,243 | 1,941,164 |
| Unearned future finance income on finance leases | (656,343) | (388,233) |
| **Net investment in finance lease** | 2,430,900 | 1,552,931 |
| The net investment in finance leases is analysed as follows: | | |
| Not later than 1 year | 877,733 | 779,465 |
| Later than 1 year and no later than 5 years | 1,553,167 | 773,466 |
| | 2,430,900 | 1,552,931 |

The related finance lease obligation to Barclays Bank of Ghana Limited is presented in note 13 (b).

## 8. Trade and other receivables

| | 2015 | 2014 |
|---|---|---|
| Trade receivables | 40,652,348 | 32,149,702 |
| Provision for impairment | (3,070,433) | (768,661) |
| Trade receivables-net | 37,581,915 | 31,381,041 |
| Amounts due from officers and staff | 360,166 | 539,914 |
| Recoverable withholding tax | 216,998 | 217,000 |
| Prepayments and accrued income | 1,629,167 | 1,971,280 |
| Non-trade receivables | 4,806,121 | 6,597,112 |
| Recoverable value added tax | 6,958,505 | - |
| Amounts due from related party (Note 29(f)) | 949,989 | - |
| Sundry receivables | 47,910 | 63,853 |
| | 52,550,771 | 40,770,200 |

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 8 Trade and other receivables *continued*

The maximum amount of officers and staff indebtedness during the year did not exceed GH¢539,914 (2014: GH¢545,845).

The fair values of trade and non-trade receivables, amounts due from officers and staff, and sundry receivables approximate their carrying value.

Movements in the provision for impairment of trade receivables are as follows:

| | 2015 | 2014 |
|---|---|---|
| At 1 June | 768,661 | 875,744 |
| Provision for receivables impairment (Note 19) | 2,323,030 | 464,220 |
| Uncollectible receivables written-off | (21,258) | (571,303) |
| **At 31 May** | 3,070,433 | 768,661 |

The creation and release of provision for impaired receivables has been included in 'distribution cost' in profit or loss. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets.

The Company does not hold any collateral as security for trade receivables but has set up an insurance fund whereby a portion of rebate paid to customers are withheld and invested for future collateral.

## 9. Stated capital

The authorised shares of the Company are 200,000,000 ordinary shares of no par value, part of which have been issued as follows:

| | Number of shares '000 | Proceeds |
|---|---|---|
| Authorised: | | |
| Ordinary Shares | 200,000 | |
| Issued: | | |
| For cash | 2,733 | 45,507 |
| For consideration other than cash | 25,267 | 914,938 |
| Transferred from capital surplus account in accordance with section | | |
| 66 (c) and section 74 (i) of the Companies Act, 1963 (Act 179) | 140,000 | 1,199,555 |
| | 168,000 | 2,160,000 |

There was no change in stated capital during the year (2014: Nil).

There is no unpaid liability on any shares and there are no calls or instalments unpaid. There are no treasury shares.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 10. Capital surplus account

| | 2015 | 2014 |
|---|---|---|
| | GH¢ | GH¢ |
| At 1 June and 31 May | 3,465,574 | 3,465,574 |

The capital surplus account is the reserve account for revaluations of buildings. In 2012, the shareholders, by a special resolution, transferred GH¢1 million from capital surplus account to stated capital in accordance with Section 74 (i) of the Companies Act, 1963 (Act 179).

## 11. Income surplus account

Income surplus account represents cumulative retained earnings of the Company that are available for distribution to shareholders of the Company. The movement in income surplus account is shown as part of statement of changes in equity on page 20 of these financial statements.

## 12. Trade and other payables

| | 2015 | 2014 |
|---|---|---|
| Trade payables | 2,309,348 | 3,066,369 |
| Amounts due to related parties (Note 29(e)) | 36,110,110 | 14,225,497 |
| Accruals | 2,553,751 | 1,022,597 |
| Sundry payables | 479,533 | 396,965 |
| | 41,452,742 | 18,711,428 |

The carrying values of trade and other payables approximate their fair values.

## 13. Borrowings

| **Current** | | |
|---|---|---|
| Related party loans | 21,315,695 | 16,040,692 |
| Bank overdrafts | - | 8,561,995 |
| Finance lease obligations | 1,684,218 | 1,263,099 |
| | 22,999,913 | 25,865,786 |
| **Non - current** | | |
| Finance lease obligation | 1,772,046 | 1,096,360 |
| **Total borrowings** | 24,771,959 | 26,962,146 |
| **(a) Related party loans** | | |
| At 1 June | 16,040,692 | 1,015,695 |
| Draw down | - | 13,462,498 |
| Exchange loss | 5,275,003 | 1,562,499 |
| **At 31 May** | 21,315,695 | 16,040,692 |

Related party loans comprise of GH¢1,015,695 and US$5,000,000 facilities from PZ Cussons International Limited and PZ Cussons (Holdings) Limited respectively, for working capital purposes. The facilities are unsecured, free of all interest and other charges, and are payable on demand subject to a 12 month notice period.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 13. Borrowings *continued*

### (b) Finance lease obligations

The Company has finance lease arrangement with Access Bank (Ghana) Limited and Barclays Bank of Ghana Limited to finance the purchase of vans and cars for its Distribution Partners and staff.

The finance lease obligations are as follows:

| | 2015 | 2014 |
|---|---|---|
| Gross finance lease liabilities – minimum lease payments: | | |
| Not later than 1 year | 2,465,045 | 1,669,776 |
| Later than 1 year and no later than 5 years | 2,240,721 | 1,261,148 |
| | 4,705,766 | 2,930,924 |
| Future finance charges on finance leases | (1,249,502) | (571,465) |
| **Present value of finance lease liabilities** | 3,456,264 | 2,359,459 |
| The present value of finance lease liabilities is as follows: | | |
| Not later than 1 year | 1,684,218 | 1,263,099 |
| Later than 1 year and no later than 5 years | 1,772,046 | 1,096,360 |
| | 3,456,264 | 2,359,459 |

The movement in the finance lease obligation is as follows:

| | At 1 June | Drawdown | Repayment | At 31 May |
|---|---|---|---|---|
| Year ended 31 May 2015 | | | | |
| Lease obligations | 2,359,459 | 2,783,655 | (1,686,850) | 3,456,264 |
| Year ended 31 May 2014 | | | | |
| Lease obligations | 1,640,472 | 1,921,328 | (1,202,341) | 2,359,459 |

### (c) Bank overdrafts

At the reporting date, the Company had an approved unsecured overdraft facility with Standard Chartered Bank Ghana Limited and Barclays Bank Ghana Limited not exceeding GH¢5,000,000 (2014: GH¢5,000,000), and Zenith Bank (Ghana) Limited not exceeding GH¢10,000,000 (2014: 10,000,000).

## 14. Dividend payable

| | 2015 | 2014 |
|---|---|---|
| At 1 June | 2,334,165 | 1,636,796 |
| Approved during the year | - | 772,800 |
| Payments during year | - | (75,431) |
| **At 31 May** | 2,334,165 | 2,334,165 |

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 15. Provision for other liabilities

| | 2015 | 2014 |
|---|---|---|
| At 1 June | 363,000 | - |
| Charged to profit or loss | 230,000 | 363,000 |
| Payment during year | (363,000) | - |
| **At 31 May** | 230,000 | 363,000 |

The Company closed its manufacturing operations in Ghana in 2013 as part of a PZ Cussons plc group wide initiative to optimise its supply chain and restructure its manufacturing footprint around the world. Provision for other liabilities represent redundancies and other costs provided for in respect of the closure of manufacturing operations of the Company net of gains on disposal of property, plant and equipment arising from the restructuring (Note 4).

## 16. Deferred income tax

| | 2015 | 2014 |
|---|---|---|
| The gross movement on deferred income tax account is as follows: | | |
| At 1 June | 177,636 | 1,024,689 |
| Credited to profit or loss (Note 26) | (2,261,339) | (847,053) |
| **At 31 May** | (2,083,703) | 177,636 |

The movement in deferred income tax assets and liabilities during the year is as follows:

| | | Charged/(credited) | |
|---|---|---|---|
| **Year ended 31 May 2015** | At 1 June | to profit or loss | At 31 May |
| Accelerated tax depreciation | 941,334 | 31,275 | **972,609** |
| Provision for doubtful debts | (192,165) | (575,441) | **(767,606)** |
| Provision for obsolete and damaged inventories | (28,434) | (94,070) | **(122,504)** |
| Provision for restructuring costs | (90,750) | 33,250 | **(57,500)** |
| Unrealised exchange losses | (452,349) | (1,656,353) | **(2,108,702)** |
| | 177,636 | (2,261,339) | **(2,083,703)** |
| Year ended 31 May 2014 | | | |
| Accelerated tax depreciation | 1,264,390 | (323,056) | **941,334** |
| Provision for doubtful debts | (219,792) | 27,627 | **(192,165)** |
| Provision for obsolete and damaged inventories | (19,909) | (8,525) | **(28,434)** |
| Provision for restructuring costs | - | (90,750) | **(90,750)** |
| Unrealised exchange losses | - | (452,349) | **(452,349)** |
| | 1,024,689 | (847,053) | **177,636** |

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 17. Revenue

Revenue is recognised on dispatch of goods and customer acceptance of goods. Revenue comprises the value of goods and services invoiced to third parties less VAT, discounts, commissions and returns.

| | 2015 | 2014 |
|---|---|---|
| Revenue by type | | |
| Sale of goods | 128,311,090 | 107,150,197 |
| **Revenue by customer** | | |
| Third parties | 127,963,390 | 107,150,197 |
| Related parties (Note 29 (a)) | 347,700 | - |
| | 128,311,090 | 107,150,197 |
| **Revenue by type of sales** | | |
| Export sales | 1,169,014 | 708,531 |
| Local sales | 127,142,076 | 106,441,666 |
| | 128,311,090 | 107,150,197 |

## 18. Cost of sales

Cost of goods sold comprises raw materials, conversion costs and materials sourcing expenses.

| | 2015 | 2014 |
|---|---|---|
| Depreciation on factory buildings and plant and | | |
| Machinery (Note 4) | 115,368 | 169,043 |
| Material costs | 81,839,446 | 69,971,923 |
| Staff costs (Note 24) | 537,286 | 886,310 |
| Other overheads | 2,275,223 | 5,804,499 |
| | 84,767,323 | 76,831,775 |

## 19. Distribution costs

| Selling and distribution costs include: | | |
|---|---|---|
| Trade rebates | 9,363,073 | 6,994,453 |
| Advertising and promotion | 6,830,533 | 6,617,426 |
| Vehicle hire | 1,278,714 | 1,542,767 |
| Staff costs (Note 24) | 5,198,021 | 4,117,058 |
| Depreciation (Note 4) | 806,603 | 576,474 |
| Royalties and technical service fees | 2,912,885 | 2,431,992 |
| Rental charges | - | 375,981 |
| Impairment charge on trade receivables (Note 8) | 2,323,030 | 464,220 |

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 20. Administrative costs

| | 2015 | 2014 |
|---|---|---|
| Administrative expenses include: | | |
| Depreciation (Note 4) | **680,293** | 569,672 |
| Staff costs (Note 24) | **2,450,736** | 2,442,598 |
| IT costs | **3,286,166** | 1,269,996 |
| Auditors' remuneration | **92,000** | 75,000 |
| Directors' remuneration | **872,808** | 686,205 |
| Rental charges | **49,473** | 13,598 |
| Donations | **21,205** | 43,262 |

## 21. Other income

| | 2015 | 2014 |
|---|---|---|
| Dividend income | **949,989** | - |
| Profit on disposal of property, plant and equipment (Note 4) | **125,261** | 11,248 |
| Rental income | **2,084,224** | 997,298 |
| Profit from sale of oil | - | 942,162 |
| Sundry income | **620,785** | 348,067 |
| | **3,780,259** | 2,298,775 |

## 22. Other operating costs

| | 2015 | 2014 |
|---|---|---|
| Indirect tax obligations | **2,051,376** | - |
| Restructuring costs ("exceptional item") | **230,000** | 363,000 |
| Profit on disposal of property, plant and equipment (Note 4) | **(400,200)** | - |
| Unrealised exchange loss on related party loans | **5,275,003** | 1,562,499 |
| | **7,156,179** | 1,925,499 |

Exceptional item relates to redundancies and other costs provided for in respect of the closure of the manufacturing operations of the Company net of gains on disposal of property, plant and equipment arising from the restructuring.

## 23. Finance costs

| | 2015 | 2014 |
|---|---|---|
| Interest on finance lease | **917,680** | 676,031 |
| Interest on overdraft | **1,934,845** | 852,060 |
| | **2,852,525** | 1,528,091 |

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 24. Staff cost

Staff costs are charged to cost of sales, distribution costs and administrative costs as shown below:

| | 2015 | 2014 |
|---|---|---|
| **a) Cost of sales** | | |
| Remuneration to employees | **474,583** | 773,290 |
| Post-employment benefits – defined contribution | **24,373** | 39,042 |
| Social security costs | **38,330** | 73,978 |
| | **537,286** | 886,310 |
| **b) Distribution costs** | | |
| Remuneration to employees | **4,566,753** | 3,603,820 |
| Post-employment benefits – defined contribution | **201,389** | 167,144 |
| Social security costs | **429,879** | 346,094 |
| | **5,198,021** | 4,117,058 |
| **c) Administrative costs** | | |
| Remuneration to employees | **2,249,525** | 2,177,907 |
| Post-employment benefits – defined contribution | **65,357** | 84,316 |
| Social security costs | **135,854** | 180,375 |
| | **2,450,736** | 2,442,598 |

The number of employees at year end was 152 (2014: 155).

## 25. Current income tax

| **Year ended 31 May 2015** | At 1 June | Charge for the year | Payments during the year | At 31 May |
|---|---|---|---|---|
| **Year of assessment** | | | | |
| **Withholding tax credit** | | | | |
| 2015 | (48,065) | - | (75,464) | **(123,529)** |
| **Corporation tax** | | | | |
| 2015 | - | 879,539 | (295,952) | **583,587** |
| Up to 2014 | (670,975) | - | - | **(670,975)** |
| | (719,040) | 879,539 | (371,416) | **(210,917)** |
| Year ended 31 May 2014 | | | | |
| Year of assessment | | | | |
| Withholding tax credit | | | | |
| 2014 | (27,993) | - | (20,072) | (48,065) |
| Corporation tax | | | | |
| 2014 | - | 169 | (433,530) | (433,361) |
| Up to 2013 | (237,614) | - | - | (237,614) |
| | (265,607) | 169 | (453,602) | (719,040) |

All tax liabilities are subject to the agreement of the Ghana Revenue Authority.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 26. Income tax expense

| The tax charge in profit or loss comprise: | **2015** | 2014 |
|---|---|---|
| Current income tax charge (Note 25) | **879,539** | 169 |
| Deferred income tax credit (Note 16) | **(2,261,339)** | (847,053) |
| | **(1,381,800)** | (846,884) |

The tax on the Company's loss before tax differs from the theoretical amount that would arise using the statutory income tax rate applicable to profits. This is explained as follows:

| | **2015** | 2014 |
|---|---|---|
| Loss before income tax | **(4,124,548)** | (2,550,364) |
| Tax calculated at statutory income tax rate of 25%(2014:25%) | **(1,031,137)** | (637,591) |
| Tax effect of: | | |
| Profit on export sales taxed at a lower rate | **709** | 360 |
| Dividend income subject to final tax | **(237,497)** | - |
| Expenses not deductible for tax purposes | **240,443** | 39,672 |
| Rent income taxed at a lower rate | **(354,318)** | (249,325) |
| | **(1,381,800)** | (846,884) |

## 27. Cash generated from/(used in) operations

| | | |
|---|---|---|
| Loss before income tax | **(4,124,548)** | (2,550,364) |
| Depreciation (Note 4) | **1,602,264** | 1,315,189 |
| Profit on disposal of property, plant and equipment | **(525,461)** | (11,248) |
| Dividend received | **(949,989)** | - |
| Interest expense | **2,852,525** | 1,528,091 |
| Exchange loss adjustment on related party loans | **5,275,003** | 1,562,499 |
| (Decrease)/increase in provisions for other liabilities | **(133,000)** | 363,000 |
| **Changes in working capital:** | | |
| Increase in inventories | **(376,495)** | (993,975) |
| Increase in finance lease receivables | **(877,969)** | (465,658) |
| Increase in trade and other receivables | **(11,780,571)** | (10,097,027) |
| Increase/(decrease) in trade and other payables | **22,741,314** | (9,688,786) |
| **Cash generated from/(used in) operations** | **13,703,073** | (19,038,279) |

## 28. Cash and cash equivalents

| | | |
|---|---|---|
| Cash in hand | **21,680** | 43,796 |
| Cash at bank | **5,718,834** | 4,086,204 |
| | **5,740,514** | 4,130,000 |

Cash and cash equivalents include the following for the purposes of statement of cash flows:

| | **2015** | 2014 |
|---|---|---|
| Cash and cash equivalents | **5,740,514** | 4,130,000 |
| Bank overdraft (Note 13) | **-** | (8,561,995) |
| | **5,740,514** | (4,431,995) |

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 29. Related party transactions

The Company is controlled by PZ Cussons (Holdings) Limited (incorporated in the United Kingdom), which owns 90.24% of the Company's share capital. The remaining 9.76% are widely held. The Company's ultimate parent is PZ Cussons plc (incorporated in the United Kingdom). The Company's ultimate controlling party is PZ Cussons plc. The following transactions were carried out with related parties during the year.

| | | 2015 | 2014 |
|---|---|---|---|
| (a) | **Sales of goods and services** | | |
| | Sales of goods: | | |
| | PZ Industries (Nigeria) plc | **347,700** | - |
| | Sale of services: | | |
| | Norpalm Ghana Limited (Rental income) | **369,081** | 411,836 |
| | | **716,781** | 411,836 |
| (b) | **Purchases of goods and services:** | | |
| | Purchase of goods: | | |
| | PZ Cussons International Limited | **11,392,458** | 6,070,111 |
| | PZ Industries (Nigeria) plc | **56,557,627** | 67,712,087 |
| | PT PZ Cussons Indonesia | **4,729,516** | 3,431,723 |
| | Parnon Limited | **2,163,232** | 3,647,826 |
| | PZ Cussons Thailand | **608,668** | 66,499 |
| | PZ Cussons East Africa | **-** | 75,839 |
| | PZ CIL Singapore | **1,345,351** | - |
| | | **76,796,852** | 81,004,085 |
| | Service charges: | | |
| | PZ Cussons International Limited: | | |
| | Royalties and technical fees | **2,912,885** | 2,431,992 |
| | Group IT costs | **2,870,542** | 2,453,851 |
| | | **82,580,279** | 85,889,928 |
| (c) | **Dividend income** | | |
| | Norpalm Ghana Limited | **949,989** | **-** |

(d) **Transactions with directors and key management personnel**

The following information is presented in accordance with IAS 24 'Related Party Disclosure', which requires disclosure of the employee benefits of directors and other key management personnel.

| | 2015 | 2014 |
|---|---|---|
| **Directors and other key management personnel:** | **GH¢** | GH¢ |
| Salaries and other short-term benefits | **1,096,727** | 996,820 |
| Employer social security charges on emoluments | **125,091** | 113,519 |

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 29. Related party transactions *continued*

**(e) Year-end payable balances arising from related party transactions are as follows:**

| | 2015 | 2014 |
|---|---|---|
| PZ Cussons International Limited - Purchases | **3,460,380** | 1,967,249 |
| PZ Cussons International Limited - Royalties/Technical fees | **3,626,670** | 713,786 |
| PZ Cussons (Nigeria) plc | **22,672,343** | 10,645,954 |
| PT PZ Cussons Indonesia | **2,301,518** | 71,540 |
| PZ Cussons (Thailand) Limited | **501,961** | 724,421 |
| Parnon Limited | **-** | 67,104 |
| Seven Scent Limited | **-** | 35,443 |
| PZ Cussons Singapore Pte Limited | **3,547,238** | - |
| | **36,110,110** | 14,225,497 |

**(f) Year-end receivable balances arising from related parties are as follows:**

| | 2015 | 2014 |
|---|---|---|
| Norpalm Ghana Limited | **949,989** | - |

**(g) Year-end related party loan balances**

| | 2015 | 2014 |
|---|---|---|
| PZ Cussons International Limited | **1,015,695** | 1,015,695 |
| PZ Cussons (Holdings) Limited | **20,300,000** | 15,024,997 |
| | **21,315,695** | 16,040,692 |

## 30. Financial risk management

The Company's operations expose it to a variety of financial risks that include credit risk, liquidity risk, the effects of changes in foreign currency exchange rates and interest rates. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The primary risks faced by the Company are foreign currency exchange rate risk and credit risk.

Risk management is carried out by the treasury department under PZ Cussons group policies and approved by the Board of Directors. Treasury identifies, evaluates and manages financial risks. The Board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investing excess liquidity.

### 30.1 Credit risk management

Credit risk is the risk that financial loss arises from the failure of a customer or counterparty to meet its obligations under a contract. It arises principally from selling goods on credit to distribution partners. The Company has dedicated standards, policies and procedures to control and monitor all such risks. Although the Company is potentially exposed to credit loss in the event of non-performance by counterparties, such credit risk is controlled through credit control policy whereby credit sales are only made to established dealers. Strict control is exercised through the monitoring of cash received from customers and provision is made for specific doubtful debts where necessary. The Company has a task force which follows up collection of outstanding receivables. The Company does not believe it is exposed to any material concentrations of credit risk.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 30. Financial risk management (continued)

### 30.1 Credit risk management *continued*

The amount that best represents the Company's maximum exposure to credit risk at 31 May 2015 and 2014 is the carrying value of trade receivables, sundry receivables, finance lease receivables, and cash and cash equivalents in the statement of financial position. The Company does not hold any collateral as security. The Company does not grade the credit quality of trade and other receivables. All receivables that are neither past due nor impaired are within the approved credit limits, and no receivables have had their terms renegotiated.

**Credit quality of financial assets**

***(i) Trade receivables***

| | 2015 | 2014 |
|---|---|---|
| Gross value of trade receivables comprise: | | |
| Neither past due nor impaired | **21,671,304** | 23,510,517 |
| Past due but not impaired | **15,214,134** | 7,710,980 |
| Impaired | **3,766,910** | 928,205 |
| | **40,652,348** | 32,149,702 |

As of 31 May 2015, trade receivables of GH¢21,671,304 (2014: GH¢23,510,517) were fully performing.

As of 31 May 2015, trade receivables of GH¢15,214,134 (2014: GH¢7,710,980) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

| | 2015 | 2014 |
|---|---|---|
| 1 to 6 months | **15,214,134** | 6,983,472 |
| Over 6 months | **-** | 727,508 |
| | **15,214,134** | 7,710,980 |

As of 31 May 2015, trade receivables of GH¢3,766,910 (2014: GH¢928,205) were impaired and provided for. The amount of the provision was GH¢3,070,433 as of 31 May 2015 (2014: GH¢768,661).

| | 2015 | 2014 |
|---|---|---|
| 1 to 6 months | **1,392,475** | 318,875 |
| Over 6 months | **2,374,435** | 609,330 |
| | **3,766,910** | 928,205 |

***(ii) Staff receivables***

Staff receivables are recovered through the monthly payroll in accordance with the payment plan. Staff receivables are neither past due nor impaired.

***(iii) Sundry and non-trade receivables***

Sundry receivables are neither past due nor impaired.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 30. Financial risk management (continued)

### 30.1 Credit risk management *continued*

***(iv) Finance lease receivables***

Finance lease receivables do not contain impaired assets. Finance lease receivables are recovered through periodic commissions payable to Distribution Partners in accordance with agreed payment plan.

***(v) Cash and cash equivalents***

The Company manages credit risk relating to cash and cash equivalents by having banking relationships with only reputable well established financial institutions licensed by the Bank of Ghana.

### 30.2 Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company maintains a strong liquidity position and manages the liquidity profile of its assets, liabilities and commitments so that cash flows are appropriately balanced and all funding obligations are met when due.

The Company has overdraft facilities with Standard Chartered Bank Ghana Limited, Barclays Bank of Ghana Limited and Zenith Bank (Ghana) Limited who provides the Company with an option to maintaining liquidity and continuity in funding.

**Maturity analysis of financial liabilities**

All financial liabilities fall due for payment within twelve months with the exception of finance lease of vehicles which fall due more than one year as shown in Note 13 (b).

The amounts disclosed in the table below show contractual undiscounted cash flows for financial liabilities analysed into the relevant maturity grouping based on the remaining period at the reporting date to the contractual maturity date.

| | **At 31 May 2015** | | At 31 May 2014 | |
|---|---|---|---|---|
| | **Less than** | **More than** | Less than | More than |
| | **1 year** | **1 year** | 1 year | 1 year |
| Trade and other payables | **39,994,958** | - | 18,360,547 | - |
| Finance lease obligations | **2,465,045** | **2,240,721** | 1,669,776 | 1,261,148 |
| Bank overdrafts | - | - | 10,231,488 | - |
| Related party loans | **21,315,695** | - | 16,040,692 | - |
| | **63,775,698** | **2,240,721** | 46,302,503 | 1,261,148 |

### 30.3 Market risk management

Market risk is the risk that movements in market rates, including foreign exchange rates, interest rates, equity and commodity prices will reduce the Company's income or the value of its portfolios. The management of market risk is undertaken using risk limits approved by the Head of Finance under a delegated authority.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 30. Financial risk management (continued)

### 30.3 Market risk management *continued*

**(i) Foreign exchange risk**

The Company's activities expose it to the financial risks of changes in foreign currency exchange rates. The Company currently imports most of its goods from Nigeria. Due to the current volatile foreign exchange market the business has resorted to spot buying of foreign currency and this further exposes it to currency risk.

At 31 May 2015, if the Ghana Cedi had weakened /strengthened further by 1% against the US dollar with all other variables held constant, post-tax profit for the year would have been GH¢303,042 (2014: GH¢219,378) lower/higher, mainly as a result of foreign exchange losses/gains on translation of US dollar-denominated intercompany payables/receivables.

**(ii) Interest rate risk**

The Company's exposure to the risk for changes in market interest rates relates primarily to the Company's finance lease obligations and overdraft facility supporting its working capital.

The Company calculates its exposure to interest rate based on a defined interest rate shift. Based on the simulations performed, the impact on post-tax profit of a 1% shift would be a maximum increase or decrease in finance cost of GH¢21,463 (2014: GH¢81,911) per annum.

### 30.4 Fair values of financial assets and liabilities

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 the measurement date. Financial instruments utilised by the Company during the years ended 31 May 2015 and 31 May 2014 with information regarding the methods and assumptions used to calculate fair values can be summarised as follows:

***Non-current investments***

In accordance with IAS 39 'Financial instruments: Recognition and measurement', unlisted investments are held in the Company's statement of financial position at cost because their fair value cannot be measured reliably due to the lack of quoted market prices.

***Current assets and liabilities***

Financial instruments included within current assets and current liabilities (excluding finance lease receivable, cash and borrowings) are generally short term in nature and accordingly their fair values approximate to their book values.

***Finance lease receivable and finance lease obligations***

The fair values of finance lease receivables and finance lease obligations at 31 May 2015 are based on discounted cash flows using 26.5% (2014: 26%) at the reporting date.

The financial instruments held by the Company do not either individually or as a class, create a potentially significant exposure to market, credit, liquid or cash flow interest rate risks.

The table below sets out the Company's classification of each class of financial assets and liabilities, and their fair values:

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 30. Financial risk management (continued)

### 30.4 Fair values of financial assets and liabilities *continued*

**Financial instruments by category**

| | Loans and receivables | Available-for-sale | Total |
|---|---|---|---|
| **At 31 May 2015** | | | |
| **Financial assets** | | | |
| Investment | - | 1,405,271 | **1,405,271** |
| Finance lease receivables | 2,183,752 | - | **2,183,752** |
| Trade and other receivables | 43,745,741 | - | **43,745,741** |
| Cash and bank balances | 5,740,514 | - | **5,740,514** |
| **Total financial assets** | **51,670,007** | **1,405,271** | **53,075,278** |

| | Other financial liabilities at amortised cost | Total |
|---|---|---|
| **At 31 May 2015** | | |
| **Financial liabilities** | | |
| Trade and other payables | 39,994,958 | **39,994,958** |
| Borrowings: Bank overdrafts | - | **-** |
| Finance lease obligations | 3,251,279 | **3,251,279** |
| Related party loans | 21,315,695 | **21,315,695** |
| **Total financial liabilities** | 64,561,932 | **64,561,932** |

**Financial instruments by category**

| | Loans and receivables | Available-for- sale | Total |
|---|---|---|---|
| At 31 May 2014 | | | |
| Financial assets | | | |
| Investment | - | 1,405,271 | **1,405,271** |
| Finance lease receivables | 1,344,170 | - | **1,344,170** |
| Trade and other receivables | 38,570,143 | - | **38,570,143** |
| Cash and bank balances | 4,130,000 | - | **4,130,000** |
| Total financial assets | 44,044,313 | 1,405,271 | **45,449,584** |

| | Other financial liabilities at amortised cost | Total |
|---|---|---|
| At 31 May 2014 | | |
| Financial liabilities | | |
| Trade and other payables | 18,360,547 | **18,360,547** |
| Borrowings: Bank overdrafts | 8,561,995 | **8,561,995** |
| Finance lease obligations | 2,099,289 | **2,099,289** |
| Related party loans | 16,040,692 | **16,040,692** |
| Total financial liabilities | 45,062,523 | **45,062,523** |

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 30. Financial risk management (continued)

### 30.5 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may limit the amount of dividends paid to shareholders and source funds from companies within the PZ Cussons plc group on negotiated credit terms.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position, plus net debt.

| | **2015** | 2014 |
|---|---|---|
| Borrowings (Note 13) | **24,771,959** | 26,962,146 |
| Less: Cash and cash equivalents (excluding overdrafts) – Note 28 | **(5,740,514)** | (4,130,000) |
| **Net debt** | **19,031,445** | 22,832,146 |
| Total equity | **33,969,823** | 36,712,571 |
| **Total capital** | **53,001,268** | 59,544,717 |
| **Gearing ratio** | **35.91%** | 38.34% |

## 31. Segmental reporting

Management has determined the operating segments based on the reports reviewed by the Executive Committee that are used to make strategic decisions. The Committee considers the business from a product perspective. The leadership team assesses the performance of the operating segments based on a measure of operating profit. Operating profit is based on IFRS principles and as such reconciliation of Non - IFRS to the financial statements information based on IFRS is not required. The Company has two main business segments:

- Core – incorporating home care, personal care and nutrition products
- Electricals – incorporating television sets, home theatre, DVD players, air-conditioners, fridges etc.

The Company's reporting segments are based on products grouped under the above business segments.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 31. Segmental reporting (continued)

The segment information provided to the Executive Committee for the reportable segments for the years ended 31 May 2015 and 2014 are as follows:

| | **2015** | 2014 |
|---|---|---|
| **Revenue to external customers** | | |
| Core | **109,197,970** | 87,304,263 |
| Electrical appliances | **19,113,120** | 19,845,934 |
| | **128,311,090** | 107,150,197 |
| Revenue to external customers comprises: | | |
| ***Revenue to external customers within Ghana:*** | | |
| Core | **108,028,956** | 86,595,732 |
| Electrical Appliances | **19,113,120** | 19,845,934 |
| | **127,142,076** | 106,441,666 |
| ***Revenue to external customers outside Ghana:*** | | |
| Core | **1,169,014** | 708,531 |
| | **128,311,090** | 107,150,197 |
| **Net segment operating costs** | | |
| Core | **109,452,546** | 88,619,805 |
| Electrical appliances | **20,130,567** | 19,925,941 |
| | **129,583,113** | 108,545,746 |
| **Segment contribution** | | |
| Core | **(254,576)** | (942,266) |
| Electrical appliances | **(1,017,447)** | (80,007) |
| | **(1,272,023)** | (1,022,273) |

No measure of total assets and liabilities are reviewed by the executive team. Hence no disclosure of total assets and liabilities for the reporting segments has been made. There are no non-current assets outside Ghana. There is no single external customer which contributes more than 10% of the Company's revenues. There are no revenues from transactions with other operating segments.

## 32. Post-employment benefits

The Company has a defined contribution scheme by which statutory contributions are made to the Social Security Fund (SSF) on behalf of employees. The employee and the employer contribute 5.5% and 13% respectively to the fund.

In addition, the Company and staff contribute 7% respectively into a separate fund (Provident Fund) run on behalf of employees. For the year ended 31 May 2015, the Company contributed GH¢291,120 (2014: GH¢290,502) into the fund.

# Notes to the Financial Statements *continued*

FOR THE YEAR ENDED 31 MAY, 2015

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

## 33. Loss per share

Basic loss per share are calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

| | 2015 | 2014 |
|---|---|---|
| Loss for the year | **(2,742,748)** | (1,703,480) |
| Weighted average number of shares in issue (in '000) | **168,000** | 168,000 |
| Basic loss per share (GH¢) | **(0.0163)** | (0.0101) |

There were no potentially dilutive shares outstanding at 31 May 2015 and 31 May 2014. Diluted loss per share are therefore the same as basic loss per share.

## 34. Dividend per ordinary share

The directors do not recommend the payment of dividend for the year ended 31 May 2015. (2014: Nil)

## 35. Contingent liabilities

The Company had a contingent liability of GH¢3,548,272 at the balance sheet date in respect of a pending tax claim from the Ghana Revenue Authority. The Company is currently contesting the claim.

## 36. Capital commitments

There were no capital commitments at 31 May 2015 (2014: nil).

## 37. Events after reporting period

There were no significant events after the reporting date that needs to be adjusted or disclosed.

## 38. Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 22 July 2015.

# Shareholders' Information

## 1) Number of shareholders

The number and distribution of ordinary shareholders with equal voting rights as at 31 May 2015 was as shown below:

| Holdings | No. of Holders | Total Holding | % Holdings |
|---|---|---|---|
| 1 - 1,000 | 836 | 358,346 | 0.21 |
| 1,001 - 5,000 | 600 | 1,236,912 | 0.74 |
| 5,001 - 10,000 | 114 | 763,188 | 0.45 |
| 10,001 and above | 292 | 165,641,554 | 98.60 |
| | **1,842** | **168,000,000** | **100.00** |

## 2) Details of 20 largest shareholders at 31 May 2015

| Name of Shareholder | Shares held | % Holdings |
|---|---|---|
| PZ Cussons (Holding) Limited | 151,602,006 | 90.24 |
| African Tiger Mutual Fund Limited | 5,250,000 | 3.13 |
| SCGN/SCBM RE Skaniaviska Enskilda | 750,000 | 0.45 |
| HFCN/EDC Ghana Balanced Fund Ltd | 377,400 | 0.22 |
| Ghanaian Enterprise Development Commission | 152,700 | 0.09 |
| Mr Joseph Kwabena Buachie | 144,480 | 0.09 |
| Mr Edward.T Dodoo | 142,800 | 0.09 |
| Mr Albert. K Acheampong | 137,820 | 0.08 |
| Nsiah Ghana Limited | 124,800 | 0.07 |
| Mr Kwabena Pepera | 115,170 | 0.07 |
| PZ Cussons Ghana Prov. Fund | 100,500 | 0.06 |
| Mr Timothy Aye Kusi | 98,700 | 0.06 |
| Mr Emmanuel .A Clement | 92,580 | 0.05 |
| Mrs Georgina Badu | 90,120 | 0.05 |
| Mr Diamond C.H | 87,000 | 0.05 |
| Dr Sackey Emmanuel Edmund (Jnr) | 87,000 | 0.05 |
| Mr Victor Anthony Sackey | 87,000 | 0.05 |
| Mr John. G.A Renner | 84,000 | 0.05 |
| Rev Amoa Jonathan Yaw | 81,420 | 0.05 |
| Mr Asiamah John Kofi | 77,940 | 0.05 |
| Reported Totals | 159,683,436 | 95.05 |
| Not Reported | 8,316,564 | 4.95 |
| | 168,000,000 | 100.00 |

## 3) Directors' shareholding

No director held shares in the Company as at 31 May 2015.

# Shareholders' Information *continued*

## 4) Proxy Form

**PZ CUSSONS GHANA LIMITED**

**PROXY FORM FOR USE AT THE 57TH ANNUAL GENERAL MEETING TO BE HELD AT THE GHANA-INDIA KOFI ANNAN CENTRE FOR EXCELLENCE IN ICT, RINGWAY ESTATES, ACCRA (NEAR THE GHANA INSTITUTE OF JOURNALISM) ON FRIDAY SEPTEMBER 25, 2015 AT 11 O'CLOCK IN THE FORENOON**

**I/We** ……..……. being a member(s) of **PZ CUSSONS GHANA LIMITED** hereby appoint …….. or failing him/her the Chairman as my/our Proxy to vote for me/us, and on my/our behalf at the Annual General Meeting of the company to be held on the **25th day of September, 2015** and at any and every adjournment thereof.

**This form to be used:-**

| | | |
|---|---|---|
| 1. | *in favour of<br>against | the Resolution to adopt the Reports of the Directors, Auditors and the Financial Statements of the Company for the year ended May 31, 2015. |
| 2. | *in favour of<br>against | the Resolution to re-elect Mr. Paul Kwabena Pepera as a Director of the Company. |
| 3. | *in favour of<br>against | the Resolution to re-elect Mrs. Helena Adu-Gyamfi as a Director of the Company. |
| 4. | *in favour of<br>against | the Resolution to fix the remuneration of the Directors. |
| 5. | *in favour of<br>against | the Resolution to authorise the Directors to fix the remuneration of the Auditors. |

On any other business transacted at the meeting and unless otherwise instructed in paragraphs 1 to 5 under Ordinary Business above, the resolutions to which reference is made in those paragraphs, the proxy will vote as he/she thinks fit.

* **Strike out whichever is not desired**

---

Signature of Shareholder

Signed this ……..…… day of ……..2015.

# Shareholders' Information *continued*

## 4) Proxy Form *continued*

**THIS PROXY FORM SHOULD NOT BE COMPLETED AND SENT TO THE REGISTERED OFFICE IF THE MEMBER WILL BE ATTENDING THE MEETING.**

1. A member (Shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy. The Proxy Form has been prepared to enable you exercise your vote if you cannot personally attend.
2. Provision has been made on the Form for the Chairman of the meeting to act as your Proxy but if you so wish, you may insert in the blank space the name of any person whether a member of the Company or not who will attend the meeting and vote on your behalf instead of the Chairman.
3. In case of joint holders, each joint holder must sign.
4. If executed by a Corporation, the Proxy Form must bear its Common Seal or be signed on its behalf by a Director.
5. Please sign the above Proxy Form and post it so as to reach the address shown overleaf not later than **4.00 p.m**. on **Tuesday September 22, 2015.**
6. The Proxy must produce the Admission Card with the Notice of the Meeting to obtain entrance to the meeting.

## 5) Five year financial summary

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

| | **2015** | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|
| **ASSETS EMPLOYED** | | | | | |
| Non-current assets | **17,174** | 13,034 | 12,044 | 12,476 | 11,909 |
| Net current assets | **18,568** | 24,953 | 28,879 | 19,512 | 21,161 |
| | **35,742** | 37,987 | 40,923 | 31,988 | 33,070 |
| Non-current liabilities | **(1,772)** | (1,274) | (1,734) | (660) | (1,873) |
| **Net assets** | **33,970** | 36,713 | 39,189 | 31,328 | 31,197 |
| **FUNDS EMPLOYED** | | | | | |
| Stated capital | **2,160** | 2,160 | 2,160 | 2,160 | 1,160 |
| Capital surplus account | **3,466** | 3,466 | 3,466 | 3,466 | 4,466 |
| Income surplus account | **28,344** | 31,087 | 33,563 | 25,702 | 25,571 |
| **Total equity** | **33,970** | 36,713 | 39,189 | 31,328 | 31,197 |
| Turnover | **128,311** | 107,150 | 95,742 | 82,322 | 66,184 |
| (Loss)/profit before tax | **(4,125)** | (2,550) | 10,013 | 616 | 7,574 |
| (Loss)/profit after tax (trans- | | | | | |
| ferred to income surplus account) | **(2,743)** | (1,703) | 7,861 | 764 | 6,314 |
| Proposed dividend | - | - | 773 | - | 633 |


INTRODUCING...
Premier COOL
NEW
Premier COOL
FRESH BLAST
ANTISEPTIC SOAP
*24 hrs MAXIMUM FRESHNESS
NEW
Premier COOL
DEO
ANTISEPTIC SOAP
*24 hrs MAXIMUM FRESHNESS
COOL
FRESH BLAST
COOL
DEO
24HRS MAXIMUM PROTECTION
PZ Cussons

P Z CUSSONS GHANA LIMITED

Plot 27/3-27/7Sanyo Road
Tema Heavy Industrial Area.
P. O. Box 628, Accra, Ghana

Design & Print: **Buck Press Ltd 0302 421005-7**