

SPICE VAS GHANA LIMITED

**FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST MARCH, 2017**

**OSEI KWABENA & ASSOCIATES
(CHARTERED ACCOUNTANTS)
98 MIAMONA CLOSE
SOUTH INDUSTRIAL AREA
P.O. BOX 10276
ACCRA-NORTH**



SPICE VAS GHANA LIMITED

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SPICE VAS GHANA LIMITED
DIRECTORS, AUDITORS AND REGISTERED OFFICE

DIRECTORS: ARUN NAGAR
SETH KWASI ASANTE (Appointed w.e.f 20th Feb, 2017)
NAA SACKLEY DAGADU (Resigned w.e.f 20th Feb, 2017)

SECRETARY TRUSTEE SERVICES LIMITED

REGISTERED OFFICE: HOUSE NO. 767/2
OMABOE PTE LTD PLOT,
OXFORD STREET, OSU,
ACCRA, GHANA

AUDITORS: OSEI KWABENA & ASSOCIATES
(CHARTERED ACCOUNTANTS)
98 MIAMONA CLOSE
SOUTH INDUSTRIAL AREA
P.O. BOX 10276
ACCRA-NORTH

BANKERS: STANBIC BANK



**SPICE VAS GHANA LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITY**

The Directors are responsible for the preparation of the financial statements for each financial year that give a true and fair view of the state of financial affairs of the company at the end of the year and of its profit or loss. This responsibility includes ensuring that the company:

- (a) Designs, implements and maintains internal controls relevant to the preparation and fair presentation of the Financial Statements
- (b) Establishes adequate internal controls to safeguard its Assets and to prevent and detect fraud and other irregularities and
- (c) Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates that are consistently applied.

The Directors accepts responsibility for the annual financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates in conformity with international Financial Reporting Standards.

The Directors are of the opinion that the financial statements give a true and fair view of the states of the financial affairs of the company and of its profit or loss. The Directors further accept the responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements as well as adequate systems of internal financial controls.

Nothing has come to the attention of the Directors to indicate that the company will not remain a going concern for at least twelve months from the date of these statements.

Approval of Annual Financial Statements

The annual financial statements were approved by the Board of Directors onand these statements are signed by the Directors in accordance with a resolution of the Directors dated

By order of the Board

[Signature].....DIRECTOR

[Signature].....DIRECTOR

APRIL, 2017

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SPICE VAS GHANA LIMITED
REPORT OF DIRECTORS'

The Directors have pleasure in submitting their report together with the audited financial statements as at 31st March, 2017. Income Statement and Cash flow Statement for the year ended 31st March, 2017.

Nature of Business

There has been no change in the nature of business the company was registered to operate

Results

The Company's performance as set out on page 7 shows a net profit after tax of GH¢ 792,155 and has been transferred to the Income Surplus Statement which now stands at GH¢ 968,059 as at 31st March, 2017.

Dividends

The Directors do not recommend the payment of dividends for the year ended 31st March, 2017.

Directors

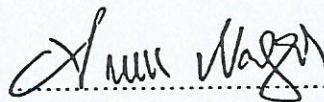
During the year, Ms Naa Sackley Dagadu resigned from the Board of the Directors of the company. The Board places on record its sincere appreciation in the contribution and guidance provided by her during the tenure as Director of the company.

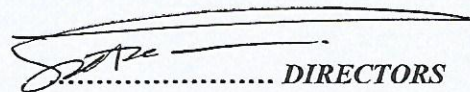
During the year, Mr. Seth Kwasi Asante was appointed as a Director of the company.

Auditors

In accordance with section 134(5) of the Companies Act, 1963, Messrs. Osei Kwabena & Associates (Chartered Accountants) will continue in office as the Auditors of the Company.

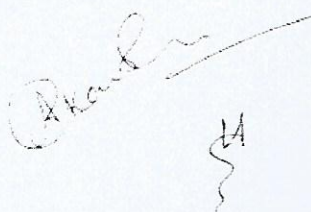
By order of the Board


..... DIRECTORS


..... DIRECTORS

GHANA
APRIL, 2017





P. Osei-Kwabena, B. Sc. (Admin) C.A.
Kofi Aning, B. Sc. (Admin) C.A.

Telephone: 233-302-221590
Email: osekwabena05@yahoo.co.uk

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPICE VAS GHANA LIMITED FOR THE YEAR ENDED 31ST MARCH, 2017

Report on the Audit of the Financial Statements

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Spice Vas Ghana Limited as at March 31st, 2017, and its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Principle (GAAP) for Small and Medium Sized Entities (SMSE) and comply with Ghana Companies Act, 1963 (ACT 179).

We have audited the financial statements of the Company, which comprise the statement of financial position as at March 31st, 2017 and the income statement, 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.

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 within the meaning of Ghana Companies Act, 1963 (ACT 179) and have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors and those charged with Governance for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with GAAP for Small and Medium Sized Entities (SMSE) and with the requirements of the Ghana Companies Act 1963 (ACT 179), and for such internal control as Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Those charged with governance are responsible for overseeing the Company'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.



**SPICE VAS GHANA LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SPICE VAS GHANA LIMITED
FOR THE YEAR ENDED MARCH 31ST, 2017**

Scope of the Audit

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessing the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

REPORT ON OTHER LEGAL REQUIREMENTS

The companies Act, 1963 (Act 179) 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 purpose of our audit;
- ii. in our opinion, proper books of accounts have been kept by the company, so far as it appears from our examination of those books; and
- iii. the company's statement of financial position and income statement are in agreement with the books of account.

Paul Osei Kwabena

.....
OSEI KWABENA & ASSOCIATES (ICAG/F/2017/111)
(CHARTERED ACCOUNTANTS)
PAUL OSEI KWABENA (ICAG/P/1161)
ACCRA, GHANA

DATE: **8th MAY 2017**



SPICE VAS GHANA LIMITED**STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

INCOME	Notes	At 31-Mar-17 GH¢	At 31-Mar-16 GH¢
Gross Sales/Income from Operations	2	9,009,395	3,125,834
Operating Cost	3 & 6	<u>(7,834,908)</u>	<u>(2,959,629)</u>
Gross Profit/Loss		1,174,487	166,205
Other Income (Specified)	4	136,832	-
Net Profit/Loss from operations before before Interest and Tax		1,311,319	166,205
Depreciation	7	<u>(197,081)</u>	<u>(316,646)</u>
Net Profit/Loss after Interest but before Tax		1,114,238	(150,441)
Provision for Taxation	5	<u>(322,083)</u>	<u>-</u>
Net Profit/Loss after taxation		<u>792,155</u>	<u>(150,441)</u>

**STATEMENT OF CHANGES IN EQUITY
AS AT 31ST MARCH, 2017**

	Stated Capital GH¢	Retained Earnings GH¢	Total GH¢
Balance at 1st April, 2016	-	175,904	326,345
Issued Capital	75,000	-	75,000
Net Profit/(Loss) for the year after tax	<u>-</u>	<u>792,155</u>	<u>792,155</u>
Balance at 31st March, 2017	<u>75,000</u>	<u>968,059</u>	<u>1,193,500</u>
Balance at 1st April, 2015	-	326,345	326,345
Issued Capital	75,000	-	75,000
Net Profit/(Loss) for the year after tax	<u>-</u>	<u>(150,441)</u>	<u>261,067</u>
Balance at 31st March, 2016	<u>75,000</u>	<u>175,904</u>	<u>662,412</u>

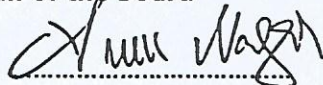


SPICE VAS GHANA LIMITED**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST MARCH, 2017**

ASSETS	Notes	At 31-Mar-17 GH¢	At 31-Mar-16 GH¢
Non-Current Assets			
Property Plant & Equipment	7	<u>159,318</u>	<u>347,830</u>
		<u>159,318</u>	<u>347,830</u>
Current Assets			
Accounts Receivable	8	2,814,753	945,468
Cash and Bank Balances	9	575,726	364,959
Taxation	5	<u>132,113</u>	<u>178,169</u>
		<u>3,522,592</u>	<u>1,488,596</u>
Total Assets		<u>3,681,910</u>	<u>1,836,426</u>
Current Liabilities			
Accounts Payable	10	2,638,851	1,585,522
Taxation	5	<u>-</u>	<u>-</u>
		<u>2,638,851</u>	<u>1,585,522</u>
Financed by:-			
Capital and Reserves			
Shares Capital	11	75,000	75,000
Retained Earnings		<u>968,059</u>	<u>175,904</u>
Shares holders' deficit		<u>1,043,059</u>	<u>250,904</u>
Total Liabilites		<u>3,681,910</u>	<u>1,836,426</u>

In our opinion, the financial statements which appear on Pg. Nos. 7 to 9 fairly represents the financial position and results of the Company for the period ended 31st March, 2017 and the same were approved by the Directors on _____ and were signed on behalf of the Board by.

On Behalf of the Board



DIRECTOR

GHANA

DATE: APRIL, 2017



DIRECTOR



SPICE VAS GHANA LIMITED
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST MARCH, 2017

	At 31-Mar-17 GH¢	At 31-Mar-16 GH¢
Net Profit/Loss before Taxation	1,114,238	(150,441)
Depreciation	<u>197,081</u>	<u>316,646</u>
<i>before Working Capital changes</i>	1,311,319	166,205
<i>Adjustments for Working Capital</i>		
(Increase)/Decrease In Accounts Receivable	(1,869,285)	8,041
Increase/(Decrease) In Accounts Payable	<u>1,053,329</u>	<u>(85,162)</u>
	<u>(815,956)</u>	<u>(77,121)</u>
Net Cashflow from Operating Activities	495,363	89,084
<i>Cashflow from Operating Activities</i>		
Tax Paid	(276,027)	(96,975)
Decrease in Capital Work in Progress	-	10,281
Payments to Acquire tangible Fixed Assets	(8,573)	(17,087)
Transfer of Motor Vehicle	<u>-</u>	<u>7,801</u>
Net Cashflow from Investing Activities	<u>(284,600)</u>	<u>(95,980)</u>
<i>Net Increase In Cash and Cash Equivalents</i>	<u>210,763</u>	<u>(6,896)</u>
Cash and Cash Equivalents at 1st April 2016	<u>364,959</u>	<u>371,855</u>
Net increase in Cash and Cash Equivalents at 31st March, 2017	<u>210,763</u>	<u>(6,896)</u>
Cash and Bank Balances at 31st March 2017	<u><u>575,722</u></u>	<u><u>364,959</u></u>



SPICE VAS GHANA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017

1 ACCOUNTING POLICIES

The following accounting policies have been used in preparing the financial statements.

a Basis of Accounting

These accounts have been prepared in harmony with the historical cost convention basis of Accounting.

b Depreciation

Depreciation has been provided to write-off the costs of fixed assets over their estimated useful commercial lives on a straight-line basis as follows:

Fixed Assets at MTN Site	-	20%
Furniture & Fixture	-	14.29%
Motor Vehicle	-	10%
I T Equipment	-	33.33%
Office Equipment	-	14%

c Stocks

Stocks have been valued at the lower of cost or net realisable value.

d Debtors

These are stated after providing for specific debts considered to be irrecoverable. Bad Debts are written off as incurred.

e Foreign Currencies

All transactions denominated in foreign currencies are translated into cedis at exchange rates ruling at the transaction date. All account balances denominated in foreign currencies at the balance sheet date are converted into cedis using year end exchange rate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

	At 31-Mar-17 GH¢	At 31-Mar-16 GH¢
2 Revenue	<u>9,009,395</u>	<u>3,125,834</u>
	At 31-Mar-17 GH¢	At 31-Mar-16 GH¢
3 Operating Expenses		
Employee Cost	6 420,509	282,080
Content Expenses	192,272	-
Content Share	1,833,671	761,932
Prompt Recording Charges	31,638	-
karaoke Cost	7,108	-
Short Code Fees	2,819	-
Bank Charges	4,300	9,461
Business Promotion	97,396	27,025
Transport Expenses (Includes Conv.)	82,172	48,867
Foreign Exchange Gain/Loss	198,292	196,666
Audit Fees	35,000	48,000
Management Fees	4,504,698	1,205,185
Office Expenses	6,340	5,038
Postage & Courier	-	2,551
Printing & Stationery	1,835	1,870
Rent	28,235	26,160
Provision for bad debt	-	128,034
Telephone Expenses	24,265	16,535
Utilities	13,422	6,970
Staff Welfare	5,010	6,140
Licenses and Permits	7,125	11,130
Consultancy Charges	304,924	111,837
Computer Consumable	16,600	-
General Expenses	-	8,638
Repairs and Maintenance	3,961	16,655
Legal and Professional Charges	5,561	25,411
Hotel Expenses	7,754	13,444
	<u>7,834,908</u>	<u>1,915,617</u>



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

7 PROPERTY, PLANT AND EQUIPMENT

	<i>Fixed Asset at MTN site GH¢</i>	<i>Fixtures & Fittings GH¢</i>	<i>I.T Equipment GH¢</i>	<i>Office Equipment GH¢</i>	<i>Total GH¢</i>
<u>COST</u>					
Balance at 1/4/2016	1,032,939	5,964	36,095	11,294	1,086,288
Additions	-	-	1,957	6,616	8,573
Balance at 31/3/2017	<u>1,032,939</u>	<u>5,964</u>	<u>38,052</u>	<u>17,910</u>	<u>1,094,861</u>
	20%	14.29%	33.33%	14%	

ACCUMMULATED DEPRECIATION

Balance at 1/4/2016	703,704	1,998	31,020	1,740	738,462
Charge for the Year	190,794	852	3,486	1,949	197,081
Balance at 31/3/2017	<u>894,498</u>	<u>2,850</u>	<u>34,506</u>	<u>3,689</u>	<u>935,543</u>

NET BOOK VALUE

At 31/3/2017	<u>138,441</u>	<u>3,114</u>	<u>3,546</u>	<u>14,221</u>	<u>159,318</u>
At 31/3/2016	<u>329,235</u>	<u>3,966</u>	<u>5,075</u>	<u>9,554</u>	<u>347,830</u>



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

	At 31-Mar-17 GH¢	At 31-Mar-16 GH¢		
4 Other Income	136,832	-		
 5 Taxation				
	Balance 1/4 GH¢	Charge for the year GH¢	Paid During the year GH¢	Balance b/fwd GH¢
2014	-	6,199	80,781	74,582
2015	74,582	77,423	84,035	81,194
2016	81,194	-	96,975	178,169
2017	178,169	(322,083)	276,027	132,113
 6 Employee Cost				
Salary	316,359			223,837
Medical Expenses	5,214			2,157
Incentives	37,616			25,088
Contribution to Pension	39,559			28,268
Staff Leave Days Enchashment	21,761			2,730
	420,509			282,080
 8 Accounts Receivable				
Amount due from related Company	237,811			30,630
Deposits	-			78,887
Debtors - Billed	1,361,089			267,066
Debtors - Unbilled	1,153,807			741,964
Prepaid Expenses	41,463			10,312
Advance to Customers	63,626			3,486
Less Provision for doubtful debt	(43,043)			(186,877)
	2,814,753			945,468



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

	At 31-Mar-17 GH¢	At 31-Mar-16 GH¢
9 Cash & Bank Balances		
Cash in Hand	1,099	1,099
Stanbic Cedis	19,959	219,369
Stanbic USD	386	88,890
Stanbic Call Account	554,282	20,000
Standered Chartered Bank	-	35,601
	<u>575,726</u>	<u>364,959</u>
 10 Accounts Payable		
Amount due to related Company	447,609	422,236
Withholding Tax Payable	317,152	319,457
PAYE Payable	5,858	3,128
VAT Payable	206,290	261
Pension Payable	5,077	3,583
Trade Creditors	1,432,183	700,626
Staff Payable	47,953	4,611
Salary Payable	-	19,700
Other Creditors	35,000	65,425
Expenses Payable	141,729	46,495
	<u>2,638,851</u>	<u>1,585,522</u>
 11 Share Capital		
(i) Authorised		
75,000 Ordinary Shares of GH¢1.00	<u>75,000</u>	<u>75,000</u>
 (ii) Issued and paid up		
75,000 Ordinary Shares of GH¢1.00	<u>75,000</u>	<u>75,000</u>



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**COMPUTATION OF TAX
AS AT 31ST MARCH, 2017**

	GHC
Net Profit before Tax	1,114,238
Add: Depreciation	197,081
Business Promtion	97,396
	<u>294,477</u>
Adjusted Profit	1,408,715
Less Capital Allowance:	
Unutilised Capital Allowance Brought Forward	13,084
Current Year allowance	<u>107,299</u>
Amount Utilised	<u>(120,383)</u>
Chargeable Income	1,288,332
Tax thereon @25%	322,083
Unutilised Capital Allowance Carried Forward	<u>-</u>



**COMPUTATION OF CAPITAL ALLOWANCE
AS AT 31ST MARCH, 2017**

	<i>POOL 1 40% GH¢</i>	<i>POOL 3 20% GH¢</i>	<i>TOTAL GH¢</i>
WDV b/d 1/4/16	260,996	3,973	264,969
Addition	<u>1,957</u>	<u>6,616</u>	<u>8,573</u>
	262,953	10,589	273,542
Capital Allowance	<u>(105,181)</u>	<u>(2,118)</u>	<u>(107,299)</u>
WDV c/fwd 31/3/17	<u>157,772</u>	<u>8,471</u>	<u>166,243</u>

