



PRESS RELEASE

PR. No 231/2021

**SAMBA FOODS LIMITED (SAMBA) -
ANNUAL REPORT 2020**

SAMBA has released its Annual Report and Financial Statements for the year ended December 31, 2020, as per the attached.

Issued in Accra, this 4th
Day of June 2021

- E N D -

Distribution:

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Head Listing, GSE on 0302 669908, 669914, 669935

**WA*



SAMBA FOODS LIMITED

ANNUAL REPORT

'20'

HEAD OFFICE/ FACTORY ADDRESS:

West Coast Dyeing Industries Compound
Heavy Industrial Area Tema, Adjacent Tema Oil Refinery (TOR)
www.sambafoodsghana.com



OUR MISSION

“We are committed to build a world class food experience, to nourish, enrich and delight the taste buds of Ghana and beyond.”

OUR VISION

“With our Super Ability, Our Core Value's and our experience in processing and food innovations, we excel and expand to new segment with excellent quality and exceptional value in Food industry and beyond.”

Contents



	Pages
Notice and Agenda for Meeting	3-4
Corporate Information	5
Chairman's Statement	6-7
Managing Director's Review	8-11
Report of Director	12
Report of Independent Auditor	13-15
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Financial Statements	
Statement of comprehensive income	16
Statement of financial position	17
Statement of cash flows	18
Statement of changes in equity	19
Notes to the Financial Statements	20-45
<hr/>	
Proxy form	46
Achievement and Awards	47
Picture Gallery	52

NOTICE OF MEETING



Notice Of Virtual Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 6th Annual General Meeting ("**AGM**") of the shareholders of Samba Foods Limited ("**the Company**") will be held VIRTUALLY from the office of Samba Foods Limited, West Coast Dyeing Industries Compound, Heavy Industrial Area, *Tema on Thursday 10th June, 2021 at 11:00 am* for the following purposes:

AGENDA

1. To receive and consider the reports of Directors and Auditors together with the Financial Statement for the year ended December 31, 2020 thereon.
2. To approve Directors' Fees
3. The authorization by Members for the Directors to fix the remuneration of the auditors.
4. Any other business

Dated, This 6th Day of May, 2021 in Tema.

A handwritten signature in blue ink, appearing to read "S. Annor Ronna".

SAMUEL ANNOR RONNA

THE SECRETARY

NOTE



1. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend (via online participation) and vote on his/her behalf. Such a proxy need not be a member of the Company
2. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting (via online participation). Where a member attends the meeting in person (participates on line), the proxy appointment shall be deemed to be revoked.
3. A copy of the Form of Proxy is attached and may be completed and deposited at the registered office of the Registrars of the Company, Universal Merchant Bank Limited, 123 Kwame Nkrumah Avenue, Sethi Plaza, Adabraka, Accra, to arrive **no later than 48 hours before the appointed time for the meeting.**

ACCESSING AND VOTING AT THE VIRTUAL AGM

4. A unique token number will be sent to shareholders by email and/or SMS from 5th June, 2021 to give them access to the Meeting.
5. Shareholders who do not receive this token should contact the Registrar Universal Merchant Bank Limited via Registrars@Myumbbank.com or call 0302220952/0302226112 ; 0541226363 / 0244694682 before the date of the Meeting to be sent the unique token.
6. Shareholders who do not submit their proxy forms to the registrar of the Company prior to the meeting may vote electronically during the Virtual AGM, using their unique token number.

Further assistance on accessing the meeting and voting electronically will be sent via email/SMS. For more information, please contact the Registrar:

Universal Merchant Bank Limited
123 Kwame Nkrumah Avenue
Sethi Plaza, Adabraka, Accra
P. O. Box GP 401, Accra-Ghana

Telephone: +233 302 633 988 **Fax:** +233 302 667 305

W: www.myumbbank.com

BOARD OF DIRECTORS

Charles Darko

[Chairman]

Leticia Osafo - Addo

[Managing Director]

Kwame Osafo - Addo

[Non-Executive]

Awo Dede Osafo - Addo

[Non-Executive]

Matthias Rogers -Akpatah

[Non-Executive]

Thomas Gyabaah

[Non-Executive]

S.K Annor

[Company Secretary]

REGISTERED OFFICE

West Coast Dyeing Industries
Compound, Heavy Industrial
Area

POSTAL ADDRESS

P. O. Box B186

AUDITORS

IAKO Consult

P. O. Box 617

Teshie - Nungua Estates
Accra

BANKERS

Zenith Bank Ghana Limited
GCB Bank Limited

CHAIRMAN'S — STATEMENT



I esteem Shareholders, fellow Board members, representatives of our regulatory bodies, ladies and gentlemen. I warmly welcome you to the 6th Annual General Meeting of our company and present to you, the Annual Report and Financial Statement for the financial year ended December 31, 2020. The company continue to be formidable and results driven, which we believe are the needed pillars for achieving a sustainable growth of a company.

2020 will be recalled as the year of COVID-19. This COVID-19 pandemic

caused the world economy into a recession and it had a great negative impact on companies. Nevertheless, we were able to make our head ways in this challenging environment: to do our possible best to meet our clients' needs and create viable worth for our investors.

Dear Cherished Shareholders, Ladies and Gentlemen. The company's performance for the year ended December 31, 2020 showed justifiable progress in the perspective of gradual improved on internal control systems for monitoring and validating our business operations and processes despite the necessary focus on the Covid-19 pandemic within the year under review. The Cost of Sales showed a marginal increase by 20% from GHS 557,965 for the year ended December 31, 2019 to GHS 672,907 for the year ended December 31, 2020. Administrative expenses decreased by 11.9% from GHS 184,881 to GHS 162,836 in 2020. Our Net Loss was also reduced from GHS 200,300 to GHS 83,532 in 2020 fiscal year which represent 58%. Gross Profit Margin shows a respective change of 32% in 2019 to 24.9% in 2020.

The Board composition remained the same during the period under review. And I will use this opportunity to thank our non-executives board members who joined the Board last year (Mr. Matthias Roger-

CHAIRMAN'S — STATEMENT CONT'S



Akpatah and Mr. Thomas Gyabaah) for their expertise they have brought on board.

Looking into the future, we expect to sustain the progress we are making and pursue a strategic plan which will strengthen our liquidity position and drive brand initiatives that will penetrate all market segments. We will also empower and equip our employees, particularly those at the frontline to ascertain and understand the role they are playing in securing new businesses, delivering customers satisfaction of products which leads to profitability and business success.

We are making solid progress but we should not forget we have much more to do. We are executing our transformation journey, strengthening customer relationships, optimizing costs, and seizing the market while taking care of our people and valuable shareholders. I am confident this strategy will position Samba Foods Limited for long term success and stability.

I am very impressed by the direction management has taken and would like to take this opportunity to say thank you to everyone at Samba Foods Limited who has gone the extra mile this fiscal year in serving our customers and shareholders. We have staffs who are passionate about their work: Thank you. I as well want to thank my fellow Board member and our esteem shareholders

for your continued support and investment. I am happy about the opportunities that lie ahead of us.

Thank you.

CHARLES DARKO



MANAGING DIRECTOR'S REVIEW



I am pleased to present an overview of the performance of Samba Foods Limited for the year as at December 31, 2020. I want to start by thanking our customers for patronizing us and also our cherished shareholders for their investment. I am very proud of the work the team at Samba is doing even though we are not at our desired altitude yet.

Mr. Chairman, Ladies and Gentlemen, we saw a marginal growth in our sales and our net loss reduced by a large margin of 58.9% in the financial report which ended at December 31, 2020.

BUSINESS ENVIRONMENT

Ghana continues to enjoy relative peace and stability despite the hazards of the Covid-19 pandemic. The economy market is faced with very few policy barriers to trade and investment. Previously, the economy was strengthened by a relatively sound macro -economic management and a competitive business environment, but in recent months the system has suffered a recession due to the Covid-19.

Recovery programs are underway to revitalize the economy yet the business environment for food processing and manufacturing industry looks unclear.

Nonetheless, Samba Foods is focused on a speedy strategic performance which will usher us to deliver our crucial objectives.

ECONOMIC PERFORMANCE

The economic growth of Ghana's economy has been very soft due to the Covid-19 pandemic. It is estimated that the growth will

Dear Members and Stakeholders, I am grateful to welcome you all to the 6th Annual General Meeting of Samba Foods Limited. The year 2020 was a turbulent one. A year where the foundation of every facet of life was shaken across businesses, families and nations around the globe. Various economies and businesses experienced instability and uncertainty.

Even well-established entities needed a re-look at their strategies to still be in business. As challenging as the year was, SAMBA Foods did not only survive but was able to make imaginal growth on our financial position.

accelerate strongly next year as domestic and external demand strengthen. In the second quarter of 2020 economic growth stood at 3.2% while inflation rate also moved up to 10.4% in September, 2020. Situations in 2021 is said to be better as most sectors of the economy have been given support of stimulus package by the government of Ghana to help them bounce back the economy after the impact of Covid-19 and the 2020 general elections.

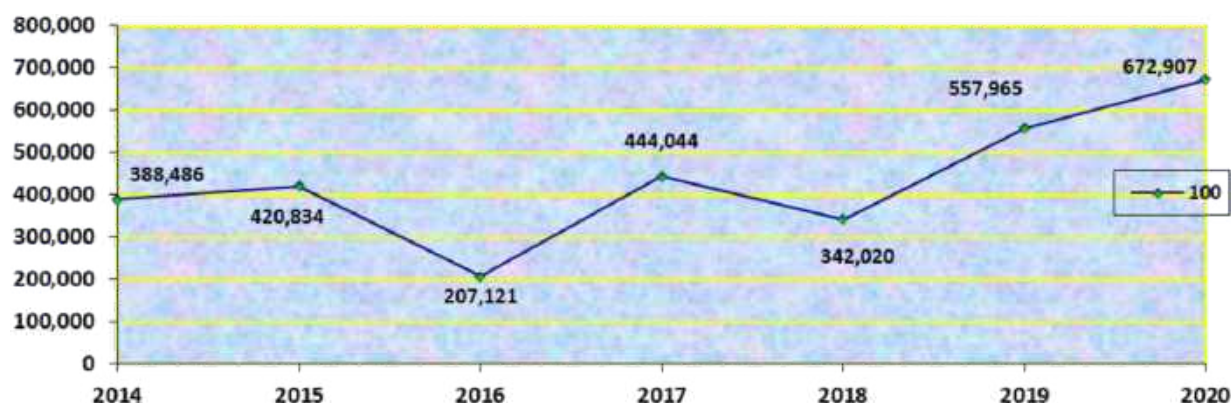
OPERATIONAL PERFORMANCE

Mr. Chairman, Shareholders, Ladies and Gentlemen, our company delivered a revenue of GHS 672,907, growing 20% as against GHS 557,965 in FY 2019. The growth was driven primarily by Shito and Ginger Garlic Paste. Our Net loss reduced by 58% from GHS 200,300 in FY 2019 to GHS 83,532 in FY 2020, while the fluctuation of raw material prices reduced the Gross Profit Margin from 32% in FY 2019 to 24.9% in FY 2020.

OPERATIONAL HIGHLIGHTS

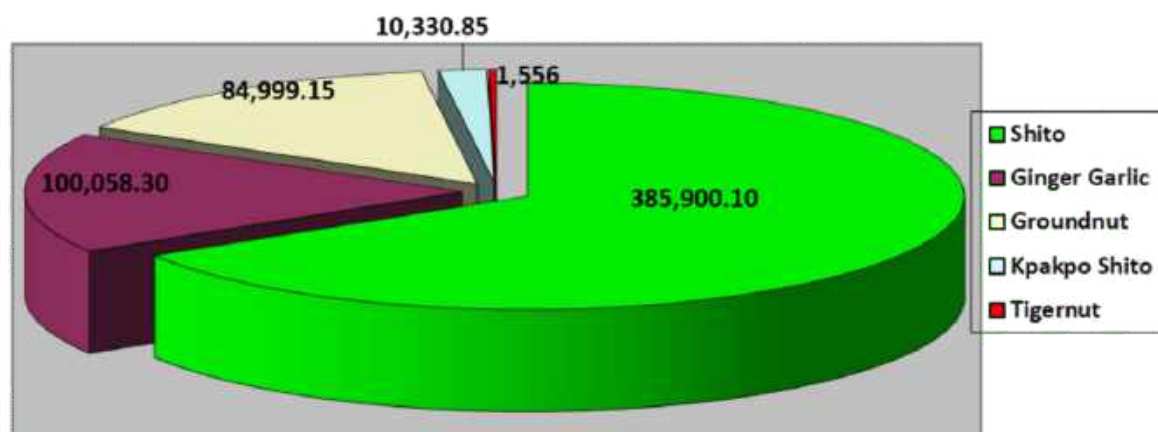
Sale:

Figure 1.00: SFL Sales Index 2014-2020



PRODUCTS PERFORMANCE:

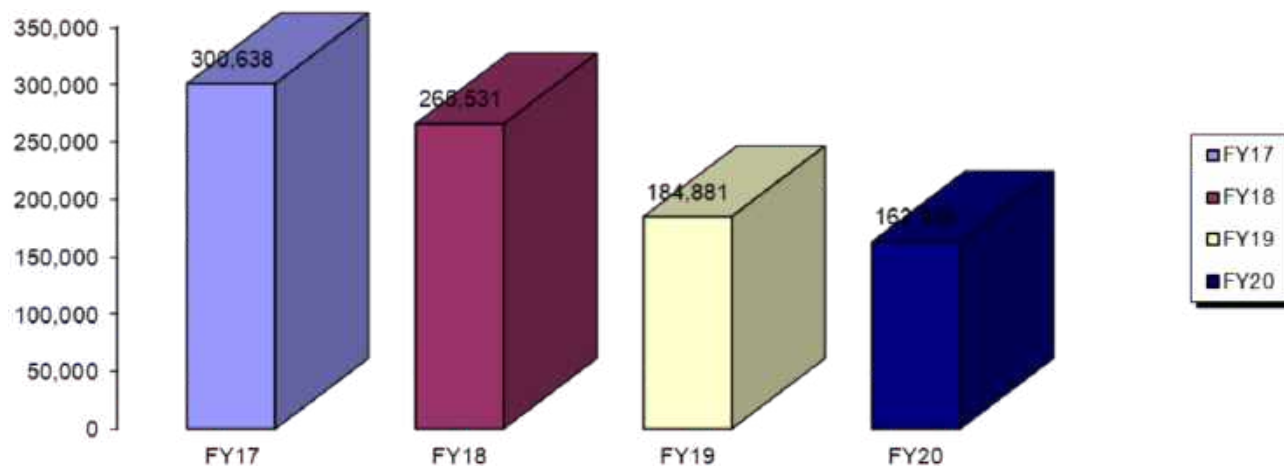
Figure 2.00: SFL Products Index





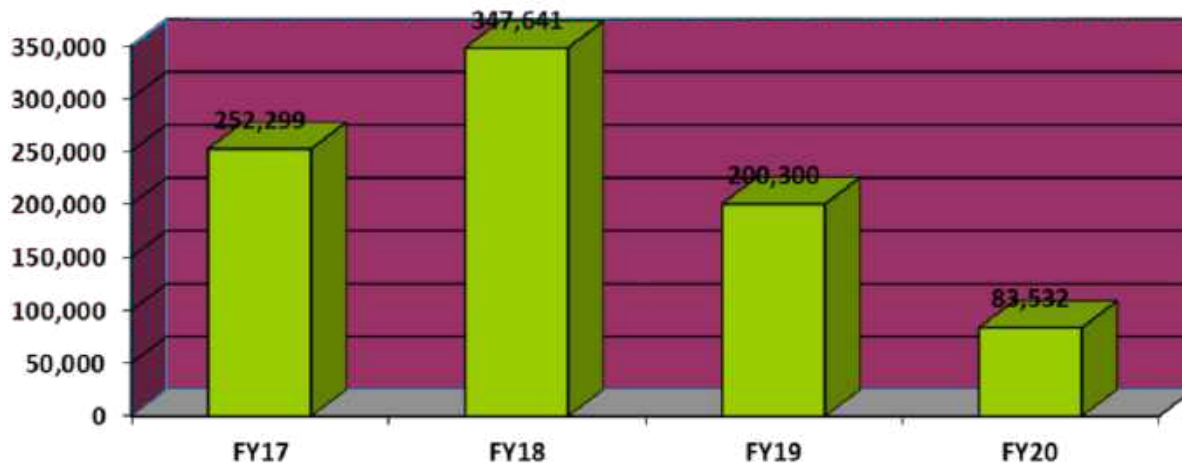
ADMINISTRATIVE EXPENSES:

Figure 3.00: SFL Administrative Expenses Trend 2017 - 2020



NET LOSS:

Figure 5.00: SFL Net Loss Trend 2017-2020



RESPONSE TO COVID-19 PANDEMIC

The health of our employees and the safety of our product is a priority to us, therefore all necessary protocols and PPEs are followed and provided.

The use of nose mask at work is mandatory and a shift system has been enforced to prevent overcrowding at the workplace.

Adequate wash stations have also provided at vantage points to serve both visitors and employees.

MANAGING DIRECTOR'S REVIEW CONT'S

IMPACT OF COVID-19 PANDEMIC

As a company that relies on foodstuff and solely supplies its main product to food joints and restaurants, COVID-19 has greatly impacted our operations and financial performance within the year.

Below is a summary of the extent to which the pandemic affected Samba Foods:

- i. Demand for our products reduced drastically due to economic uncertainty and changing consumer behavior driven by Covid-19. Restriction on movement and social distance discouraged most consumers to patronize food services which takes the volumes of our products.
- ii. Our supply chain was disrupted due to government restriction on movement. Suppliers were not able to meet our demands for raw material for production.
- iii. Cost of production and other inputs also went up due to market volatility and Products unavailability.

CORPORATE AWARDS

The company once again was recognized with the under listed awards:

1. Outstanding Woman Entrepreneur of the Decade Award 2010 -2020 - 10th Ghana Entrepreneur & Corporate Executive Awards 2020
2. GOLD AWARD: Outstanding Contribution to the Economic Development of Ghana – 3rd Ghana Business Excellence Awards 2020

OUTLOOK

Mr. Chairman, Cherished Shareholders, Ladies and Gentlemen, we are entering the



new fiscal year at a time when all companies and economies have been brought to a standstill. All companies and economies are now restructuring and initiating new strategies to combat and recover from the impact of the pandemic. Our focus for 2021 is to sustain the growth path of Samba Foods and improve its operational capacity to enhance our market presence and market share in order to create value and profitability for our cherished shareholders. In this light, we have made a lot of restructuring to accommodate the new highlights on growth. In the course of this year we will develop our strategy, which will give our business the strategic direction for the next 5 years ahead.

We are also focusing on expanding our market to other West African Countries (like Togo, Nigeria and Ivory Coast) and controlling our cost to ensure optimization and efficiency.

Mr. Chairman, we look forward to appeal for funds to strengthen the company's liquidity challenge which would in turn would enable us achieve our ultimate objectives.

CONCLUSION:

Finally, I wish to thank the Management and staff of Samba Foods for their hard work, dedication and commitment to our goals. I also want to thank our cherished customers, partners and the regulatory bodies for their support. I cannot conclude without thanking my fellow Board members for their guidance, contribution and strong support. Look forward to successes in the years ahead. Thank you.

LETICIA OSAFO-ADDO (MRS.)

REPORT

OF THE DIRECTORS



In accordance with the requirements of section 136 of the Companies Act, 2019, (Act 992), the Directors have the pleasure in presenting the report of the Company for the year ended 31 December 2020.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation of financial statements for each financial year which gives a true and fair view of the state of affairs of the company 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 then applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards (IFRS) and the requirements of the Companies Act, 2019 (Act 992).

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.

PRINCIPAL ACTIVITIES

The principal activity of the company include the following:

- I. Food Processing
- II. Producers of Spices
- III. Farming
- IV. Exporters of Processed Foods

FINANCIAL RESULTS

The results of the Company are set out on pages 7 to 34. The Company recorded a net loss after tax of GH¢ 83,532 in 2020 as against a net loss of GH¢ 200,300 in 2019. The increase in Loss was as a result of reduction in interest income in the year under consideration.

DIVIDEND

The Directors do not recommend the payment of dividend for the period ended 31 December 2020.

AUDITORS


In accordance with section 139(5) of the Companies Act, 2019, Iako Consult will continue in office as Auditors of the company.

BY ORDER OF THE BOARD

Name: Charles Tetteh Darko

Signed: 

Name: Leticia Osafo - Addo

Signed: 

REPORT

OF THE INDEPENDENT AUDITOR TO MEMBERS OF

— Samba Foods Limited



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

OPINION

We have audited the financial statements of Samba Foods Limited (the Company), which comprise the statement of financial position as at December 31, 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes as set out on pages 11 to 34. In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Company as at December 31, 2020, and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by The Companies Act 2019 (Act 992) and any other relevant local legislation.

BASIS FOR OPINION

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

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with

KEY AUDIT MATTERS

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

RESPONSIBILITIES OF THE BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and in the manner required by The Companies Act 1963 (Act 179) and any other relevant local legislation, and for such internal control as The Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, The Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless The Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process. responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and

REPORT

OF THE INDEPENDENT AUDITOR TO MEMBERS OF —— Samba Foods Limited CONT'S



resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

appropriate to provide a basis for our opinion.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by The Board of Directors.

- Conclude on the appropriateness of The Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT

OF THE INDEPENDENT AUDITOR TO MEMBERS OF

— Samba Foods Limited

CONT'S



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

We also provide The Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

The Companies Act 2019 (Act 992) 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 it appears from our examination of those books; and

iii) the balance sheet (statement of financial position) and profit or loss (statement of profit or loss and other comprehensive income) of the Company is in agreement with the books of accounts.

**Signed by: Arnold Tetteh Okai
(ICAG/P/1077)**

For and on Behalf of:
IAKO CONSULT (ICAG/F/2020/003)
CHARTERED ACCOUNTANTS
32 Samora Machel Road, Asylum
Down
P. O. Box TN 617
Accra

31st March, 2021
Date.....

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 GH¢	2019 GH¢
Income	4	672,907	557,965
Direct Expenses	5	(446,098)	(376,516)
Gross Profit/(Loss)		226,809	181,449
Other Income	8	18,871	-
Administrative Expenses	6	(162,836)	(184,881)
Depreciation and Amortization	10	(146,536)	(194,790)
Finance Charges	7	(3,996)	(1,185)
Net Profit/(Loss) Before Taxation		(67,688)	(199,407)
Tax Expense	11a	(15,844)	(893)
Net Profit/(Loss) After Taxation		(83,532)	(200,300)

FINANCIAL STATEMENTS



STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

ASSETS	Notes	2020	2019
Non-Current Assets		GH¢	GH¢
Plant, Properties & Equipment	10	3,350,637	3,473,801
Intangible Assets	9	71,030	23,372
		<u>3,421,667</u>	<u>3,497,173</u>
Current Assets			
Inventories	12	349,944	418,853
Loans and Receivables	13	130,541	95,720
Taxation	11	27,395	27,395
Cash & Bank	14	66,743	12,268
		<u>574,623</u>	<u>554,236</u>
Total Assets		<u>3,996,290</u>	<u>4,051,409</u>
EQUITY AND LIABILITIES			
Equity			
Stated Capital	15	2,750,498	2,750,498
Income Surplus		(2,427,460)	(2,343,928)
Revaluation Surplus		2,222,559	2,222,559
		<u>2,545,597</u>	<u>2,629,129</u>
Current Liabilities			
Accounts Payable	16	90,010	91,038
Other Payables	17	339,328	475,731
		<u>429,338</u>	<u>566,769</u>
Non-Current Liabilities			
Deferred Tax Liabilities	11	719,602	703,758
Term Loan	18	301,753	151,753
		<u>1,021,355</u>	<u>855,511</u>
Total Equity and Liabilities		<u>3,996,290</u>	<u>4,051,409</u>

The Board of Directors approved these financial statements on

DIRECTOR

DIRECTOR

The accompanying notes on pages 13 to 33 from part of these financial statements and should be read in conjunction therewith.

STATEMENT OF CASH FLOW AS AT 31 DECEMBER 2020

	Notes	2020 GH¢	2019 GH¢
Operating activities			
Loss from operations		(83,532)	(200,300)
Adjustments for:			
Depreciation and Amortization		146,537	171,417
Decrease / (Increase) in Inventories		68,909	(69,364)
Decrease / (increase) in receivables		(34,821)	(43,907)
(Decrease) / increase in payables		(137,431)	136,352
Deferred Tax		15,844	-
Net cash generated from operating activities		(24,494)	(4,909)
Taxation			
Tax Paid		-	-
Cash flow included in investing activities:			
Purchase of PPE		-	-
Intangible Assets		(71,031)	-
Net cash from investing activities		(71,031)	-
Cash flows from financing activities			
Increase in Stated Capital			-
Medium Term Loans		150,000	-
Shareholders Advance			-
Net cash used in financing activities		150,000	-
Net increase/ (decrease) in cash and cash equivalents		12,268	(4,909)
Cash and cash equivalents at beginning of year		54,475	17,177
Cash and cash equivalents at end of year		66,743	12,268

FINANCIAL STATEMENTS



STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2020

	Stated Capital	Income Surplus	Revaluation Surplus	Total
At the beginning of the year	2,750,498	(2,343,928)	2,222,559	2,629,129
Increased Stated Capital	-	-	-	-
Profit/(Loss) for the period	-	(83,532)	-	(83,532)
Year Ended 31 December 2020	<u>2,750,498</u>	<u>(2,427,460)</u>	<u>2,222,559</u>	<u>2,545,597</u>
At the beginning of the year	2,750,498	(2,143,628)	2,222,559	2,829,429
Increased Stated Capital	-	-	-	-
Profit/(Loss) for the period	-	(200,300)	-	(200,300)
Year Ended 31 December 2019	<u>2,750,498</u>	<u>(2,343,928)</u>	<u>2,222,559</u>	<u>2,629,129</u>

NOTE —

TO THE FINANCIAL STATEMENTS



1.0 CORPORATE INFORMATION

NATURE OF COMPANY

Samba Foods is a limited liability company incorporated in Ghana under the Companies Act 2019, Act 992. The company is domiciled in Ghana with its registered office at West Coast Dyeing Company, Heavy Industrial Area, Tema.

The company is authorized and licensed by the Ghana Stock Exchange to trade on the stock exchange. The Registrar of Companies also accords the company the legal and regulatory mandate to undertake the following:

- I. Food Processing
- II. Producers of Spices
- III. Farming
- IV. Exporters of Processed Foods

Authorization for Publication

The financial statements of the company for the year ended 31 December 2020 were authorized for issue in accordance with a resolution of the directors on

....., 2021.

JUDGMENTS AND ESTIMATES

The presentation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affects the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be

reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the note 3

GOING CONCERN

The company's management has made an assessment of the company's ability to continue as a going concern and is satisfied that the company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED



Amendments/Improvements

Effective Date

IFRS 17

Insurance Contracts

Effective for annual periods
beginning on or after 1

January 2021

Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. [IFRS 17:1]

IFRS 17 replaces the following standard:

- [IFRS 4](#) *Insurance Contracts*

IFRS 17

IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. [IFRS 17:1]

Scope

An entity shall apply IFRS 17 Insurance Contracts to: [IFRS 17:3] Insurance contracts, including reinsurance contracts, it issues;

- (i) Reinsurance contracts it holds; and
- (ii) Investment contracts with discretionary participation features it issues, provided the entity also issues insurance contracts.

Some contracts meet the definition of an insurance contract but have as their primary purpose the provision of services for a fixed fee. Such issued contracts are in the scope of the standard, unless an entity chooses to apply to them IFRS 15 Revenue from Contracts with Customers and provided the following conditions are met [IFRS 17:8]

- a) the entity does not reflect an assessment of the risk associated with an individual customer in setting the price of the contract with that customer;
- b) the contract compensates the customer by providing a service, rather than by making cash payments to the customer; and
- c) the insurance risk transferred by the contract arises primarily from the customer's use of services rather than from uncertainty over the cost of those services.

ACCOUNTING POLICIES



BASIS OF PREPARATION

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for sale financial assets and financial assets and financial liabilities (including derivatives instruments) at fair value through profit or loss.

Significant Accounting Estimates, Assumptions & Judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policy. Key areas in which judgment is applied include:

Statement of Compliance

These financial statements of Samba Foods Limited have been prepared in accordance with International Financial reporting Standards (IFRS) IFRS 1, First – Time Adoption of International Financial Reporting Standards, has been applied in preparing these financial statements. This is in conformity with the directives of the Institute of Chartered Accountants (ICAG) in collaboration with other regulatory bodies like Ghana Stock Exchange.

Segmental Reporting

The Company is only operating business in Ghana and therefore subject to only one geographical and economic condition. It therefore has no reporting segment and not necessary to prepare additional segment information as per IAS 14. The Company is not yet organized to support segment reporting as per IFRS 8 which has not been earlier adopted.

Functional and Presentation Currency

The financial statements are presented in Ghana Cedis, which is the Company's functional and presentation currency.

Foreign currencies

Foreign currency transactions are recorded in the functional currency using the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are restated into the functional currency at rate of exchange ruling at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the restatement of monetary assets and liabilities denominated in foreign currencies at year end are recognized in the income statement under the heading "other operating income or "other operating expenses".

The effect of exchange rate changes on cash and cash equivalents held or due in a foreign currency is reported in the cash flow statements as part of the reconciliation of cash and cash equivalent at the beginning and end of the period. This amount is presented separately from cash flows from operating, investing and financing activities and includes the differences, if any, had those cash flows been reported at end of period exchange rates.

PROPERTY, PLANT AND EQUIPMENT



Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is provided on the depreciable amount of each component on a straight-line basis over the anticipated useful life of the asset. The depreciable amount related to each asset is determined as the difference between the cost and the residual value of the asset. The residual value is the estimated amount, net of disposal costs that the Company would currently obtain from the disposal of an asset in similar age and condition as expected at the end of the useful life of the asset. The current annual depreciation rates for each class of property, plant and equipment are as follows:

	%
Land	60 years lease
Computers	30
Factory Equipment	20
Motor vehicles	20
Office Equipment, Furniture & Fittings	15

Costs associated with routine servicing and maintenance of assets are expensed as incurred. Subsequent expenditure is only capitalized if it is probable that future economic benefits associated with the item will flow to the Company.

The carrying values of property and equipment are reviewed for indications of impairment annually, or when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

An item of property, plant and equipment is

derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Residual values, useful lives and methods of depreciation for property and equipment are reviewed, and adjusted if appropriate, at each financial year end.

Intangible assets

Computer Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over 2 years.

Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the Company reviews the carrying amounts of its tangible and intangible 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 to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

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 assessments 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 cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the

amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain the expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

Contingent liabilities and contingent assets are not recognized in the financial statements but are disclosed.

Employee benefits - Social security & Provident Funds

The Company contributes to the national pension fund (defined contribution) governed by the Social Security & National Insurance Trust Fund law on behalf of employees. All employer contributions are charged to the income statement as incurred and are included under staff costs.

Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized.

Revenue Recognition

Revenue arises from the sale of goods and provision of services where these activities give rise to economic benefits received and receivable by the Company on its own account and result in increases in equity.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Income tax

{a} Current income tax

Current income tax assets and liabilities for the current and prior period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the income statement.

{b} Deferred income tax

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Revenues, expenses and assets are recognized net of the amount of values added tax except.

- Where the value added tax incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(c) Value Added Tax (VAT)

Revenues, expenses and assets are recognized net of the amount of VAT except:

(i) Where the value added tax incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii) Receivables and payables are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the Ghana Revenue Authority is included as part of receivables or payables in the statement of financial position.

Financial instruments – Initial recognition and subsequent measurement

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Available for Sale Assets

Available for sale financial assets are measured at fair value on the balance sheet, with gains and losses arising from

changes in the fair value of investments recognized directly in equity, until the financial asset is either sold, becomes impaired or matures, at which time the cumulative gain or loss previously recognized in equity is recognized in the income statement. Interest calculated using the effective interest method is recognized in the income statement; dividends on available-for-sale equity instruments are recognized in the income statement when the Company's right to receive payment is established. Purchases and sales of securities and other financial assets are recognized on trade date, being the date that the Company is committed to purchase or sell an asset. If an available for sale instrument is determined to be impaired, the respective cumulative unrealized losses previously recognized in equity are included in the income statement in the period in which the impairment is identified. Impairment losses on available for sale equity instruments are reversed equity.

Held-to-Maturity Assets

Held-to-maturity assets are non-derivative financial instruments with fixed or determinable payments and maturity dates. Financial assets including Government of Ghana Index linked bonds are securities that the Company has the positive intent and ability to hold to maturity are classified as held-to-maturity and are measured at amortized cost using the effective interest method, less impairment losses.

Loans and Receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortized cost using the effective interest rate method, less provision for impairment.

The Company's loans and receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the statement of financial position.

Financial Liabilities

Financial liabilities are classified as non-trading, held for trading or designated as held at fair value through profit and loss. Non-trading liabilities are recorded at amortized cost applying the effective interest method. Held for trading liabilities or liabilities designated as held at fair value through profit and loss, are accounted for as indicated above.

Determination of Fair Value of Financial Instruments

The fair value of a financial instrument traded in active markets at the balance

sheet date is based on their quoted market price or dealer price quotations without any deduction of transaction costs. Where market prices are not available the Company establishes a fair value by using valuation techniques. These include the use of recent arm's-length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and other valuation techniques commonly used by market participants. For private equity investments that are not publicly traded, management uses comparisons to similar companies, relevant third party arm's length transactions and other information specific to the investment.

Derecognition of Financial Assets and Liabilities

A financial asset or a portion thereof, is derecognized when the Company's rights to cash flows has expired; or when the Company has transferred its rights to cash flows relating to the financial assets, including the transfer of substantially all the risk and rewards associated with the financial assets or when control over the financial assets has passed.

A financial liability is derecognized when the obligation is discharged, cancelled or expired.

Impairment of Financial Assets **{a} Framework for impairing financial assets**

At each balance sheet date the Company assesses whether, as a result of one or more events occurring after initial recognition, there is objective evidence that a financial asset or group of financial assets has

become impaired. Evidence of impairment may include indications that the borrower or group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, or the fact that the debt is being restructured to reduce the burden on the borrower.

{b} Loans and Advances

Impairment provisions are recognized when there is objective evidence (such as significant financial difficulties on the part of the counter party or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognized within administrative expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

{c} Available-for-Sale Financial Assets

For available-for-sale financial investments, the Company assesses at each balance sheet date whether there is objective evidence that an investment or group of investments is impaired.

In the case of equity investments classified as available-for-sale, objective evidence

would include significant or prolonged decline in the fair value of the investment below its cost. Where there is evidence of impairment, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the income statement) is removed from equity and recognized in income statement. Impairment losses on equity investments are not reversed through the same income statement. Increases in fair value after impairment are recognized directly in equity.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortized cost. Interest continues to be accrued at the original effective interest rate on the reduced carrying amount of the asset and is recorded as part of 'Interest and similar income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in the income statement, the impairment loss is reversed through the income statement.

Issued debt and equity financial instruments

Financial instruments issued by the Company are classified as liabilities if they contain an obligation to transfer economic benefits. Financial instruments issued by the Company are classified as equity where they confer on the holder a residual interest in the Company.

Cash and cash equivalents

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including: cash and non-restricted balances with bank, treasury bills and other eligible bills, loans and advances, amounts due from other companies and short-term government securities.

Dividend

Dividend declared is treated as an appropriation of profit in the year of approval while dividend proposed is disclosed as a note to the financial statements.

Trade payables

Trade payables are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method.

Leasing

The company as a lessee

Operating leases relate to leases of building with lease terms of between 3 and 5 years. All operating lease contracts over 5 years contain clauses for 5-yearly market rental reviews. The company does not have an option to purchase the leased land at the expiry of the lease periods.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Placement

Placements are recognized initially at the transaction price (that is, the present value of cash payable to the bank, including transaction costs). Placements are subsequently stated at amortized cost. Interest expense is recognized on the basis of the effective interest method and is included in finance costs.

Placements 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 reporting date.

NOTE TO THE FINANCIAL STATEMENTS CONT'D



4. Income	2020	2019
	GH¢	GH¢
Sales	672,907	557,965
	672,907	557,965
5. Direct Cost	2020	2019
	GH¢	GH¢
Opening Stock – Raw material	401,082	345,904
Purchases	254,516	65,221
Factory Wages	58,302	291,817
Overheads	64,371	88,842
Cost of Goods Produced	778,271	791,784
Add: Finished Goods b/f	17,771	3,585
Less: Raw Materials c/d	(346,556)	(401,082)
Less: Finished Goods c/d	(3,388)	(17,771)
	446,098	376,516
6. Administrative Expenses	2020	2019
	GH¢	GH¢
Audit Fees	10,000	17,000
Salaries	82,453	69,396
Communication	2,125	1,210
Marketing Expenses	4,158	3,334
Travelling & Transport	2,600	21,308
Printing & Stationery	3,055	3,785
Medicals	3,868	1,856
Vehicle Running Expenses	23,830	37,353
Rent	2,675	1,498
Electricity & Water	6,596	7,441
Security	500	-
Cleaning & Sanitation	1,384	1,761
Meetings	2,407	1,547
Insurance	2,485	1,850
Listing Expenses	10,723	4,000
Rates	-	-
Rep. & Mtce - Office Equipment	3,977	8,843
Registration & Licensing	-	2,699
	162,836	184,881

7. Financial Charges	2020	2019
	GH¢	GH¢
Interest Charges	-	-
Bank Charges	3,996	1,185
	<u>3,996</u>	<u>1,185</u>
	<u>3,996</u>	<u>1,185</u>
8. Other Income	2020	2019
	GH¢	GH¢
Interest income	-	-
Partners in Food Solution	18,871	-
	<u>18,871</u>	<u>-</u>
	<u>18,871</u>	<u>-</u>
9. Intangible Assets	2020	2019
	GH¢	GH¢
Balance Brought Forward	116,864	116,864
Addition	71,031	-
	<u>187,895</u>	<u>116,864</u>
Amortization	93,492	70,119
Current Charge	23,372	23,373
	<u>116,864</u>	<u>93,492</u>
	<u>71,031</u>	<u>23,372</u>

This relates to expenses incurred to put rented factory premises in Shape. The balance carried forward and any additions during the year is written off over the remaining live of the lease.

NOTE TO THE FINANCIAL STATEMENTS CONT'D



Cost	Leasehold Premises GH¢	Motor Vehicles GH¢	Office Equip & Furniture GH¢	Computers GH¢	Factory Equipment GH¢	Total GH¢
Cost 1/1/20	2,494,767	169,000	160,115	19,100	1,772,300	4,615,282
Revaluation	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Bal 31/12/20	2,494,767	169,000	160,115	19,100	1,772,300	4,615,282
Depreciation						
Cost 1/1/20	408,061	164,800	121,143	14,910	432,567	1,141,481
	-	-	-	-	-	-
Charge for the Yr.	54,609	-	23,222	1,215	44,118	123,164
Bal 31/12/20	462,670	164,800	144,365	16,125	476,685	1,264,645
NBV 20	2,032,097	4,200	15,750	2,975	1,295,615	3,350,637

PROPERTY PLANT AND EQUIPMENT



Cost	Leasehold Premises GH¢	Motor Vehicles GH¢	Office Equip & Furniture GH¢	Computers GH¢	Factory Equipment GH¢	Total GH¢
Cost 1/1/19	2,494,767	169,000	160,115	19,100	1,772,300	4,615,282
Revaluation	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Bal 31/12/19	2,494,767	169,000	160,115	19,100	1,772,300	4,615,282
Depreciation						
Cost 1/1/19	353,452	139,920	97,921	13,695	388,449	993,437
	-	-	-	-	-	-
Charge for the Yr.	54,609	24,880	23,222	1,215	44,118	148,044
Bal 31/12/19	408,061	164,800	121,143	14,910	432,567	1,141,481
NBV 19	2,086,706	4,200	38,972	4,190	1,339,733	3,473,801

11a. INCOME TAX EXPENSE

	2020 GH¢	2019 GH¢
Current Income Tax	-	-
Deferred Tax	15,844	(893)
	<u>15,844</u>	<u>(893)</u>

Deferred Tax

Deferred tax is calculated, in full, on all temporary differences under the liability method using a principal tax rate of 25% (2018: 25%). The movement on the deferred income tax account is as follows:

11b. DEFERRED TAX Asset/(Liability)

	2020 GH¢	2019 GH¢
At start of year	703,758	(702,865)
Income statement credit/(charge)	15,844	(893)
	<u>719,602</u>	<u>(703,758)</u>

11c. Corporate Tax

Year of Assessment	Balance B/Fwd GH¢	Tax Charged / Adjustments GH¢	Tax Paid GH¢	Tax Outstanding GH¢
2014	(11,753)	8,183	(3,925)	(7,495)
2015	(7,495)	-	(15,510)	(23,005)
2016	(23,005)	-	(4,390)	(27,395)
2017	(27,395)	-	-	(27,395)
2018	(27,395)	-	-	(27,395)
2019	(27,395)	-	-	(27,395)
2020	<u>(27,395)</u>	<u>-</u>	<u>-</u>	<u>(27,395)</u>

NOTE TO THE FINANCIAL STATEMENTS CONT'D



12. Inventories		2020 GH¢	2019 GH ¢
Raw Materials		23,483	13,581
Packaging Materials		323,074	387,502
Trading		3,388	17,771
		<u>349,945</u>	<u>418,854</u>
13. Loan and Receivables		2020 GH¢	2019 GH ¢
Trade Debtors		119,004	95,720
Deposit for Equipment		2,000	-
Prepayment - Rent		9,537	-
		<u>130,541</u>	<u>95,720</u>
14. Cash and Bank		2020 GH¢	2019 GH¢
Consolidated Bank		-	-
Zenith Bank GHC		8,958	2,862
Zenith Bank USD		9	220
Zenith Fixed Deposit		56,737	-
Cash on Hand		1,039	9,186
		<u>66,743</u>	<u>12,268</u>
15. Stated Capital		2020	2019
Authorized Shares			
1,000,000,000 Ordinary Shares			
Issued Shares	No. of shares	GH¢	GH¢
Equity Contribution	5,976,053	2,750,498	2,750,498
Total	5,976,053	2,750,498	2,750,498

16 Accounts Payables

	2020 GH¢	2019 GH¢
Creditors	58,118	26,515
Statutory	<u>31,892</u>	<u>64,523</u>
	<u>90,010</u>	<u>91,038</u>

17 Other Payables

	2020 GH¢	2019 GH¢
Audit Fees	27,000	45,000
Salaries	297,380	328,900
Rent	5,348	5,122
Sundry Expenses	1,600	28,649
Directors	<u>8,000</u>	<u>68,060</u>
	<u>339,328</u>	<u>475,731</u>

18. Medium Term Loans

Lender	Balance as at Jan 1 2020 GH¢	Addition / Adjustment GH¢	Payments GH¢	Balance as at 31 Dec 2020 GH¢
Venture Capital	91,753	-	-	91,753
MOFA / ADB Loan	60,000	-	-	60,000
NBSSI	-	50,000	-	50,000
Prime Insurance	-	100,000	-	100,000
	<u>151,753</u>	<u>150,000</u>	<u>-</u>	<u>301,753</u>

MOFA relates to the cost of importing factory equipment.

19. Related party transactions

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

The Company's key management personnel, and persons connected with them, are also considered to be related parties for disclosure purposes. The definition of key management includes the close members of family of key personnel and any entity over which key management exercise control. The key management personnel have been identified as the executive and non-executive directors of the Company. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with the Company.

Key management compensation

The compensation paid or payable to key management for employee services is shown below:

	2020 GH¢	2019 GH¢
Total key management compensation	162,150	162,150

20. Financial Risk Management

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

Credit risk
Liquidity risk
Market risk

This note presents information about the company's exposure to each of the above risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

Risk Management Framework

The Board of Directors has overall for the establishment and oversight of the company's risk management framework. The Board has established the Audit and Finance

committee, which are responsible for developing and monitoring the company's risk management policies in their specified areas. The team includes selected members of executive management and report regularly to the Board of Directors on their activities.

The company's risk management policies are established to identify and analyze the risk faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market in conditions, products and services offered. The company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The company's Audit and Finance Committee is responsible for monitoring compliance with the company's risk management policies and procedures, and for reviewing the adequacy of risky management framework in relation to the risks faced by the company. This committee is assisted in these functions by a risk management structure in all the units of the company which ensures a consistent assessment of risk management control and procedures.

Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

Allowances for Impairment

The company establishes an allowance for impairment losses that represents its estimate of incurred losses in respect of risk and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loan loss allowance established for homogenous assets in respect of losses that have been incurred but not yet been identified. The collective loss allowance is determined based on historical data of payment for similar assets.

Liquidity Risk

Liquidity risk is the risk that the company either does not have sufficient financial resources available to meet all its obligations and commitments as they fall due, or can access them only at excessive cost. The company's approach to managing liquidity is to ensure that it will maintain adequate liquidity to meet its liabilities when due.

Market Risks

Market risk is the risk that changes in the money and capital market such as interest rates and equity prices will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control. Market risk exposures within acceptable parameters, while optimising the return on investments.

Foreign Currency Risk

The company is not exposed to currency risk as there are no transaction and balances denominated in currencies other than the functional currency

Operational Risk

Operational risk is the exposure to financial or other damage arising through unforeseen events or failure in operational processes and systems. Examples include inadequate controls and procedures, human error, deliberate malicious acts including fraud and business interruption. These risks are controlled and monitored through system controls, segregation of duties, exception and exposure reporting, business continuity planning, reconciliations, and timely and reliable management reporting.

21. Fair Values

Fair values versus carrying amounts

The fair values of financial assets and liabilities together with carrying amount shown in the balance sheet are as follows

	31 December 2020		31 December 2019	
	Carrying Amount GH¢	Fair Value GH¢	Carrying Amount GH¢	Fair Value GH¢
Assets				
Inventories	349,944	349,944	418,853	418,853
Loans and Receivables	130,541	130,541	95,720	95,720
Cash & Bank	66,743	66,743	12,268	12,268
	547,228	547,228	526,841	526,841
Liabilities				
Account Payables	90,010	90,010	91,038	91,038
Other Payables	339,328	339,328	475,731	475,731
Term Loan	301,753	301,753	151,753	151,753
	731,091	731,091	718,522	718,522

22. Event after the reporting period

No significant event occurred after the end of the reporting date which is likely to affect these financial statements.

23. Commitments

There were no commitments capital expenditure at the balance sheet date as at 31 December 2020

Financial Transparency and Information Disclosure

1. Objectives of the Company :

To resolve Post Harvest losses and Food Securities Issues in the country.

2. Board's responsibilities regarding financial communications:

The Board recognizes the importance of two-way communication with the Company's shareholders. The Chair, and the CEO, meet regularly with major shareholders and report the views of such shareholders to the Board. As well as the Company giving a balanced report of financial results and progress at each AGM, all shareholders have an opportunity to ask questions in person.

3. The decision making process for approving transactions with related parties.

There is no decision making process for approving transactions with related parties

Auditing

4. Internal control systems.

The Board is responsible for maintaining a sound system of risk management and internal control, and for regularly reviewing its effectiveness. It has delegated authority to the Audit Committee to assist it in fulfilling its responsibilities in relation to internal control and financial reporting

The Board confirms that there is a robust process for identifying, evaluating and managing the principal risks to the achievement of Samba Food's objectives. This has been in place throughout 2020 and up to the date of this Report and is regularly reviewed by the Board and accords with the Internal Control

5. Process for appointment of external auditors

The procedure for the selection and appointment of external auditor is based on the following framework:

(i) The Board is responsible for appointing the external auditor, subject to shareholder approval;

(ii) If the role of external auditor becomes vacant, or if the Audit and Risk Committee otherwise considers it appropriate to do so, the Audit and Risk Committee will conduct a formal selective tendering process. Tenders will be evaluated in accordance with established criteria as appropriate at the time;

(iii) The Committee shall ensure that prospective auditors are provided with sufficient information about the Company to develop an appropriate proposal and fee estimate;

(iv) Once the review process has taken place the Audit and Risk Committee provides the Board with information concerning the process adopted in undertaking the review, the recommended external auditor and the reasons for the recommendation;

6. Process for interaction with external auditors.

(i) Upon engagement, the external auditor will report to the Audit & Risk Committee, have unfettered access to management, staff, records, company facilities and will be permitted reasonable time to conduct its audit; and

(ii) The Audit and Risk Committee will annually review the external auditor's performance and independence.

7. Duration of current auditors.

5 yrs. Since 2014

8. Auditors' involvement in non-audit work and the fees paid to the auditors.

Our Auditors are not involved in non-audit work. The external auditor services are limited to the statutory audit

Corporate Responsibilities and Compliance

9. Policy and performance in connection with environmental and social responsibility.

The company does have a Corporate Social Responsibilities Policy. But no CSR activity was conducted in 2016 because the operating performance of the company has not been positive.

10. A Code of Ethics for all company employees.

Directors, officers, employees and contract staff are required to comply with the Company Code of Conduct, which is intended to help them put Company's business principles into practice. This code clarifies the basic rules and standards they are expected to follow and the behaviour expected of them.

Code of ethics is part of the employee handbook. All employees have a handbook for ease of reference

We strive to maintain a healthy industrial relations environment in which dialogue between management and employees – both directly and, where appropriate, through employee representative bodies – is embedded in our work practices. On a quarterly basis, management briefs employees on our operational and financial results through various channels, including team meetings, face-to-face gatherings, and email from the Chief Executive Officer.

Strong employee engagement is especially significant in maintaining strong business delivery in times of great change. We promote safe reporting of views about our processes and practices.

11. Code of Ethics for the Board and waivers to the ethics code.

Members of the Board of Directors are committed to observing and promoting the highest standards of ethical conduct in the performance of their responsibilities on the board. Board members pledge to accept this code as a minimum guideline for ethical conduct and shall:

Accountability

1. Faithfully abide by the company regulations, by-laws and policies of Samba Foods.
2. Exercise reasonable care, good faith and due diligence in organizational affairs.
3. Fully disclose, at the earliest opportunity, information that may result in a perceived or actual conflict of interest.
4. Fully disclose, at the earliest opportunity, information of fact that would have significance in board decision-making.
5. Remain accountable for prudent fiscal management to association members, the board, and where applicable, to government and Professional Excellence
6. Maintain a professional level of courtesy, respect, and objectivity in all {Name of Organization} activities
7. Strive to uphold those practices and assist members of the board in upholding the highest standards of conduct

Board and Management Structure and Process

Risk management objectives, system and activities

12. Objectives

- To identify and prioritise potential risk events
- Help develop risk management strategies and risk management plans

- Use established risk management methods, tools and techniques to assist
- in the analysis and reporting of identified risk events
- Find ways to identify and evaluate risks
- Develop strategies and plans for lasting risk management strategies

Management has overall responsibility for the management of risks, and for the implementation and maintenance of control systems in accordance with the Board's policies. Specifically, divisional heads are responsible for ensuring that a process for creating risk awareness exists throughout the division. The divisional heads are responsible for all aspects of the operations in their divisions, including operational risk management and risk minimization.

Accountability for managing risks is clearly assigned to divisional heads. Also Divisional heads do understand the risks associated with providing services and be able to assess and control these risks.

13. Types and duties of outside board and management positions.

Charles Darko	- Executive Director [Reipco Industries]
Leticia Osafo-Addo	- Managing Director [Samba Foods]
Kwame Osafo-Addo	- [Managing Director-Kwame Law LLC-Minnesota]
Awo Osafo-Addo	- [Scientist-Yale University-Connecticut]
Matthias Rogers-Akpatah	- [Professional Insurer-Prime Insurance Co.]
Thomas Gyabaah	- [Accountant-Prime Insurance Company]

14. Number of outside board and management positions held by the directors.

15. Qualifications and biographical information on board members.

16. Professional development and training activities.

NONE

17. Composition of board of directors (executives and non-executives).

Charles Darko	- Chairman	- Non Executive
Leticia Osafo-Addo	- Managing Director	- Executive
Kwame Osafo-Addo	- Director	- Non Executive
Awo Osafo-Addo	- Director	- Non Executive
Matthias Rogers-Akpatah	- Director	- Non Executive
Thomas Gyabaah	- Director	- Non Executive

18. Performance evaluation process
NO

19. Role and functions of the board of directors and committees of the board.

ROLE OF DIRECTORS

The roles of the Chair, a non-executive role, and the CEO are separate, and the Board has agreed their respective responsibilities. The Chair is responsible for the leadership and management of the Board and for ensuring that the Board and its committees function effectively. One way in which this is achieved is by ensuring Directors receive accurate, timely and clear information.

The CEO bears overall responsibility for the implementation of the strategy agreed by the Board, the operational management of the Company and the business enterprises connected with it. He is supported in this by the Executive Committee which he chairs.

NON-EXECUTIVE DIRECTORS

Non-executive Directors are appointed by the Board or by shareholders at general meetings and, in accordance with the Code. Upon appointment, Non-executive Directors confirm they are able to allocate sufficient time to meet the expectations of the role. The Non-executive Directors bring a wide range and balance of skills and experience to the Company. Through their contribution to Board meetings and to Board committee meetings, they are expected to challenge constructively and help develop proposals on strategy and bring independent judgement on issues of performance and risk.

The Board recognises its collective responsibility for the long-term success of the Company. This includes: overall strategy and management; corporate structure and capital structure; financial reporting and control, oversight and review of risk management and internal control; significant contracts; and succession planning and new Board appointments.

20. Existence of procedure(s) for addressing conflicts of interest among board members.

CONFLICTS OF INTEREST

Certain statutory duties with respect to directors' conflicts of interest are in force under the Companies Act 1963 (the Act). In accordance with the Act and the regulations, the Board may authorise any matter that otherwise may involve any of the Directors breaching their duty to avoid conflicts of interest.

The Board has adopted a procedure to address these requirements. It includes the Directors completing detailed conflict of interest questionnaires. The matters disclosed in the questionnaires are reviewed by the Board and, if considered appropriate, authorised in accordance with the Act and the Regulations. Conflicts of interest as well as any gifts and hospitality received by and provided by Directors are kept under review by the Board.

21. Independence of the board of directors.

All the Non-executive Directors are considered by the Board to be wholly independent.

22. Determination and composition of directors' remuneration

23. Checks and balances" mechanisms balancing the power of the CEO with the power of the board.

The roles of the Chair, a non-executive role, and the CEO are separate, and the Board has agreed their respective responsibilities. The Chair is responsible for the leadership and management of the Board and for ensuring that the Board and its committees function effectively. One way in which this is achieved is by ensuring Directors receive accurate, timely and clear information.

The CEO bears overall responsibility for the implementation of the strategy agreed by the Board, the operational management of the Company and the business enterprises connected with it. He is supported in this by the Executive Committee which he chairs.

The Management Committee operates under the direction of the CEO in support of his responsibility for the overall management of the Company's business. The CEO has final authority in all matters of management that are not within the duties and authorities of the Board or of the shareholders' general meeting



Proxy / Authorisation Form



I/We _____

being a member / members of Samba Foods Limited hereby appoint

_____ or failing him / her the chairman of the Meeting as my/our Proxy to vote on my/our behalf at the Annual General Meeting of the Company to be held on Thursday 10th June, 2021

The Annual General Meeting hereby resolves the following:

- 1. To receive and consider the reports of Directors and Auditors together with the Financial Statement for the year ended December 31,2020 thereon.**
- 2. To approve Directors' Fees**
- 3. The authorization by Members for the Directors to fix the remuneration of the auditors.**

Dated this _____ day of _____ 2021

Shareholder's Signature _____



ACHIEVEMENT AWARDS



PICTURE GALLERY



PICTURE GALLERY



PICTURE GALLERY



PICTURE GALLERY



PICTURE GALLERY



THANK YOU



SAMBA FOODS LIMITED