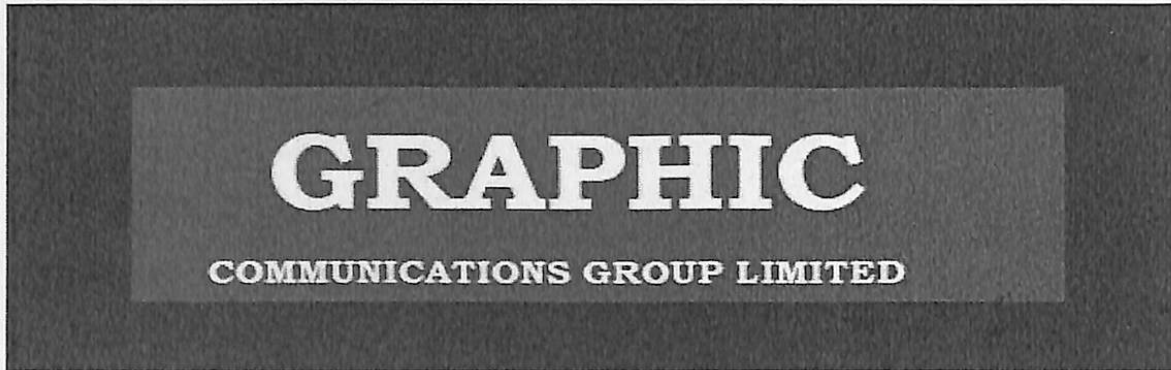


GRAPHIC COMMUNICATIONS GROUP LIMITED



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022



AIKINS-HAWKSON & ASSOCIATES
CHARTERED ACCOUNTANTS
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West Legon
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CORPORATE INFORMATION

Directors:	Prof. Olivia F. Kwapong Mr Ato Afful Dr. Valentin Kwasi Mensah Mrs. Ivy Austin Dr. Ama Bofo Arthur Mr. Ebenezer Asante Sefa Mr. Ishaq Kyei-Brobbey Mr. Daniel Yaw Oppong Dr. Roderick Larsen-Reindorf	Chairman Managing Director Member Member Member Member Member Member Member
Secretary:	Mr. Stephen Sah	
Registered Office:	No. 3 Graphic Road P. O. Box 742 Accra	
Executive Management:	Mr Ato Afful Charles Ntiamoah Amoako Samuel Essel Franklin Sowa Richard Osei Owusu Afriyie Stephen Sah	
Regional and District Offices:	Kumasi, Cape Coast, Sunyani, Ho, Takoradi, Koforidua Bolgatanga, Wa, Tamale, Obuasi, Tema and Akim Oda	
Auditors:	Aikins-Hawkson & Associates Chartered Accountants El's Place, Second Floor Achimota-Accra P. O. Box MP 1559 Mamprobi-Accra Office Telephone: 030 293 1368	
Bankers:	GCB Bank Limited Ecobank Ghana Limited Guaranty Trust Bank Limited Stanbic Bank Limited Consolidated Bank Ghana Limited	

GRAPHIC GROUP COMMUNICATIONS LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Events after reporting date

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the Group.

Directors' interest in contracts

To our knowledge none of the directors had any interest in contracts entered into during the year under review.

Independent Auditors

Aikins-Hawson and Associates were the independent auditors for the year under review. Audit fees (including reimbursable expenses) charged for the year was GH¢63,250 (2021: GH¢45,220).

Nature of Business

The principal activities of Graphic Communications Group Limited is to print and publish newspapers and provide advertisement services, whereas the subsidiary G-Pak Limited is to provide pre-press, press and post press services. There was no change in the nature of the business during the year.

Changes in Board Members

Changes on the Board have been detailed in the table below.

Current Board Members	Old Board Members
Prof. Olivia F. Kwapong Mr Ato Afful Dr. Valentin Kwasi Mensah Mrs. Ivy Austin Dr. Ama Boafo Arthur Mr. Ebenezer Asante Sefa Mr. Ishaq Kyei-Brobby Mr. Daniel Yaw Oppong Dr. Roderick Larsen-Reindorf	Prof. Kwame Karikari Dr. Kwame Nyamekye Mr. Daniel Addai Mr. Paul Osei Barima Dr. Rita L. Reindorf Alhaji Mohammed Y. Twumasi

BY ORDER OF THE BOARD

Board Chairman

Date: 23/8/23

Managing Director

Date: 23/8/23

REPORT OF THE INDEPENDENT AUDITOR TO THE DIRECTORS OF GRAPHIC COMMUNICATIONS GROUP LIMITED

Opinion

We have audited the consolidated financial statements of Graphic Communications Group Limited, which comprise the statement of financial position as at 31st December 2022, 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.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Group as at 31st December 2022, and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under these 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 Group 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the current period. These matters were addressed in the context our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our audit report.

Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance and for such internal control as management determines 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 Group'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 Authority or to cease operations, or has no realistic alternative but to do so. The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

The objectives of our audit 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 judgement 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 resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Group'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 Group 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.

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.

Report on Other Legal and Regulatory Requirements

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 accounts have been kept by the Group, so far as it appears from our examination of those books; and
- (iii) The financial position and financial performance of the Group agree with the books of accounts.

The engagement partner on the audit resulting in this independent auditor's report is Julius Aikins-Hawkson (ICAG/P/1166).

Aikins-Hawkson & Ass.

For and on behalf of Aikins-Hawkson & Associates

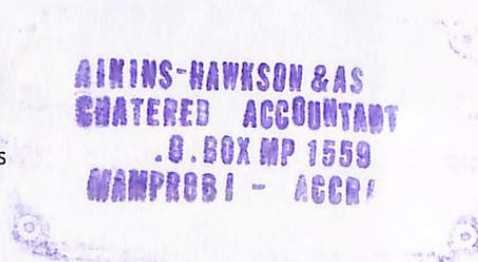
**AIKINS-HAWKSON
AND ASSOCIATES**

Firm License No. ICAG/F/2022/185

Chartered Accountants

Accra, Ghana

25/08/..... 2023



GRAPHIC GROUP COMMUNICATIONS LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2022

	Notes	Group		Company	
		2022	2021	2022	2021
		GHC	GHC	GHC	GHC
Revenue	5	74,804,366	64,254,548	42,995,205	48,000,554
Cost of sales	6	<u>(49,272,517)</u>	<u>(35,440,641)</u>	<u>(25,908,798)</u>	<u>(23,273,281)</u>
Gross profit		25,531,849	28,813,907	17,086,407	24,727,273
Other income	7	12,036,071	2,676,797	11,678,587	2,614,148
Selling and distribution expenses	8	(8,628,742)	(9,138,049)	(8,628,742)	(9,138,049)
Administration expenses	9	<u>(31,911,733)</u>	<u>(23,846,552)</u>	<u>(23,597,079)</u>	<u>(20,614,419)</u>
Operating profit		(2,972,555)	(1,493,897)	(3,460,827)	(2,411,048)
Finance costs	10	(1,252,359)	(1,230,607)	(1,045,080)	(1,227,607)
Loss before tax		(4,224,914)	(2,724,504)	(4,505,907)	(3,638,655)
Income tax expense	11	<u>(114,894)</u>	<u>(320,178)</u>	-	-
Loss for the year		(4,339,808)	(3,044,682)	(4,505,907)	(3,638,655)
Transfer to Statutory Reserve		-	-	-	-
		(4,339,808)	(3,044,682)	(4,505,907)	(3,638,655)
Other comprehensive income for the year		<u>(318,936)</u>	<u>360,727</u>	<u>(318,936)</u>	<u>360,727</u>
Total comprehensive income		<u>(4,658,744)</u>	<u>(2,683,955)</u>	<u>(4,824,842)</u>	<u>(3,277,927)</u>

The notes set out from pages 9 to 21 form an integral part of these financial statements.

GRAPHIC GROUP COMMUNICATIONS LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF CHANGES IN EQUITY

Group	Stated Capital GH¢	Revaluation Reserve GH¢	Statutory Reserve GH¢	Capital Reserve GH¢	Retained Earnings GH¢	Total Equity GH¢
Balance at 1 January 2022	2,500,000	1,459,818	4,599,836	1,163,420	24,375,570	34,098,644
Profit for the year					(4,339,808)	(4,339,808)
Transfer from Capital Surplus				(137,158)	137,158	-
Revaluation of Buildings		39,196,745	-		-	39,196,745
Fair value of Available-for-Sale Assets		(318,936)				(318,936)
Prior Year Adjustment	-	-	-	-	(1,482,362)	(1,482,362)
Balance at 31 December 2022	<u>2,500,000</u>	<u>40,337,627</u>	<u>4,599,836</u>	<u>1,026,262</u>	<u>18,690,558</u>	<u>67,154,283</u>

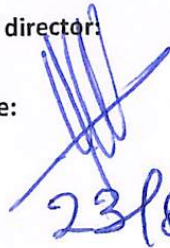
Company	Stated Capital GH¢	Revaluation Reserve GH¢	Statutory Reserve GH¢	Capital Reserve GH¢	Retained Earnings GH¢	Total Equity GH¢
Balance at 1 January 2022	2,500,000	1,459,818	4,247,262	1,163,420	20,252,131	29,622,630
Profit for the year					(4,505,907)	(4,505,907)
Transfer from Capital Surplus				(137,158)	137,158	-
Revaluation of Buildings		39,196,745	-		-	39,196,745
Fair value of Available-for-Sale Assets		(318,936)				(318,936)
Prior Year Adjustment	-	-	-	-	(1,359,465)	(1,359,465)
Balance at 31 December 2022	<u>2,500,000</u>	<u>40,337,627</u>	<u>4,247,262</u>	<u>1,026,262</u>	<u>14,523,917</u>	<u>62,635,068</u>

The notes set out from pages 9 to 21 form an integral part of these financial statements.

The financial statements on pages 5 to 8 were approved by the board of directors on 2023 and were signed on its behalf by:

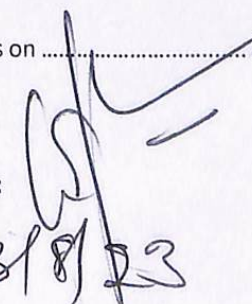
Name of director:

Signature:


23/8/23

Name of director:

Signature:


23/8/23

GRAPHIC GROUP COMMUNICATIONS LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS

Summary of significant accounting policies

1. General information

Graphic Communications Group Ltd (GCGL) was established in the Gold Coast as a private business in 1950 by the Daily Mirror Group of Britain. At that time, the company was named the West African Graphic Company Limited. After acquiring the company, the government changed the name from Ghana Graphic Company to Graphic Corporation the following year, 1965. But it was in 1971 that a legislative instrument, Graphic Corporation Instrument 1971, LI 709, was passed to incorporate the company as a statutory corporation in compliance with the Statutory Corporations Act, 1964 (Act 232). The principal activities of Graphic Communications Group Limited is to print and publish newspapers and provide advertisement services, whereas the subsidiary G-Pak Limited is to provide pre-press, press and post press services.

The address of the Group's registered office is indicated in page ii.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and under historical cost convention as modified by revaluation of certain fixed assets.

2.2 Revenue recognition

The Group's revenue consists of proceeds from publication of newspapers and advertisement services and post press services. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that the economic benefits associated with transaction will flow to the entity; and when specific criteria have been met for each of the Group's activities. Revenue is measured at fair value of its consideration.

2.3 Expenditure

Expenditure consists of costs incurred for the activities of the Group. Expenses are recognised when incurred.

2.4 Foreign currency transactions

(a) Functional and presentation currency

These financial statements are presented in Ghana Cedis (GH¢), which is the Group's functional and presentation currency. Except otherwise indicated, the financial information presented has been rounded off to the nearest GH¢.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transaction and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit and loss within "Finance income and cost". All other foreign exchange gains and losses are presented in profit or loss within "other income or expense".

2.5 Intangible assets

Intangible assets are amortised on the basis of the expected useful lives using the straight - line method. Maximum useful life 5 years. IAS 38 requires an entity to recognise an intangible asset, whether purchased or self-created (at cost) if, and only if: It is probable that the future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably. The requirement applies whether an intangible asset is acquired externally or generated internally. IAS 38 includes additional recognition criteria for internally generated intangible assets. The probability of future economic benefits must be based on reasonable and supportable assumptions about conditions that will exist over the life of the asset. If an intangible item does not meet both the definition of and the criteria for recognition as an intangible asset, IAS 38 requires the expenditure on this item to be recognised as an expense when it is

incurred. Intangible assets are initially measured at cost, and subsequently measured using cost model or revaluation model.

2.6 Property, plant and equipment
Recognition and measurement

Items of property, plant, and equipment are measured at cost and revalued amounts less accumulated depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Gains and losses on disposal of plant and equipment are determined by comparing proceeds from disposal with the carrying amounts of plants and equipment and are recognized in profit or loss as other income

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset or other amount substituted for cost, less its residual value.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives.

Depreciation rates

The depreciation rates used for each significant class of property, plant and equipment are

Item	Rate
Land and buildings	3%
New Press Building	3%
Plant & machinery	10%
Motor vehicles	20%
Office equipment	20%
IT Equipment	33%
Furniture & Fitting	20%
Intangible Assets	33%

Depreciation methods, useful lives, and residual values are reassessed at each reporting date and adjusted, if appropriate.

2.7 Inventory

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in-first-out principle, and include expenditure incurred in acquiring the inventories, production or conversion cost, and other cost incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Cost also includes transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of inventories.

2.8 Trade and other accounts receivable

Trade and other receivables are made up of amounts due from customers, staff loans and prepayments. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-currents assets.

Bad debts written off relates to those debtors that have been individually reviewed and specifically identified as bad or doubtful.

2.9 Cash and cash equivalents

Cash and cash equivalents are defined as cash and bank balances, and investments in marketable securities that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. In the statement of cash flows, cash and cash equivalents are made up of cash and bank balances as at period end.

2.10 Trade and other accounts payable

Trade and other accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Provisions

A provision is recognized when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and reliable estimate of the amount of the obligation can be made. 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. The unwinding of discount is recognized as finance cost in profit or loss.

2.12 Post balance sheet event

Events subsequent to the balance sheet date are reflected only to the extent that they relate to the financial statements and when their effect is material.

3. Employee Benefit

The Group has defined contribution scheme where statutory contributions are made to the Social Security and National Insurance Trust and United Pensions Trust on behalf of employees and the employer contributes 5.5% and 13% respectively to the fund. This is statutory requirement. In addition, the Group contributes 12% to a provident fund on behalf of the employees. The Group has no further obligation once the contributions have been paid. These contributions continue as long as the employee remains in active employment of the Group and are recognised employee benefit expenses when they are due.

4. Critical accounting estimates, judgments and errors

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

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

GRAPHIC GROUP COMMUNICATIONS LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

5. Revenue**(a) Net Revenue**

	2022		2021	
	Group		Company	
	GHC	GHC	GHC	GHC
Calendar	854,440	11,362,146	-	-
Label Sales (Packaging)	1,149,691	2,875,866	-	-
Magazine Sales	960,095	-	-	-
Funeral brochures/Fliers	395,592	-	-	-
Newspaper sales	91,540	-	-	-
Other Sales	2,107,680	-	-	-
Poster Sales	10,295	-	-	-
Printing of Commercial Bks	25,558,632	2,015,982	-	-
Skillet Sales	681,196	-	-	-
Daily Graphic Sales	10,917,398	11,921,561	10,917,398	11,921,561
The Mirror Sales	835,490	926,628	835,490	926,628
Graphic Sports Sales	29,320	46,795	29,320	46,795
Junior Graphic Sales	1,389,083	729,160	1,389,083	729,160
Advertising Sales	31,346,290	35,590,938	31,346,290	35,590,938
Graphic Business Sales	75,385	26,301	75,385	26,301
Sales Returns	<u>(1,597,762)</u>	<u>(1,240,828)</u>	<u>(1,597,762)</u>	<u>(1,240,828)</u>
	<u>74,804,366</u>	<u>64,254,548</u>	<u>42,995,205</u>	<u>48,000,554</u>

(b) Sales Returns

	2022		2021	
	Group		Company	
	GHC	GHC	GHC	GHC
Daily Graphic Sales	1,064,092	921,004	1,064,092	921,004
The Mirror Sales	179,775	145,803	179,775	145,803
Graphic Sports Sales	26	-	26	-
Junior Graphic Sales	156,253	77,474	156,253	77,474
Advertising Sales	194,410	96,516	194,410	96,516
Graphic Business Sales	<u>3,207</u>	<u>32</u>	<u>3,207</u>	<u>32</u>
	<u>1,597,762</u>	<u>1,240,828</u>	<u>1,597,762</u>	<u>1,240,828</u>

GRAPHIC GROUP COMMUNICATIONS LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

6. COST OF SALES

	Group		Company	
	2022	2021	2022	2021
	GHC	GHC	GHC	GHC
Opening Stock of Materials	1,984,912	1,870,846	-	-
Purchases	28,045,808	16,707,138	9,991,111	7,723,064
Closing Stock of Materials	(6,643,160)	(1,984,912)	-	-
Other Direct Expenses	3,986,159	3,504,631	1,157,299	1,694,958
Staff Emoluments	15,576,885	13,074,566	13,036,967	11,320,974
Power and Water	824,410	945,137	607,171	760,780
Maintenance - Machinery	1,338,810	1,151,556	923,457	647,838
FHI 360 Distribution Cost	365,932	294,039	-	-
Depreciation	744,559	1,573,891	192,793	1,038,042
Maintenance - Factory Building	19,613	14,326	-	87,625
Other Stock Movement	<u>3,004,586</u>	<u>(1,798,202)</u>	<u>-</u>	<u>-</u>
	<u>49,248,515</u>	<u>35,353,016</u>	<u>25,908,798</u>	<u>23,273,281</u>

7. OTHER INCOME

	Group		Company	
	2022	2021	2022	2021
Third Party Printing	525,835	9,009	525,835	9,009
Textbooks Printing	901,527	-	901,527	-
Dividend income	225,818	66,909	225,818	66,909
Interest income	686,226	6,045	655,013	-
Sundry incomes	1,234,812	202,041	908,542	156,398
Rent income	664,914	75,085	664,914	75,085
Exchange gain	-	27,948	-	20,427
Investment property revaluation	6,756,611	-	6,756,611	-
Graphic Events Sponsorship	743,191	1,408,864	743,191	1,408,864
Investment Income	-	146,290	-	142,851
Courier services	19,456	50,734	19,456	50,734
Online adverts	91,224	116,969	91,224	116,969
Content Marketing	41,052	70,728	41,052	70,728
Graphic Newsplus Sales	56,378	151,419	56,378	151,419
Revenue from Ghana Year Book	66,516	140,190	66,516	140,190
Graphic Corporate in Ghana	-	30,000	-	30,000
Revenue from Graphic @ 70	-	170,000	-	170,000
Graphic Clinic Income	<u>22,509</u>	<u>4,564</u>	<u>22,509</u>	<u>4,564</u>
	<u>12,036,070</u>	<u>2,676,797</u>	<u>11,678,587</u>	<u>2,614,148</u>

GRAPHIC GROUP COMMUNICATIONS LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

8. SELLING AND DISTRIBUTION EXPENSES

	Group		Company	
	2022	2021	2022	2021
Deliveries and Postages	353,022	409,278	353,022	409,278
Fuel and Lubricants	1,713,061	941,257	1,713,061 ✓	941,257
Motor Vehicle Expenses	443,379	452,735	443,379 ✓	452,735
Staff Emoluments	4,877,722	4,575,174	4,877,722 ✓	4,575,174
Wrappers	230,527	261,246	230,527 ✓	261,246
Depreciation	925,766	869,915	925,766 ✓	869,915
Marketing, Research & P.R	41,892	1,126,700	41,892 ✓	1,126,700
Newsplus Expenses	43,371	205,413	43,371 ✓	205,413
Graphic @ 70 Loyalty Promo	-	271,495	-	271,495
Graphic Corporate in Ghana	-	-	-	-
Expenses	-	24,835	-	24,835
	<u>8,628,742</u>	<u>9,138,049</u>	<u>8,628,742</u>	<u>9,138,049</u>

9. GENERAL AND ADMINISTRATIVE EXPENSES

	GHC		GHC	
	2022	2021	2022	2021
Wages and Salaries	10,043,719	9,462,992	8,678,623 ✓	8,258,905
Depreciation	1,648,559	1,450,343	1,439,421 ✓	1,181,351
Power and Water - Indirect	566,200	707,868	421,374 ✓	584,964
Printing and Stationery	519,268	486,429	519,268 ✓	486,429
Communication Expenses	454,435	631,993	447,905 ✓	623,343
Medicals	1,178,804	962,977	1,162,708 ✓	951,440
Consultancy	439,663	433,305	439,663 ✓	433,305
Protocol	9,625	1,500	9,625 ✓	1,500
Audit Fee	98,938	66,951	73,030 ✓	44,423
Bank Charges	283,891	235,557	183,709 ✓	123,229
Other staff costs	838,839	849,702	566,989 ✓	695,139
Business Promotion	472,646	846,901	141,076 ✓	226,023
Recruitment expense	4,375	33,604	4,375 ✓	33,604
Cleaning and Sanitation	475,751	519,439	442,078 ✓	490,819
Board Allowance/Expenses	431,546	396,979	343,014 ✓	329,390
Staff Training/Seminars	924,526	1,694,392	916,489 ✓	1,685,268
Repairs and maintenance	1,065,872	1,047,324	946,920 ✓	940,621
Travelling and transport	328,369	184,723	328,369 ✓	184,723
Donations	36,774	73,412	33,774 ✓	56,356
Foreign Travel	119,663	10,773	119,663 ✓	10,773
Rent	595,713	346,929	595,713 ✓	346,929
Insurance	263,998	318,380	175,527 ✓	277,471
Retirement/Death Benefits	-	(266,865)	-	(266,865)
Sundry expenses	535,096	(83,934)	257,772	(179,921)
Security Services	498,751	507,035	498,751 ✓	507,035
Bad Debts provision	(98,605)	122,523	(98,605) ✓	122,523
Graphic @ 70 Expenses	22,971	131,611	22,971 ✓	131,611
Exchange Loss	6,188,775	191,587	1,023,297 ✓	33,943
Fuel Cost	3,336,011	1,956,884	2,913,240 ✓	1,774,852
Input VAT	807,057	274,633	807,057 ✓	274,633
Long service award	183,284	249,885	183,284 ✓	249,885
Scholarship scheme	-	721	-	721
	<u>32,274,514</u>	<u>23,846,552</u>	<u>23,597,079</u>	<u>20,614,419</u>

GRAPHIC GROUP COMMUNICATIONS LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

10. FINANCE COST

	Group		Company	
	2022	2021	2022	2021
	GHC	GHC	GHC	GHC
Interest on overdraft	366,976	933,988	366,976	930,988
Financing cost on assets	31,170	-	31,170	-
Interest on PU Panel Loan	854,212	296,620	646,934	296,620
	<u>1,252,358</u>	<u>1,230,607</u>	<u>1,045,080</u>	<u>1,227,607</u>

11. TAXATION

Year of Assessment	Chargeable	Tax	Tax	Tax
	Income	Charged	Paid	Outstanding
	GHC	GHC	GHC	GHC
Balance at 31.12.2018				(1,626,487)
2019	2,994,692	791,324	250,000	541,324
2020			778,122	(778,122)
2021			800,278	(800,278)
2022	-	-	801,933	(801,933)
	<u>2,994,692</u>	<u>791,324</u>	<u>2,630,333</u>	<u>(3,465,496)</u>

Tax charged for Group:

Company	-
Subsidiary	(114,896)
Total per Group	<u>(114,896)</u>

12. AVAILABLE FOR SALE INVESTMENT

(a) Details of listed securities

	Group		Company	
	2022	2021	2022	2021
	GHC	GHC	GHC	GHC
GCB Bank Shares	<u>547,873</u>	<u>1,524,363</u>	<u>547,873</u>	<u>1,524,363</u>

(b) Fair value movement of investments

	Group		Company	
	2022	2021	2022	2021
	GHC	GHC	GHC	GHC
Balance at 01/01	1,524,363	1,163,636	1,524,363	1,163,636
Disposal of Shares	(657,555)	-	(657,555)	-
Fair value movement	<u>(318,936)</u>	<u>360,727</u>	<u>(318,936)</u>	<u>360,727</u>
	<u>547,873</u>	<u>1,524,363</u>	<u>547,873</u>	<u>1,524,363</u>

GRAPHIC GROUP COMMUNICATIONS LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

13. INVENTORY

	Group		Company	
	2022	2021	2022	2021
	GHC	GHC	GHC	GHC
Stock of raw materials	7,568,594	2,750,579	925,434	765,667
Work in Progress	-	2,584,345	-	-
Spare Parts	212,414	239,474	136,205	49,163
Finished Goods	266,408	572,547	-	-
Stationery	41,306	40,592	41,306	40,592
Fuel and lubricants	<u>29,613</u>	<u>59,384</u>	<u>29,613</u>	<u>59,384</u>
	<u>8,118,335</u>	<u>6,246,921</u>	<u>1,132,559</u>	<u>914,806</u>

14. CASH AND CASH EQUIVALENT

	Group		Company	
	2022	2021	2022	2021
	GHC	GHC	GHC	GHC
Bank balance	936,338	671,413	524,088	501,300
Cash in hand	410,183	370,930	398,689	370,930
Short term investments	<u>1,358,590</u>	<u>2,459,534</u>	<u>1,323,138</u>	<u>2,160,506</u>
	<u>2,705,110</u>	<u>3,501,877</u>	<u>2,245,914</u>	<u>3,032,736</u>

RECONCILIATION OF CASH AND BANK BALANCES TO CASH FLOW STATEMENT

	Group		Company	
	2022	2021	2022	2021
	GHC	GHC	GHC	GHC
Cash and cash equivalent	<u>2,705,110</u>	<u>3,501,877</u>	<u>2,245,914</u>	<u>3,032,736</u>
	<u>2,705,110</u>	<u>3,501,877</u>	<u>2,245,914</u>	<u>3,032,736</u>

15. BANK OVERDRAFT

	Group		Company	
	2022	2021	2022	2021
	GHC	GHC	GHC	GHC
GCB Bank Overdraft	<u>1,563,848</u>	<u>5,068,802</u>	<u>1,563,848</u>	<u>5,068,802</u>
	<u>1,563,848</u>	<u>5,068,802</u>	<u>1,563,848</u>	<u>5,068,802</u>

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022	2021	2022	2021
	GHC	GHC	GHC	GHC
Trade debtors	43,713,924	38,835,599	26,405,930	31,106,919
Staff loans	34,859	30,412	34,859	30,412
Prepayments	-	16,562	-	16,562
Sundry receivables	656,484	282,967	-	-
G-PAK Ltd - Transactions	(225,181)	(53,884)	(225,181)	(53,884)
G-PAK Ltd - FHI Transactions	919,746	-	919,746	-
Provision for impairment	<u>(1,444,608)</u>	<u>(1,665,735)</u>	<u>(1,444,608)</u>	<u>(1,665,735)</u>
	<u>43,655,224</u>	<u>37,445,920</u>	<u>25,690,746</u>	<u>29,434,273</u>

GRAPHIC GROUP COMMUNICATIONS LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

17. TRADE AND OTHER PAYABLES

	Group		Company	
	2022	2021	2022	2021
	GHC	GHC	GHC	GHC
Trade and other payables	41,562,019	19,275,441	24,590,597	13,966,861
Staff accrued expenses	-	166,610	-	166,610
Deposits	58,689	56,789	58,689	56,789
Sundry payables	2,801,756	2,956,958	-	310,769
Provision for retirement benefits	1,920,736	1,945,793	1,920,736	1,945,793
Accrued audit fees	95,250	44,423	63,250	44,423
	<u>46,438,450</u>	<u>24,446,013</u>	<u>26,633,272</u>	<u>16,491,245</u>

18. STATED CAPITAL

The Company is registered with 100 million ordinary shares of no par value of which 43 million shares have been issued as follows:

	No. of Shares (Million)	Value of Shares	
		2022 GHC	2021 GHC
Authorised Share Capital	<u>100</u>		
Issued and fully paid			
Issued for cash at 1 GHP/share	20	200,000	200,000
Issued for cash at 10 GHP/share	<u>23</u>	<u>2,300,000</u>	<u>2,300,000</u>
	<u>43</u>	<u>2,500,000</u>	<u>2,500,000</u>

19. STATUTORY RESERVE

The Board of Directors do not recommend a transfer to statutory reserve as the company did not make a profit for the year. The creation of the reserve fund is in accordance with section 42 of the Regulations of Graphic Communications Group Limited.

20. REVALUATION RESERVE

	Group		Company	
	2022 GH¢	2021 GH¢	2022 GH¢	2021 GH¢
Balance b/f	1,459,818	1,099,091	1,459,818	1,099,091
Revaluation Surplus	39,196,745		39,196,745	
Fair value of available for Sale asset	<u>(318,936)</u>	<u>360,727</u>	<u>(318,936)</u>	<u>360,727</u>
Balance c/f	<u>40,337,627</u>	<u>1,459,818</u>	<u>40,337,627</u>	<u>1,459,818</u>

Revaluation surplus was as a result of a valuation done by Dimens Property Consult (Chartered Valuation & Estate Surveyor) for 3 buildings effective November 2022. Had the revaluations not been done the carrying value of the buildings reported would have been GH¢576,246. There is no restriction on the distribution to shareholders for the balance of the revaluation surplus.

21. CAPITAL SURPLUS

This was as a result of assets revaluation undertaken in 1995 and 2005 by William Ofori & Co. (Valuers, Estate Managers, Development and Tax Consultants). Portion of the capital surplus realised amounting to GH¢1,949,847 was transferred to Income Surplus on the 31st December 2011 and GH¢ 137,158 was transferred from 2012 to 2016. In 2014 a further GH¢ 833,296 was written off to cater for the net book value of the cluster of buildings which were pulled down to pave way for the construction of the new press building. The annual transfer of GH¢ 137,158 has also been transferred to Income Surplus for 2022.

GRAPHIC GROUP COMMUNICATIONS LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

22. BORROWINGS

	Group		Company	
	2022 GH¢	2021 GH¢	2022 GH¢	2021 GH¢
GCB Medium Term	4,028,663		2,331,467	
GCB Loan (PU Panel)	<u>-</u>	<u>837,130</u>	<u>-</u>	<u>837,130</u>
	<u>4,028,663</u>	<u>837,130</u>	<u>2,331,467</u>	<u>837,130</u>

GRAPHIC COMMUNICATIONS GROU LTD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

PROPERTY, PLANT & EQUIPMENT - GROUP

	Building GH¢	Buildings GH¢	Machinery GH¢	Plant/Mach. GH¢	Tools & Intangible Assets GH¢	Vehicles GH¢	Equipment GH¢	Equipment GH¢	Fittings GH¢	Totals GH¢
COST										
At 1st Jan. 2022	5,948,880	3,989,909	6,430,328	12,783,775	-	8,453,442	5,761,167	2,557,058	1,538,523	47,463,082
Additions	-	-	1,766,862	-	118,819	831,808	1,060,300	192,489	179,302	4,149,580
Revaluation		39,772,992								39,772,992
Revaluation		(1,151,033)								(1,151,033)
Disposal	-	-	-	-	-	(416,427)	-	-	-	(416,427)
At 31st Dec. 2022	<u>5,948,880</u>	<u>42,611,868</u>	<u>8,197,190</u>	<u>12,783,775</u>	<u>118,819</u>	<u>8,868,824</u>	<u>6,821,467</u>	<u>2,749,547</u>	<u>1,717,825</u>	<u>89,818,194</u>
DEPRECIATION										
At 1st Jan. 2022	1,673,075	2,048,098	3,802,958	11,379,018	-	6,556,167	4,181,642	2,043,286	1,183,032	32,867,276
Charge for the Year	170,891	154,270	600,570	192,793	32,505	1,064,793	869,525	184,421	122,886	3,392,656
Revaluation		-								-
Revaluation		(574,786)								(574,786)
Disposal	-	-	-	-	-	(165,752)	-	-	-	(165,752)
At 31st Dec. 2022	<u>1,843,966</u>	<u>1,627,582</u>	<u>4,403,528</u>	<u>11,571,811</u>	<u>32,505</u>	<u>7,455,208</u>	<u>5,051,167</u>	<u>2,227,707</u>	<u>1,305,918</u>	<u>35,519,394</u>
NET BOOK VALUE										
At 31st Dec. 2022	<u>4,104,914</u>	<u>40,984,286</u>	<u>3,793,662</u>	<u>1,211,964</u>	<u>86,314</u>	<u>1,413,615</u>	<u>1,770,299</u>	<u>521,840</u>	<u>411,907</u>	<u>54,298,800</u>
At 31st Dec 2021	<u>4,275,805</u>	<u>1,941,811</u>	<u>2,627,370</u>	<u>1,404,757</u>	<u>-</u>	<u>1,897,275</u>	<u>1,579,525</u>	<u>513,772</u>	<u>355,491</u>	<u>14,595,806</u>

GRAPHIC COMMUNICATIONS GROU LTD
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

24. INVESTMENT PROPERTY

	GHC
COST	
At 1st Jan. 2022	378,741
Additions	-
Revaluation	6,756,612
Disposal/Transfer	<u>-</u>
At 31st Dec. 2022	<u><u>7,135,352</u></u>
DEPRECIATION	
At 1st Jan. 2022	190,397
Charge for the Year	13,476
Revaluation	-
Disposal/Adjustment	<u>-</u>
At 31st Dec. 2022	<u><u>203,874</u></u>
NET BOOK VALUE	
At 31st Dec. 2022	<u><u>6,931,478</u></u>
At 31st Dec. 2021	<u><u>188,343</u></u>

25. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2022: Nil).

26. Capital commitments

There were no capital commitments at the balance sheet date (2022: Nil)

GRAPHIC COMMUNICATIONS GROU LTD
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

27. COMPUTATION OF TAX LIABILITY

Net Profit Per Financial Statements			(4,505,907)
Less :			
	Unrealised Foreign Exchange Gain	-	
	Dividend Received	225,818	
			<u>225,818</u>
			(4,731,725)
Add Back:			
	Depreciation	2,581,981	
	Bad Debt Provision	(98,605)	
	Scholarships	-	
	Donations	<u>6,500</u>	
			<u>2,489,877</u>
Adjusted Profit			(2,241,848)
Less Capital Allowances for 2022			<u>1,844,175</u>
CHARGEABLE INCOME			(4,086,023)
	Tax thereon at 25%		<u><u>-</u></u>
	Profit on Disposal of Assets	-	
	Tax thereon at 10%	-	<u>-</u>
			<u><u>-</u></u>

COMPUTATION OF CAPITAL ALLOWANCE FOR THE YEAR 2022

	ICT	MV & P/M	Equip, F/F	Buildings
	<u>CLASS 1</u>	<u>CLASS 2</u>	<u>CLASS 4</u>	<u>CLASS 5</u>
DEPRECIABLE ASSETS				
Balance b/f	565,321.96	1,906,687.24	1,062,122.79	2,344,848.52
Disposals	-	(416,427)	-	-
Additions	<u>1,060,300</u>	<u>831,808</u>	<u>251,979</u>	<u>-</u>
	<u>1,625,622</u>	<u>2,322,069</u>	<u>1,314,102</u>	<u>2,344,849</u>
Capital Allowances	650,248.73	696,620.66	262,820.31	234,484.85
Total Capital Allowance				1,844,175
Balance c/f 31/12/2022	975,373	1,625,448	1,051,281	2,110,364
TAXATION 2022				
Year of Assessment	Chargeable	Tax	Tax	Tax
	<u>Income</u>	<u>Charged</u>	<u>Paid</u>	<u>Outstanding</u>
	GH¢	GH¢	GH¢	GH¢
Balance at 31.12.2018				(1,626,487)
2019	2,994,692	791,324	250,000	541,324
2020			778,122	(778,122)
2021			800,278	(800,278)
2022	<u>-</u>	<u>-</u>	<u>801,933</u>	<u>(801,933)</u>
	<u>2,994,692</u>	<u>791,324</u>	<u>2,630,333</u>	<u>(3,465,496)</u>