



Annual Performance Report

Sama Sama
2018 (YTD to Jun 2018)

Executive Summary



REVENUE

Revenue GH¢880,293 (Last year GH¢304,200)

Positive trend upwards.



PROFITABILITY

Profitability Ratio 17.48% (Last year 17.33%)

Positive trend upwards. Strategies to improve profitability include: increasing price, increasing sales volume, reducing cost of sales and reducing operating expenses.



ACTIVITY

Activity Ratio 2.54 times (Last year 1.47 times)

Positive trend upwards. Strategies to improve the activity ratio include seeking ways to optimise the balance sheet, ie. by reducing the investment in working capital, selling-off any unused assets or by increasing sales using the same asset base.



EFFICIENCY

Return on Capital Employed 44.41% (Last year 25.4%)

Positive trend upwards. A higher ROCE% is favourable, indicating that the business generates more earnings per GH¢1 of capital employed.



WORKING CAPITAL

Cash Conversion Cycle 165.00 days (Last year 177.00 days)

Positive trend downwards. Strategies to improve cash conversion include: collecting debt faster, reducing inventory levels, billing work in progress faster and paying creditors slower



CASH FLOW

Free Cash Flow -GH¢109,147

Free Cash Flow is negative. After paying its operating expenses and capital expenditure investments the business has not generated positive cash flow.



MARGINAL CASH FLOW

Net Variable Cash Flow -18.89%

Net variable cash flow is negative. The business will absorb cash with each additional GH¢1 of products or services that the business sells.



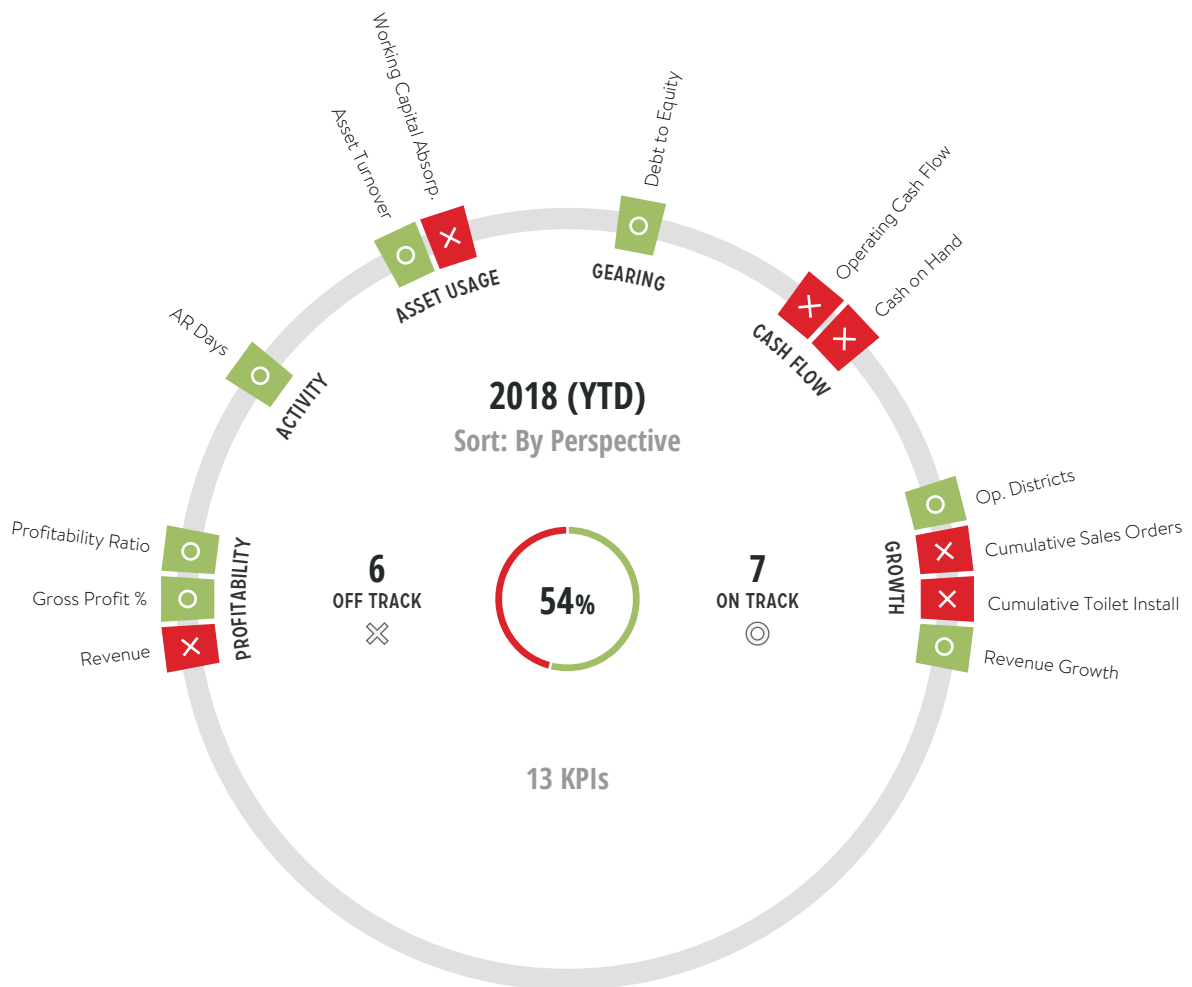
DEBT

Net Debt -GH¢18,300 (Last year -GH¢132,984)

Net debt levels have risen.

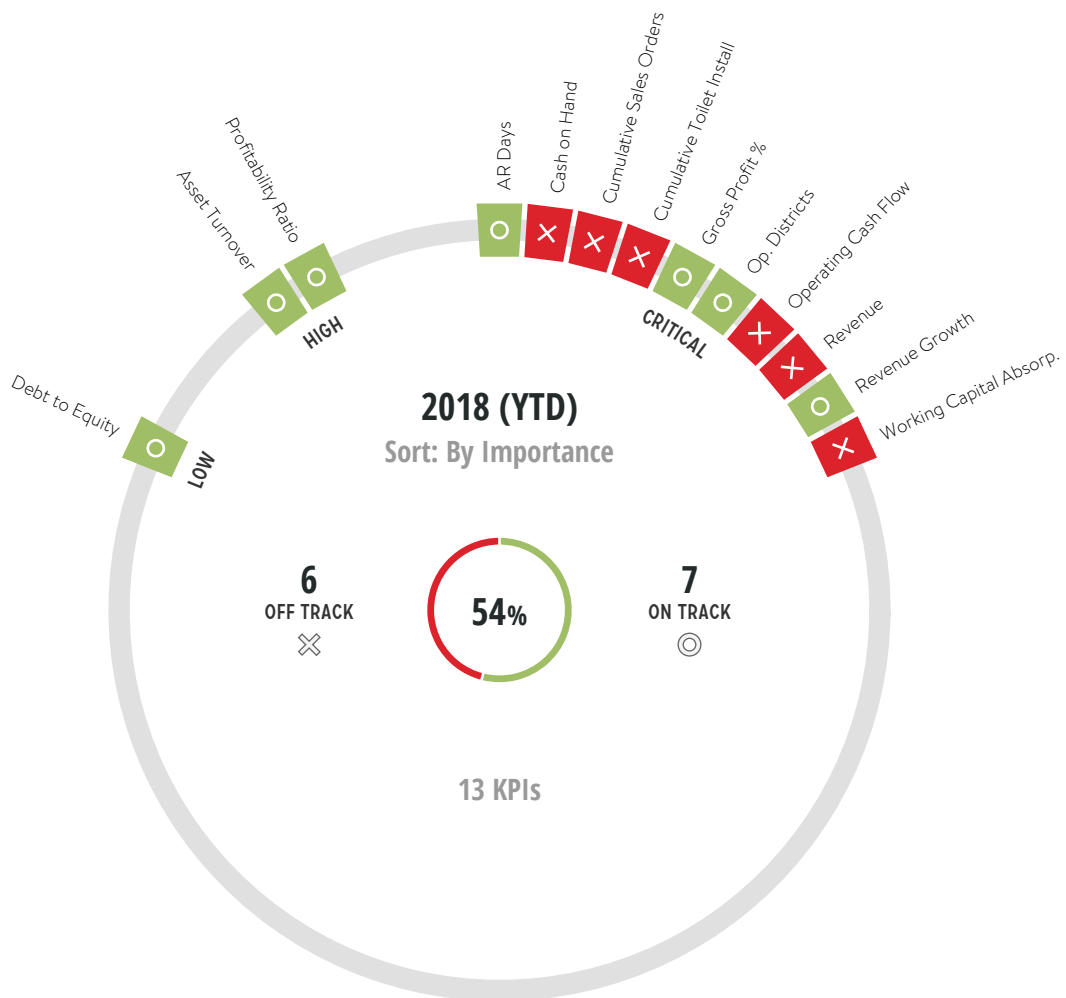
KPI Results

This chart shows KPIs grouped into performance perspectives.



KPI Results

This chart shows KPIs sorted by degree of importance. KPIs are classified as either low, medium, high or critical importance.



KPI Results

	1 ALERT	RESULT	TARGET		TREND	IMPORTANCE
A PROFITABILITY		2018 (YTD)			vs 2017 (YTD)	
Total Revenue		GH¢880,293	GH¢1,227,847	✗	▲ 189.4%	Critical
Gross Profit Margin		24.5%	17.5%	✓	▲ 4.74%	Critical
Profitability Ratio		17.48%	10%	✓	▲ 0.15%	High
B ACTIVITY						
Accounts Receivable Days *		137.00 days	360.00 days	✓	▲ 15.00 days	Critical
C ASSET USAGE						
Asset Turnover		2.50 times	1.50 times	✓	▲ 1.10 times	High
Working Capital Absorption *		43.4%	35%	✗	▼ -2.1%	Critical
D GEARING						
Debt to Equity *		0%	50%	✓	▲ 0%	Low
E CASH FLOW						
Operating Cash Flow		-GH¢109,147	GH¢60,000	✗	▲ 38.8%	Critical
Cash on Hand	●	GH¢18,300	GH¢100,000	✗	▼ -86.2%	Critical
F GROWTH						
No. of Operating Districts		10	10	✓	▲ 5	Critical
Cumulative Sales Orders		1,410	1,617	✗	▲ 1,089	Critical
Cumulative Toilet Install		1,056	1,132	✗	▲ 826	Critical
Revenue Growth		189.38%	3.92%	✓	▼ -6,144.22%	Critical

* For this metric, a result below target is favourable

Alerts

Cash on Hand

The total amounts of cash and cash equivalents on hand is less than the alert level of GH¢100,000.

Profitability

Revenue

GH¢880,293

A measure of the total amount of money received by the company for goods sold or services provided.

Expenses to Revenue Ratio

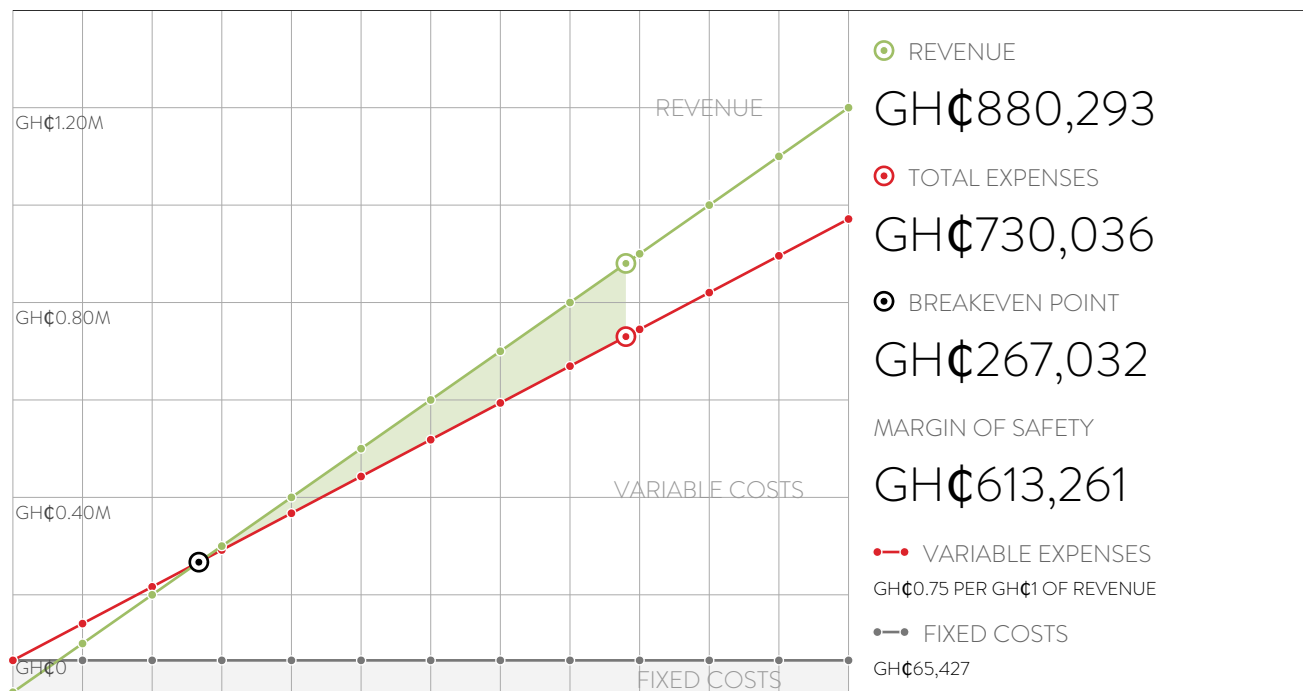
82.93%

A measure of how efficiently the business is conducting its operations.

Margin of Safety

GH¢613,261

The breakeven safety margin represents the gap between the actual revenue level and the breakeven point.



Profitability can be further improved by improving price, volume, cost of sales and operating expense management.

Cost of Sales breakdown

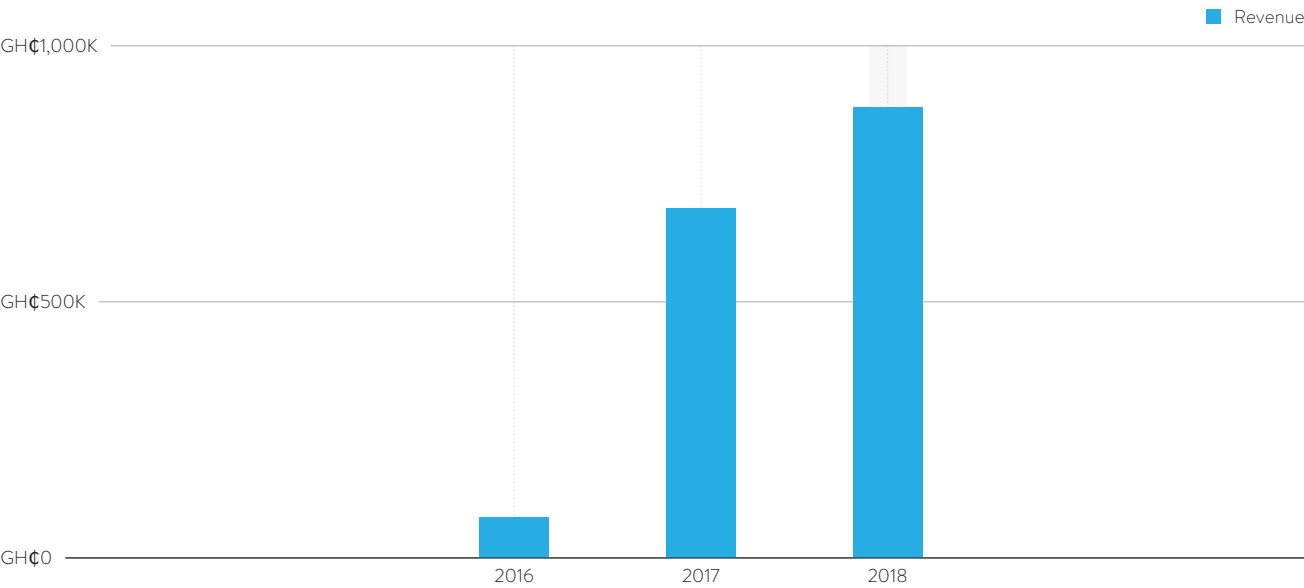
TBO Payments	GH¢628,326
Commissions - SA's	GH¢21,000
Supplies & Materials - Squat pans	GH¢11,981
Supplies & Materials - Moulds	GH¢2,325
Supplies & Materials - HW Devices	GH¢977

Top 10 Revenue Accounts

Sub & Super Structure - Instalment	GH¢475,560
Sub Structure Only - Instalment	GH¢271,188
Sub Structure Only - Cash	GH¢55,500
Sale of Squat Pans	GH¢43,600
Sub & Super Structure - Cash	GH¢30,600
Sale of Moulds	GH¢2,800
Sale of Hand Washing Devices	GH¢1,185
Sales of Kohler Filters	GH¢500
Discounts given	-GH¢640

Revenue

Revenue for all time



Total Revenue (YTD2018)

GH¢880,293



Revenue (2017) = GHS682,196

Revenue (2016) = GHS79,266

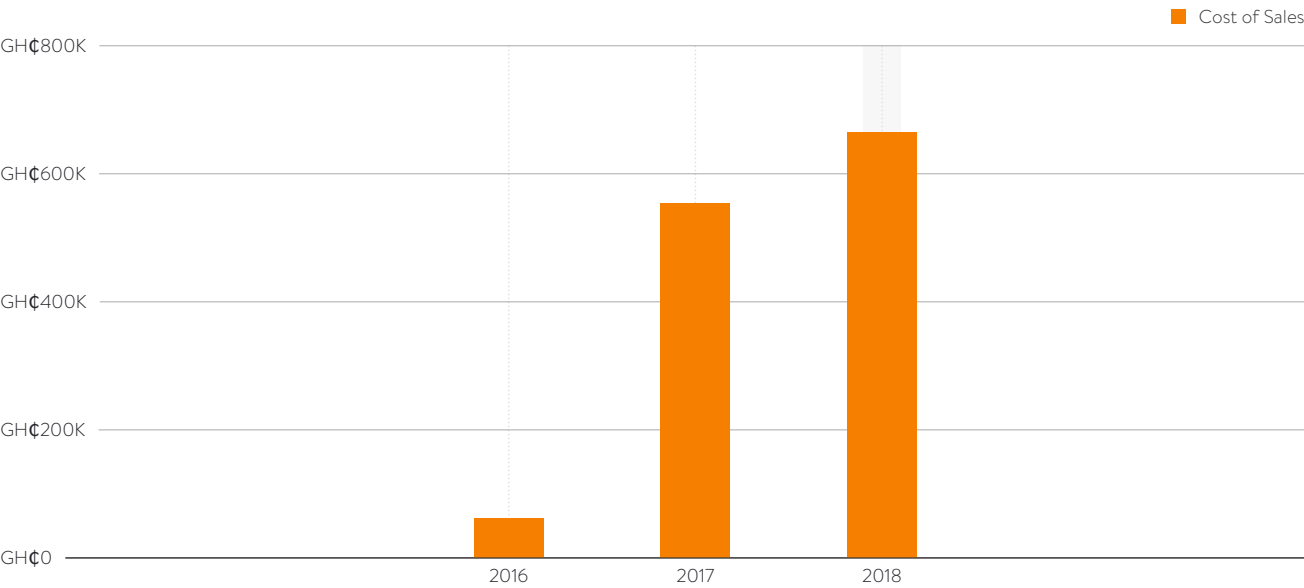
Revenue breakdown by Financing Body

CanPoop Fund	GH¢677,663
Kiva	GH¢202,770

Unclassified: -GH¢140

Cost of Sales

Cost of Sales



Cost of Sales (YTD 2018)

GH¢664,609

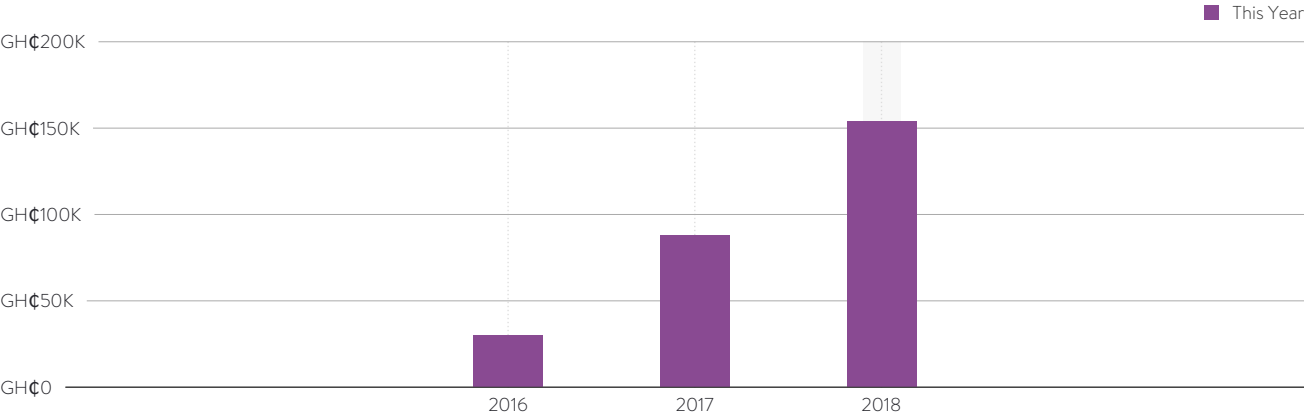


Cost of Sales (2017) =GHS553,155

Cost of Sales (2016) =GHS60,984

Profitability Charts

Earnings After Tax This Year on Last Year



	2018 (YTD)	% of Revenue	2017	2016
Gross Profit	GH¢215,684	24.5%	GH¢129,040	GH¢18,282
Earnings After Tax	GH¢153,832	17.48%	GH¢87,811	GH¢29,862

Cash Flow

Operating Cash Flow

-GH¢109,147

Operating cash flow is simply the cash generated by the operating activities of the business. Operating activities include the production, sales and delivery of the company's product and/or services as well as collecting payment from its customers and making payments to suppliers.

Free Cash Flow

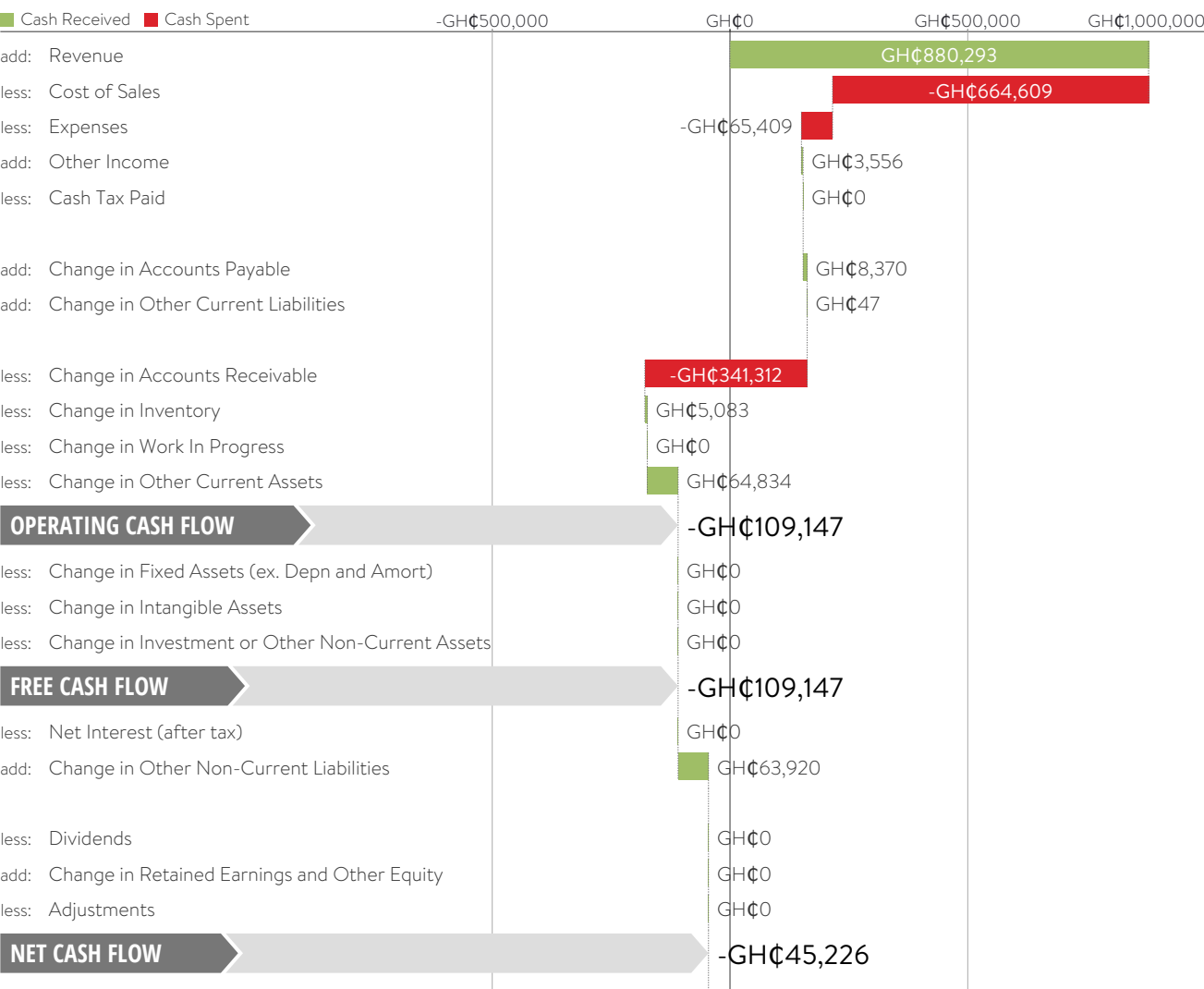
-GH¢109,147

Free cash flow is the cash generated by the business, after paying its expenses and investing for future growth. It is the cash left after subtracting capital expenditure from operating cash flow. The term "free cash flow" is used because this cash is free to be paid back to the suppliers of capital.

Net Cash Flow

-GH¢45,226

Net cash flow is the cash left after subtracting expenditures from financing activities from the free cash flow. This includes the cash impact from financing activities. Financing activities include the inflow of cash from investors such as banks or shareholders, as well as the outflow of cash to shareholders as dividends.



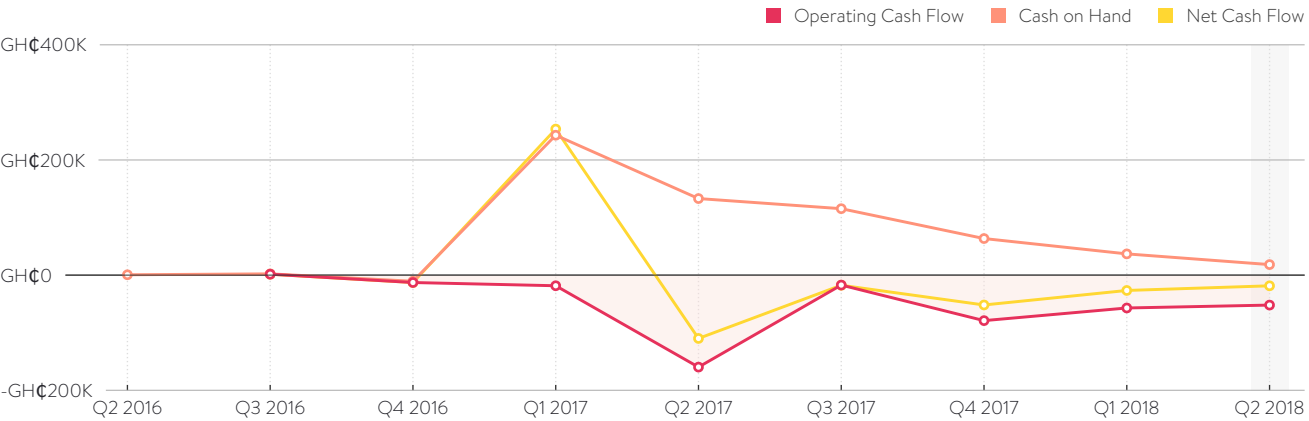
Net Cash Flow can also be calculated as:

Change in Cash on Hand -GH¢45,226 (Open: GH¢63,526, Close: GH¢18,300) — **Change in Debt** GH¢0 (Open: GH¢0, Close: GH¢0)

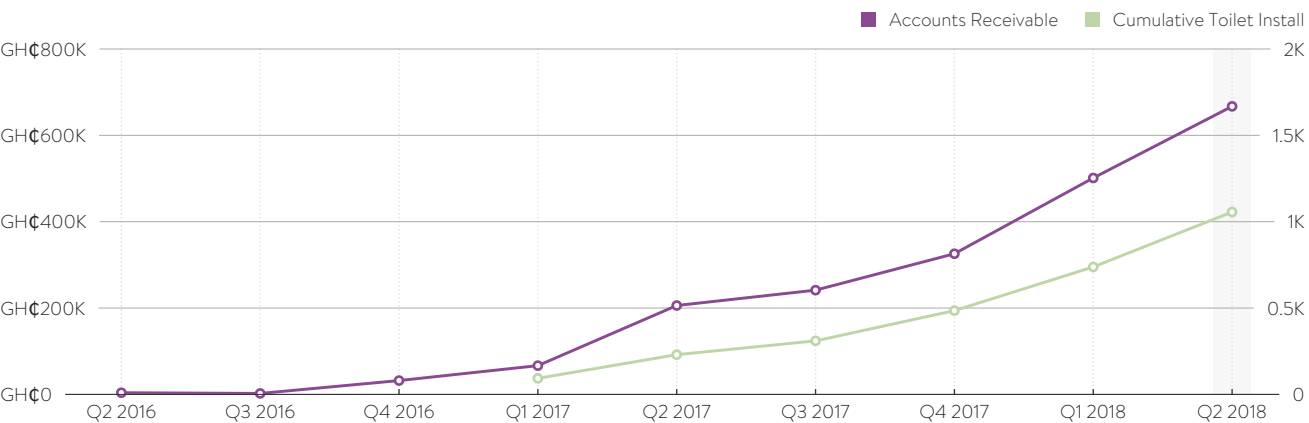
Cash Flow Charts

	2018 (YTD)
Operating Cash Flow	-GH¢109,147
Net Cash Flow	-GH¢45,226
Cash on Hand	GH¢18,300

Operating Cash Flow

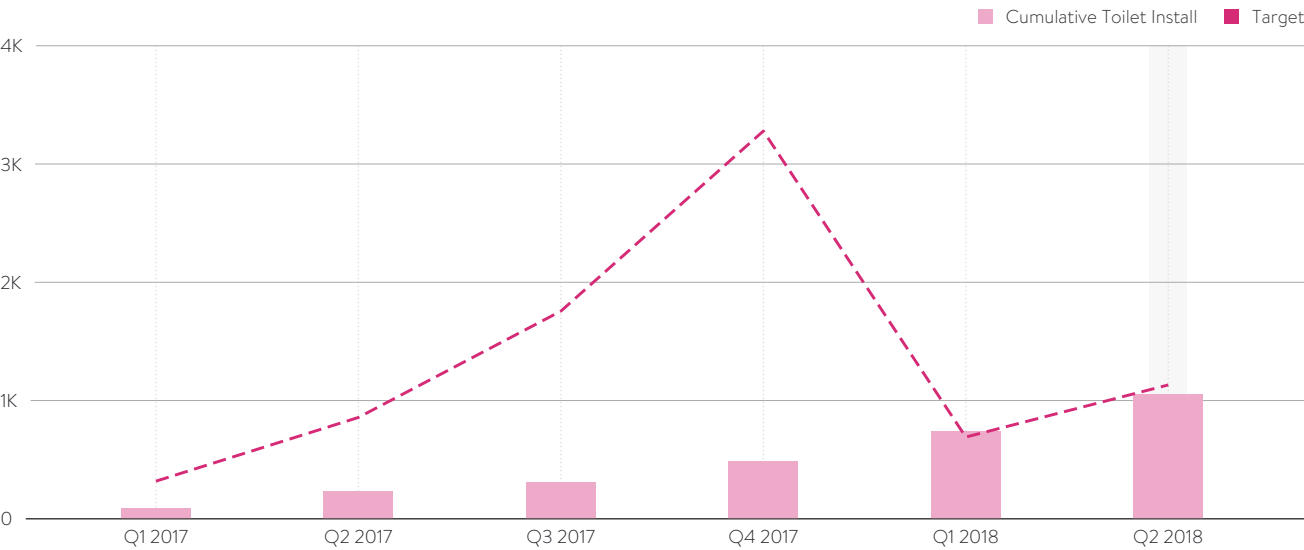


Cash & Receivables

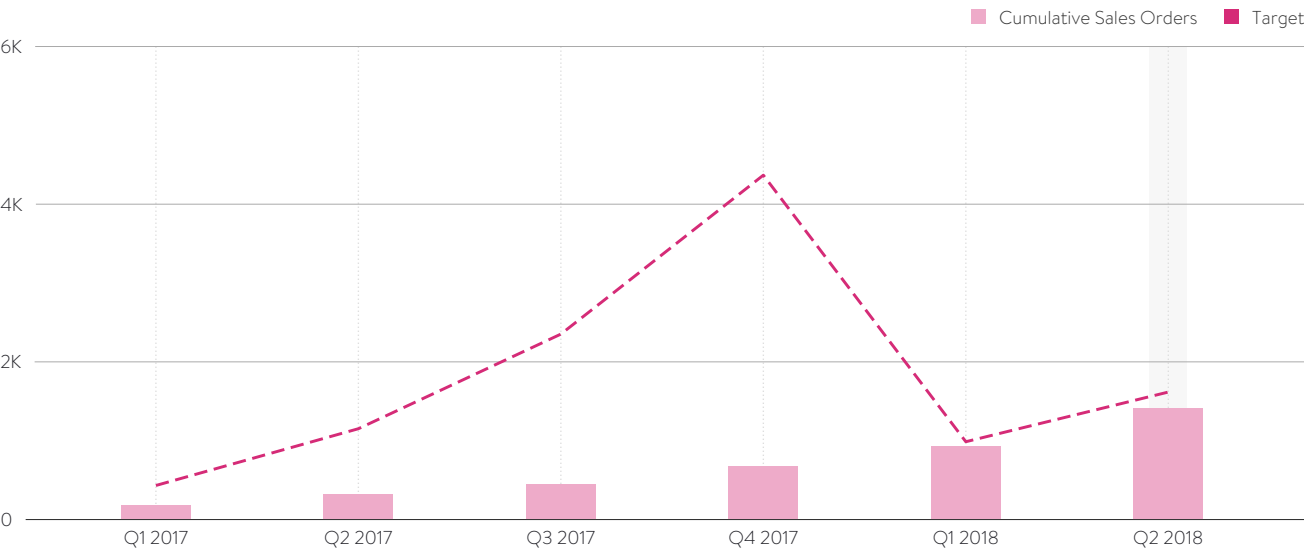


Growth

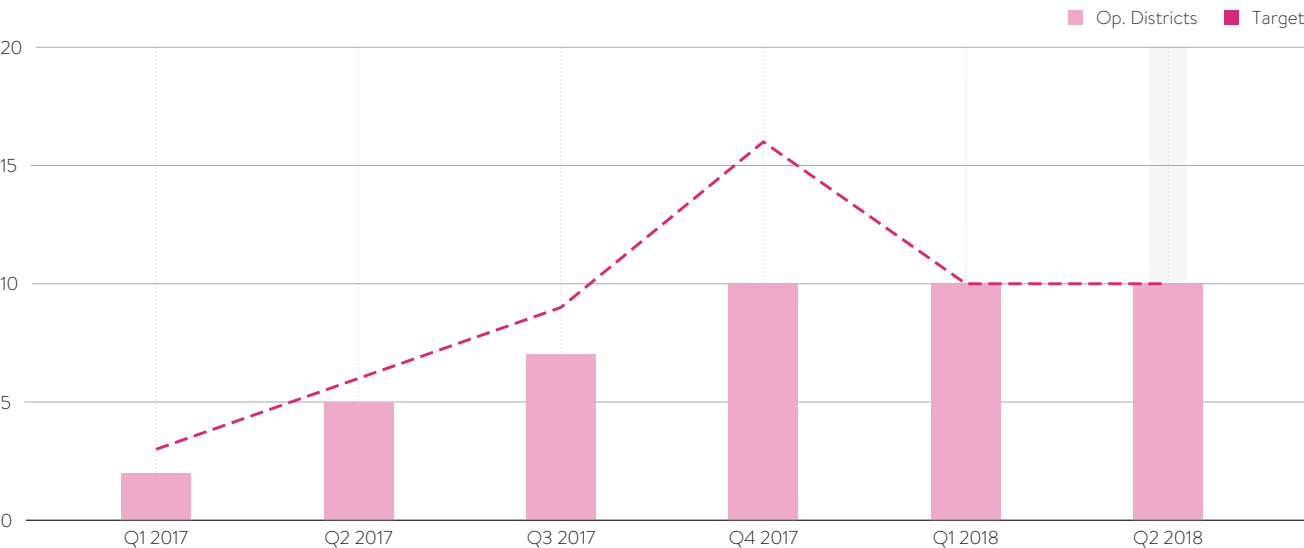
Cumulative Toilet Install vs Target



Cumulative Sales Orders vs Target



Op. Districts vs Target



Revenue Growth

189.38%

A measure of the percentage change in Revenue for the period.

EBIT Growth

191.85%

A measure of the percentage change in EBIT for the period.

Asset Change

46.85%

A measure of the percentage change in Total Assets for the period.

Change in Key Drivers (from prior year)

Revenue
Up 189.4%

Cost of Sales
Up 172.3%

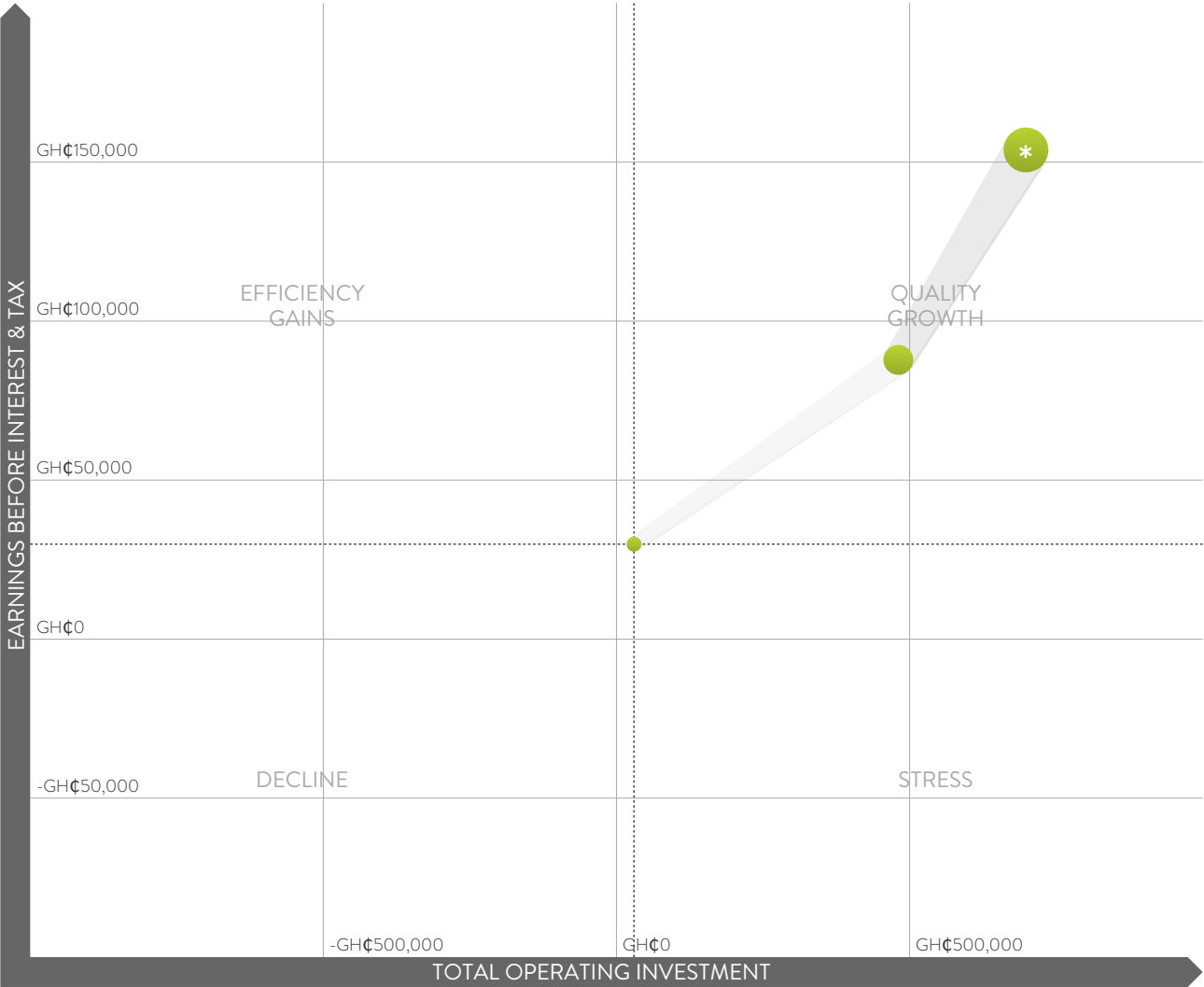
Expenses
Up 731%

Receivable Days
Up 12.3 days

Inventory Days
Down -55.1 days

Payable Days
Down -78.6 days

GROWTH FROM 2016 to 2018



* Total Operating Investment GH¢698,510; Earnings Before Interest & Tax GH¢153,832



Size of the circle shows the recency of the result



Vertical position of the circle shows the growth in Earnings Before Interest & Tax



Horizontal position of the circle shows the growth in Total Operating Investment

Financials

PROFIT & LOSS	2018 (YTD)	2017	2016
Revenue	GH¢880,293	GH¢682,196	GH¢79,266
Cost of Sales	GH¢664,609	GH¢553,155	GH¢60,984
Gross Profit	GH¢215,684	GH¢129,040	GH¢18,282
Expenses	GH¢65,427	GH¢43,289	GH¢50
Operating Profit	GH¢150,257	GH¢85,752	GH¢18,232
Other Income	GH¢3,556	GH¢2,059	GH¢11,629
Other Expenses	-GH¢18	GH¢0	GH¢0
Retained Income	GH¢153,832	GH¢87,811	GH¢29,862
BALANCE SHEET	2018 (YTD)	2017	2016
ASSETS			
Cash & Equivalents	GH¢18,300	GH¢63,526	-GH¢10,668
Accounts Receivable	GH¢667,104	GH¢325,792	GH¢32,049
Inventory	GH¢113,645	GH¢118,728	GH¢8,675
Work in Progress	GH¢0	GH¢0	GH¢0
Other Current Assets	-GH¢104,419	-GH¢39,584	GH¢0
Total Current Assets	GH¢694,630	GH¢468,462	GH¢30,057
Fixed Assets	GH¢14,316	GH¢14,316	GH¢0
Intangible Assets	GH¢0	GH¢0	GH¢0
Investment or Other Non-Current Assets	GH¢0	GH¢0	GH¢0
Total Non-Current Assets	GH¢14,316	GH¢14,316	GH¢0
Total Assets	GH¢708,946	GH¢482,778	GH¢30,057
LIABILITIES			
Short Term Debt	GH¢0	GH¢0	GH¢0
Accounts Payable	GH¢10,390	GH¢2,020	GH¢195
Tax Liability	GH¢0	GH¢0	GH¢0
Other Current Liabilities	GH¢47	GH¢0	GH¢0
Total Current Liabilities	GH¢10,436	GH¢2,020	GH¢195
Long Term Debt	GH¢0	GH¢0	GH¢0
Deferred Taxes	GH¢0	GH¢0	GH¢0
Other Non-Current Liabilities	GH¢427,006	GH¢363,086	GH¢0
Total Non-Current Liabilities	GH¢427,006	GH¢363,086	GH¢0
Total Liabilities	GH¢437,442	GH¢365,106	GH¢195
EQUITY			
Retained Earnings	GH¢117,672	GH¢29,862	GH¢0
Current Earnings	GH¢153,832	GH¢87,811	GH¢29,862
Other Equity	GH¢0	GH¢0	GH¢0
Total Equity	GH¢271,504	GH¢117,672	GH¢29,862
Total Liabilities & Equity	GH¢708,946	GH¢482,778	GH¢30,057

KPIs Explained

✓ Accounts Receivable Days 137.00 days

A measure of how long it takes for the business to collect the amounts due from customers. A lower number indicates that it takes the business fewer days to collect its accounts receivable. A shorter time to collect debtors has a positive impact on Cash Flow. A higher number indicates that it takes longer to collect its accounts receivable. For this period, accounts receivable days are below the maximum target of 360.00 days.

Accounts Receivable Days = Accounts Receivable * Period Length / Revenue

✓ Asset Turnover 2.50 times

A measure of how effectively the business has used its assets to generate revenue. The business makes GH¢250.00 of sales for every GH¢100 of its asset investment. The higher the number the better the turnover. Ways to improve this metric include increasing sales using the same asset base, using capital more efficiently, and/or improve cash management by reducing inventory and receivables. For this period, the Asset Turnover exceeds the target of 1.50 times.

Asset Turnover = Annualised Revenue / Total Assets

✗ Cash on Hand GH¢18,300

A measure of the cash and cash equivalents in actual possession by the company at a particular time. At the end of this period the company held GH¢18,300 of cash and cash equivalents. Cash on Hand is below the required target of GH¢100,000. Insufficient cash reserves may result in an inability to pay creditors and cover current liabilities.

Cash on Hand = Cash & Equivalents

✗ Cumulative Sales Orders 1,410

The Number of Cumulative Sales Orders as of date.

✗ Cumulative Toilet Install 1,056

This represents Number of cumulative Toilets Installed as of date.

✓ Debt to Equity 0%

A measure of the proportion of funds that have either been invested by the owners (equity) or borrowed (debt) and used by the business to finance its assets. An appropriate mix of debt financing and equity financing will vary for each industry and business. Management are responsible to ensure that an appropriate balance between the two sources of financing is maintained. To improve this ratio, management can seek to internally generate profits and retain these profits to fund future growth, rather than borrowing additional funds. For each GH¢100 of equity supplied by shareholders, the business is carrying GH¢0.00 of debt. For this period, the debt to equity ratio is below the target of 50%.

Debt to Equity = Total Debt / Total Equity * 100

✓ Gross Profit Margin 24.5%

A measure of the proportion of revenue that is left after deducting all costs directly related to the sales. For each GH¢100 in sales the business retains GH¢24.50 after deducting the cost of sales. The gross profit serves as the source for paying operating expenses. The gross profit margin can be further improved by improving price, volume and cost of sales management. For this period, the gross profit margin % is above the required target of 17.5%.

Gross Profit Margin = Gross Profit / Revenue * 100

✓ No. of Operating Districts 10

Total No. of Districts Currently Operational in out of 50 Districts across the 3 Northern Regions of Ghana

✗ Operating Cash Flow -GH¢109,147

Operating cash flow is simply the cash generated by the operating activities of the business. Operating activities include the production, sales and delivery of the company's product and/or services as well as collecting payment from its customers and making payment to suppliers.

Operating Cash Flow = Earnings Before Interest, Tax, Depn & Amort. - Tax Expenses + (Deferred Taxes - Opening Deferred Taxes) - (Non - cash Working Capital - Opening Non - cash Working Capital) - (Net Interest * (Tax Rate / 100))

✓ Profitability Ratio 17.48%

A measure of the proportion of revenue that is left after deducting all expenses. This excludes finance costs and tax expenses. The business makes GH¢17.48 of EBIT for every GH¢100 it generates of revenue. The profitability ratio can be further improved by improving price, volume, cost and expense management. For this period, the Profitability ratio is above the required target of 10%.

Profitability Ratio = Earnings Before Interest & Tax / Revenue * 100

✓ Revenue Growth 189.38%

A measure of the percentage change in revenue for the period. Management should ensure that revenues increase at rates higher than general economic growth rates (ie. inflation). For this period, revenue growth of 189.38% exceeded the target growth of 3.92%.

Revenue Growth = (Revenue - Prior Revenue) / Prior Revenue * 100

✗ Total Revenue GH¢880,293

A measure of the total amount of money received by the company for goods sold or services provided. The business has earned total revenues of GH¢880,293. Strategies to improve revenue may include increasing prices, increasing the volume of sales through marketing initiatives or finding alternative sources of income. For this period, the revenue earned is below the required target of GH¢1,227,847.

Total Revenue = Revenue

✗ Working Capital Absorption 43.4%

A measure of the adequacy of working capital to support sales activity. This measure indicates the investment made in working capital for each unit of revenue. The trend of this ratio is particularly useful for growing businesses. If sales increase rapidly but working capital levels remain constant, the business may be at risk that insufficient working capital is available to support this growth. Moreover, if the result for this metric is greater than the Gross Profit Margin %, then for every additional unit of Revenue generated, additional cash will be required. For this period, Working Capital Absorption exceeds the target of 35%.

Working Capital Absorption = Operating Working Capital / (Annualised Revenue) * 100