

# **FAN MILK LIMITED**

# UN-AUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED SEPTEMBER

30, 2018	2018	2017		2018	2017	ENDED SEPTEMBER 30, 2018	2018	2017
	GH¢'000	GH¢'000		GH¢'000	GH¢'000		GH¢'000	GH¢'000
Revenue	311,229	334,326	EQUITY			Cash Flows from Operating Activities		
Cost of Sales	(175,665)	(176,254)	Stated capital	10,000	10,000	Cash generated from Operations	46,110	41,556
Gross Profit	135,564	158,073	Retained earnings	233,038	199,374	Interest Paid	(823)	(1,175)
Sales and Distribution Costs	(81,414)	(78,444)	TOTAL SHAREHOLDERS' EQUITY	243,038	209,374	Interest Received	917	1,519
Administrative Expenses	(19,201)	(18,582)	LIABILITIES			Tax Paid	(12,079)	(13,354)
Depreciation & Amortisation	(20,394)	(15,359)	Non-current liabilities			Net Cash Generated from Operating Activities	34,125	28,546
Other Income	14,341	2,537	Deferred Tax	9,294	9,857	Cash Flows from Investing Activities		
Operating Profit	28,895	48,224		9,294	9,857	Purchase of Property, Plant and Equipment	(37,242)	(30,975)
Finance Income	917	1,519				Proceeds from sale of Property, Plant and Equipment	13,889	1,128
Finance Cost	(823)	(1,175)	Current liabilities			Net Cash used in Investing Activities	(23,353)	(29,847)
Net Profit before tax	28,989	48,568	Trade and Other Payables	56,058	47,916	Cash Flows from Financing Activities		
Taxation	(7,627)	(13,573)	Tax		(1,375)	Dividends Paid	(34)	(139)
Net Profit after tax	21,362	34,995	Dividends	3,071	3,115	Net Cash used in Financing Activities	(34)	(139)
Other Comprehensive Income	-	-		59,129	49,656	(Decrease) in Cash and Cash Equivalents	10,738	(1,440)
Total Comprehensive Income	21,362	34,995	TOTAL LIABILITIES	68,423	59,512	Cash and Cash Equivalents at January 1	20,699	26,262
			TOTAL EQUITY AND LIABILITIES	311,461	268,886	Cash and Cash Equivalents at September 30	31,437	24,822
Number of Shares outstanding	116,207,288	116,207,288						
Earnings per Share	0.18	0.30						
Sales and Distribution Costs Administrative Expenses Depreciation & Amortisation Other Income Operating Profit Finance Income Finance Cost Net Profit before tax Taxation Net Profit after tax Other Comprehensive Income Total Comprehensive Income Number of Shares outstanding	(81,414) (19,201) (20,394) 14,341 28,895 917 (823) 28,989 (7,627) 21,362	(78,444) (18,582) (15,359) 2,537 48,224 1,519 (1,175) 48,568 (13,573) 34,995 - 34,995	TOTAL SHAREHOLDERS' EQUITY LIABILITIES Non-current liabilities Deferred Tax  Current liabilities Trade and Other Payables Tax Dividends  TOTAL LIABILITIES	243,038 9,294 9,294 56,058 - 3,071 59,129 68,423	9,857 9,857 9,857 47,916 (1,375) 3,115 49,656 59,512	Interest Received Tax Paid Net Cash Generated from Operating Activities Cash Flows from Investing Activities Purchase of Property, Plant and Equipment Proceeds from sale of Property, Plant and Equipment Net Cash used in Investing Activities Cash Flows from Financing Activities Dividends Paid Net Cash used in Financing Activities (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents at January 1	917 (12,079) <b>34,125</b> (37,242) 13,889 <b>(23,353)</b> (34) <b>(34)</b> 10,738 20,699	1,519 (13,354) <b>28,546</b> (30,975) 1,128 ( <b>29,847</b> ] (139) (1,440) 26,262

## STATEMENT OF FINANCIAL POSITION AT SEPTEMBER 30, 2018

COMMENTS TO THE FINANCIAL STATEMENTS:

#### ASSETS Non-current assets Property, Plant and Equipment 199,762 171,380 199,762 171,380 Current Assets Inventories 59,836 63,432 Tax 5,333 Trade and Other Receivables 15,093 9,252 Bank and Cash Balances 31,437 24,822 111.699 97.506 TOTAL ASSETS 311,461 268,886

before tax also decreased by 40.3%, compared to the same period last year.

Fan Milk posted the third quarter 2018 results with a 6.9% decrease in Revenue, compared to the same period in 2017.

Cost of sales decreased marginally as compared to same period last year, which in turn resulted in a Gross Profit of GHS 135.6 million, a 14.2% decrease compared to the same period last year. Operating Profit decreased by 40.1% due to high operation and distribution costs, administration expenses and depreciation. Net Profit

### STATEMENT OF CHANGES IN EQUITY

2017

Stated capital	10,000	10,000
Retained earnings - January 1	211,676	164,379
Total comprehensive income	21,362	34,995
Dividend for previous year		-
Retained earnings - September 30	233,038	199,374
Total equity	243,038	209,374

# NOTES TO THE FINANCIAL STATEMENT FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

# 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

STATEMENT OF CASH FLOWS FOR THE NINE MONTHS

The principal accounting policies applied in the preparation of these quarterly financial statements are consistent to that of the most recent Annual Report and Accounts.

2. The financial statement have been prepared in accordance with International Financial Reporting Standards (IFRS).

3. Administrative expenses include:	2018 GH¢'000	2017 GH¢'000
Directors Remuneration	2,312	2,373
Auditors Remuneration	164	183
Donations	-	-
4. Other Income		
Profit on Sale of Fixed Assets	13,266	923
Sale of Scraps & Sundry Income	229	174
Rent Income	846	136
Bad debt recovered	-	74
Exchange gain	-	1,229

TO THE BEST OF OUR KNOWLEDGE THE FINANCIAL STATEMENTS DO NOT CONTAIN UNTRUE STATEMENTS, MISLEADING FACTS OR OMIT MATERIAL FACTS

Cha. 8hl Dr. Charles Mensa

Board Chairman

Stephane Couste Managing Director