

Gravita Ghana Limited

Annual Report 2022-23

GRAVITA GHANA LIMITED**Contents**

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COMPANY INFORMATION

DIRECTORS

RAJAT SHARMA
VIJENDRA SINGH TANWAR

SECRETARY

MICHAEL ARTHUR AIDOO
P.O. BOX.CO. 1088,
TEMA, GHANA.
TEL: - 0303-212707/8
Mail ID:- pal_adu@yahoo.co.uk

REGISTERED OFFICE

IND/A/38/1
HEAVY INDUSTRIAL AREA
TEMA
GHANA Phone; +233-303-305251

BANKERS

- | | |
|---|------------------------------------|
| 1 | MERCHANT BANK GHANA LIMITED |
| 2 | NORTH RIDGE , ACCRA |
| 3 | FEDILITY BANK GHANA LIMITED |
| 4 | RIDGE-TOWER, ACCRA |
| | BANK OF BARODA |
| | ADABRAKA , ACCRA |
| | UNITED BANK OF AFRICA |
| | ACCRA |

AUDITORS

Parker Allotey Consult
Chartered Accountants
Thokey House,
Tema, Ghana.



FINANCIAL HIGHLIGHTS

Particulars	(Amount in GHS)	
	As on 31st March 2023 GHS	As on 31st March 2022 GHS
TURNOVER		
NET PROFIT/(LOSS) BEFORE TAX	159,928.35	357,253.00
NET PROFIT/(LOSS) AFTER TAX	159,928.35	357,253.00
NET CASH FLOW FROM OPERATING ACTIVITIES	(21,169.00)	(8.00)
SHARE CAPITAL	314,363.00	314,363.00
RESERVE & SURPLUS		
CAPITAL (EXPENDITURE)/DISPOSAL		





**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2023
REPORT OF THE BOARD OF DIRECTORS**

Financial Statements

The Directors have the pleasure in submitting to the members of the company, the audited financial statement for the year ended 31 March, 2023.

Principal Activities

There was no change in the Object of the company.

Statement of Directors Responsibilities

The directors are responsible for preparing the financial statements for each financial year. The statements give a true and fair view of the state of affairs of the company at the end of the financial year and of the Trading & profit and loss of the company for that year.

In preparing those financial statements, the directors are required to

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- State whether the applicable accounting standards have been followed.

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enables them to ensure that the financial statements comply with the Companies Act 2019 (Act 992). They are responsible for taking such steps as reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Financial Results of Company are set as follows

The Net Profit/(Loss) for the year before Taxation

(Amount in GHS)

188,151.00

From which is deducted taxation and Levies

28,222.65

Giving a Net profit/(Loss) after taxation

159,928.35

Dividend declared

Forward on the Income Surplus Account

600,173.07

Leaving a balance on the income surplus account of

760,101.42

Dividend

The Directors do not recommend the payment of dividend for the Year ended 31 March, 2023.

Auditors

In accordance with Section 139(5) of the Companies Act 2019 (Act-992), the auditors, Messrs Parker Allotey Consult will continue in office as auditors of the company.

On Behalf of Directors

(Director)

(Director)

Dated: 12 April 2023

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INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF GRAVITA GHANA LTD ON THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST MARCH 2023.**

OPINION

We have audited the financial statements of Gravita Ghana Limited for the year ended 31st March 2023, which comprise the statement of comprehensive income, the statement of financial position, the cash flow Statement, and the statement of changes in equity as well as related notes to the financial statements, including significant accounting policies set out on pages 11 to 16.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the **Gravita Ghana Limited** as at 31st March, 2023, and its financial performance and cash flows for the year ended in accordance with International Financial Reporting Standards (IFRS) and in a manner required by the Companies Act 2019 (Act 992).

Basis of Opinion

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

We are independent of Gravita Ghana Limited 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 the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and in the manner required by the Companies Act 2019, (Act 992), and for such internal controls as Directors determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and issuing the going-concern basis of accounting. The Directors are responsible for overseeing the company's financial reporting process.

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 misstatements, 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 fraud or error and are considered material if, individually or in 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.

Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal controls.

We are also:

- Obtain an understanding of internal controls 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 Directors.
- Conclude on the appropriateness of the 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 present the underlying transactions and events in a manner that achieve fair presentation. We communicate with the 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 identified during our audit.

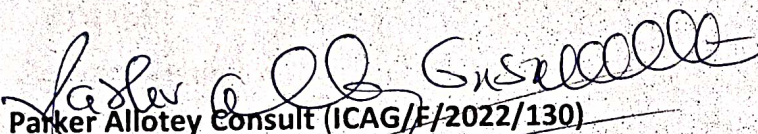
- Provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguard.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore key audit matters. We describe those matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extreme 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 benefits of such communication.

Report on Other Legal and Regulatory Requirements

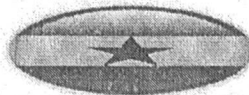
The Companies Act 2019, (Act 992) requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion proper books of accounts have been kept by the company so far as appears from our examination of those books and finally,
- The Statement of Financial Position and Income Statements Account of the company are in agreement with the books of accounts.


Parker Allotey Consult (ICAG/E/2022/130)
Chartered Accountants
Thokey House,
Tema, Ghana.
Emmanuel Parker Allotey
Practising Certificate No. ICAG/P/1157
Date: 12.04.2023



GRAVITA
GHANA LIMITED



BALANCE SHEET
AS AT 31 MARCH 2023

	Notes	(Amount in GHS)	As on 31.03.2023	As on 31.03.2022
NON-CURRENT ASSETS (A)				
Property, Plant & Equipment			-	-
Deferred Expenditure			-	-
CURRENT ASSETS (B)				
Inventories			-	-
Accounts Receivable	4	1,571,828.68	1,571,828.68	1,360,364.00
Cash & Bank Balances	5	26,990.07	26,990.07	48,139.07
		1,598,818.75	1,598,818.75	1,408,523.07
TOTAL ASSETS			1,598,818.75	1,408,523.07
CURRENT LIABILITIES				
Accounts Payable	6	524,354.65	524,354.65	493,987.00
WORKING CAPITAL			1,074,464.10	914,536.07
NET ASSETS			1,074,464.10	914,536.07
REPRESENTED BY:				
Stated capital	7	314,363.00	314,363.00	314,363.00
Income Surplus		760,101.42	760,101.42	600,173.07
TOTAL			1,074,464.42	914,536.07

The accompanying notes form an integral part of these financial statements.

Rajat Bhatia
DIRECTOR

P. Ramani

DIRECTOR



**TRADING AND PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31 March 2023**

	Notes	(Amount in GH\$) For the year ended 31.03.2023	(Amount in GH\$) For the year ended 31.03.2022
TURNOVER			
LESS: COST OF OPERATIONS			
GROSS MARGIN			
OTHER INCOME	8	197,151.00	423,362.00
		197,151.00	423,362.00
LESS:			
SELLING, AND GENERAL & ADMIN. EXPE	10	9,000.00	3,065.00
FINANCIAL EXPENSES	11		
NET PROFIT/(LOSS) BEFORE TAX		188,151.00	420,297.00
TAXATION		28,222.65	63,044.00
NET PROFIT/(LOSS) AFTER TAX TRANSFERRED TO INCOME SURPLUS ACCOUNT		159,928.35	357,253.00

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 March 2023**

	STATED CAPITAL	INCOME SURPLUS 2023	INCOME SURPLUS 2022
BALANCE - 1st APRIL	314,363	600,173.07	242,920.07
NET PROFIT/(LOSS) FOR THE YEAR		159,928.35	357,253.00
	314,363	760,101.42	600,173.07



**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 March 2023**

	(Amount in GHS) For the year ended 31.03.2023	(Amount in GHS) For the year ended 31.03.2022
RECONCILIATION OF OPERATING PROFIT TO		
<u>NET CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit as per accounts	159,928.35	357,253.00
Depreciation & Loss on Assets sold	-	-
(Increase)/Decrease in stock	-	(471,911.00)
(Increase)/Decrease in accounts receivable	(211,464.68)	114,650.00
Increase/(Decrease) in accounts payable	30,367.65	-
Depreciation on Assets sold	-	-
Deferred Expenditure	-	-
Loss/(Profit) on Discard of fixed asset	-	(8.00)
Net Cash Inflow from Operations	(21,169.00)	(8.00)
 Net Cash Flow from Operating Activities	 (21,169.00)	 (8.00)
 <u>INVESTING ACTIVITIES</u>		
Acquisition of Fixed Assets	-	-
Discard of Fixed Asset	-	-
Net Cash Flow provided/used from Investing Activities	-	-
 <u>FINANCING ACTIVITIES</u>		
Proceed from Deposit for shares	-	-
Dividend Paid	-	22,532.00
Increase/Decrease In Loan	-	22,532.00
Net Cash Flow from Operating Activities	(21,169.00)	22,524.00
 Net Cash Flow	 (21,169.00)	 22,524.00
 <u>ANALYSIS OF CHANGES IN CASH & CASH EQUIVLENTS</u>		
Cash at beginning year	48,159.00	25,635.00
Cash on Hand	18,131.00	17,196.00
Bank Balances	30,028.00	8,439.00
 Cash At the end of year	 26,990.00	 48,159.00
Cash on Hand	18,131.00	18,131.00
Bank Balances	8,859.00	30,028.00

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These accounts have been prepared under the historical cost convention and the Ghana accounting standards.

b) Non Current assets

Non Current assets are stated at cost less accumulated depreciation.

c) Depreciation

Depreciation has been charged on a straight-line basis and at rates calculated to reduce the assets value to nil at the expiration of their useful commercial

The rates applicable are as follows:

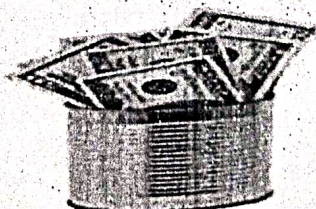
Motor Vehicle	20%
Factory Building	5%
Furniture & Fittings	25%
Plant & Machinery	20%
Office Equipment	25%

d) Stocks

Stocks are valued at lower of cost and net realizable value.

e) Accounts receivable

Accounts receivable are stated after making provision for debits that are not recoverable.





NOTES TO THE FINANCIAL

3. INVENTORIES

Particulars	(Amount in GHS)	
	As at 31.03.2023	As at 31.03.2022
Raw Material	-	-
Finished Goods	-	-
By Products	-	-
Work in Process	-	-
Consumables	-	-
Stock in Transit	-	-
store & spares	-	-
Stock in Trade	-	-
Total	-	-

4. ACCOUNTS RECEIVABLE

Particulars	(Amount in GHS)	
	As at 31.03.2023	As at 31.03.2022
Trade Debtors	-	-
Prepayments	-	-
Security Deposits-Ghana Telecom Communication	-	-
Advance for Raw Material & Expenses	1,571,828.68	1,360,364.00
Loan & Advance to Employees	-	-
Advance to Ghana Revenue Authority for Tax	-	-
Total	1,571,828.68	1,360,364.00

5. CASH AND BANK BALANCES

Particulars	(Amount in GHS)	
	As at 31.03.2023	As at 31.03.2022
Cash on Hand	18,131.00	18,131.00
Bank balances	8,859.00	30,028.00
Total	26,990.00	48,159.00

6. ACCOUNTS PAYABLE

Particulars	(Amount in GHS)	
	As at 31.03.2023	As at 31.03.2022
Trade Payables	479,132.00	268,685.00
Outstanding Liabilities	17,000.00	154,258.00
Provision for audit Fees	28,222.65	8,000.00
Provision for Taxation	-	63,044.00
Total	524,354.65	493,987.00



NOTES TO THE FINANCIAL

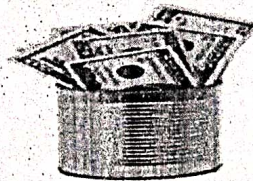
7. STATED CAPITAL

Particulars	(Amount in GHS)	
	As at 31.03.2023	As at 31.03.2022
Authorized Shares of no par value	520,000.00	520,000.00
Issued Shares	314,363.00	314,363.00
	Proceeds (GHS)	Proceeds (GHS)
Proceeds of Issue for Cash	314,363.00	314,363.00

There is no unpaid Liability on any shares and there are no shares in treasury.

8. OTHER INCOME

Particulars	(Amount in GHS)	
	01.04.22 to 31.03.23	01.04.21 to 31.03.22
Exchange Gain	197,151.00	423,362.00
Other Income	-	-
Interest received US\$ account	-	-
Interest received Others(Net of Tax)	-	-
Miscellaneous Incomes	-	-
Total	197,151.00	423,362.00



NOTES TO THE FINANCIAL STATEMENTS

9. COST OF OPERATIONS

Particulars	(Amount in GH\$)	
	01.04.22 to 31.03.23	01.04.21 to 31.03.22
Opening Stock		
Work-In-Progress	-	-
Finished Goods	-	-
Stock in Trade	-	-
Total Opening Stock (A)	-	-
Add:- Direct Operational Costs		
Direct Material Consumed (annex "A")	-	-
Consumption of Consumables (annex "B")	-	-
Purchase of Stock-in-Trade (Traded Goods)	-	-
Direct Labour	-	-
Power	-	-
Repair & Maintenance Factory & P&M	-	-
Factory Rent	-	-
Other Manufacturing expenses	-	-
Container Damage Charges	-	-
Depreciation on P&M	-	-
Total Direct Operational Cost (B)	-	-
Total Overhead Cost (A+B)	-	-
Less:- Stocks - 31 March	-	-
work - In - Progress	-	-
Finished Goods	-	-
Stock in Trade	-	-
Cost of Operation		



NOTES TO THE FINANCIAL

10. SELLING , GENERAL & ADMIN EXPENSES

Particulars	(Amount in GH\$) 01.04.22 to 31.03.23	01.04.21 to 31.03.22
Salaries & Wages (Bonus & Leave Encashment)	-	-
Staff Welfare	-	-
Travelling & Conveyance (Local)	-	-
Motor Vehicle Running Expenses	-	-
Printing & Stationery & Postage	-	-
Legal & Professional Fees	-	-
Audit Fees	-	-
Electricity & Water	9,000.00	8,000.00
Rent (Guest House)	-	-
Guest House Expenses	-	-
Repair & Maintenance other than P&M	-	-
Insurance Expenses	-	-
Business Promotion	-	-
Advertising and sales promotion	-	-
Written off/provision for doubtful trade receivables, loans and advances	-	(4,935.00)
Miss Balance W/O	-	-
Fee & Subscripton	-	-
Duties & Penalties	-	-
Rebate & Discount	-	-
Loss on Discard of Fixed Assets	-	-
Depreciation Others than P & M	-	-
Telephone & Communication	-	-
Foreign Travelling Expenses	-	-
Security Expenses- Guest	-	-
Selling & Distribution Expenses	-	-
Power & Fuel	-	-
Other Miscellenous Exp	9,000.00	3,065.00
TOTAL		

11. FINANCIAL EXPENSES

Particulars	(Amount in GH\$) 01.04.22 to 31.03.23	01.04.21 to 31.03.22
Bank Charges	-	-
Interest on Loan	-	-
other interest	-	-
TOTAL		

NOTES TO THE FINANCIAL

	(Amount in GHS)	
Particulars	01.04.22 to 31.03.23	01.04.21 to 31.03.22
Annexure "A"		
Opening Stock	-	-
Add: Purchase (Including Freight & Import Exp)	-	-
Less: Closing stock of Raw Material	-	-
Consumption of Raw Material	-	-

	(Amount in GHS)	
Particulars	01.04.22 to 31.03.23	01.04.21 to 31.03.22
Annexure "B"		
Consumption of Consumables	-	-
Opening stock of consumables	-	-
Add: Purchase of Consumables & expenses	-	-
Less: Closing Stock of consumable	-	-
Consumption of Consumables	-	-