

**ASTERISK LIFESCIENCES GHANA LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

**E.M.M.E CONSULT  
CHARTERED ACCOUNTANTS  
MANAGEMENT & TAX PRACTITIONERS  
ALPHA CITADEL BUILDING  
9000 GEORGE W. BUSH HWY  
P. O. BOX DK 1081  
DARKUMAN - ACCRA**

**Firm Licence No. ICAG/F/2020/292**

**TEL: 0303 969657**

# ASTERISK LIFESCIENCES GHANA LIMITED

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**ASTERISK LIFESCIENCES GHANA LIMITED**  
**CORPORATE INFORMATION**

**DIRECTORS:** NARASIMHA SHIBROOR KAMATH  
GUTAM RASIKLAL ASHRA  
AKHIL KUMAR GUPTA

**SECRETARY:** AKHIL KUMAR GUPTA

**REGISTERED OFFICE:**  
NO.-A2,MANET VILLE  
SPINTEX ROAD  
P.O.BOX KN1186  
ACCRA - GHANA

**AUDITORS:**  
E.M.M.E CONSULT  
CHARTERED ACCOUNTANTS  
MANAGEMENT & TAX CONSULTANTS  
ALPHA CITADEL BUILDING  
9000 GEORGE W BUSH HWY  
P. O. BOX DK 1081  
DARKUMAN-ACCRA

**BANKERS:** SOCIETE GENERALE GHANA LIMITED  
UNIBANK GHANA LIMITED



## ASTERISK LIFESCIENCES GHANA LIMITED

### Statement of Directors' Responsibilities

The directors are responsible for the preparation of financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and the income statement 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 standards have been followed
- Ensure that the financial statements are prepared 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the company financial statements comply with the Companies Act, 2019 (Act 992) and the International Financial Reporting Standards.

The directors are also responsible for safeguarding the assets of the company and taking reasonable steps towards the prevention and detection of fraud and irregularities.

The above statement, which should be read in conjunction with the statement of the auditors' responsibilities on page 2- 3 which is made with the view to distinguishing for shareholders the respective responsibilities of the directors and the auditors, in relation to the financial statements.

### RESULTS FOR THE YEAR

The results are summarised as follows:

	GH¢
Profit for the year ended 31 March, 2020 after taxation is	619,750
to which is added balance on retained earnings account brought forward of	(1,517,759)
to which is added prior year adjustment of	-
leaving a Balance on the retained earnings of	(898,009)

### Principal activity

There was no change in the activities of the company in the year.

### Auditors

The auditors E.M.M.E. CONSULT, will continue in office in accordance with Section 139(5) of the Companies Act, 2019 (Act 992).

BY ORDER OF THE BOARD

Director:.....

AKHIL KUMAR GUPTA

Director:.....

NARSIMHA SHIBROOR KAMATH





Chartered Accountants & Tax Consultants

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## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASTERISK LIFESCIENCES GHANA LIMITED**

We have audited the accompanying financial statements of **ASTERIKS LIFE SCIENCES GHANA LIMITED**, which comprise the statement of financial position at 31 ~~MARCH~~ 2020, statement of comprehensive income, the statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies as set on pages 7 to 13.

### **Directors' Responsibility for the Financial Statement**

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standard and the Companies Act, 2019 (Act 992). This responsibility includes implementing of financial statements that are free from material misstatements, whether due to fraud or error selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain evidence about the amount and disclosure in the financial statements the amount and disclosure in the financial statements. The procedure selected depend on the auditor's judgement, including the assessment of the risk of material misstatement, of the financial statements whether due to fraud, or error. In making those risk assessment, the auditor considers internal control relevant to the entity's operations and fair presentation in the financial statements in order to design audit procedure 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 also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for the audit opinion.

### **Opinion**

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 March, 2020, its profits for the year then ended and have been properly prepared in accordance with the Companies Act, 2019 (Act 992).

### **Basis of 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 in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and we have fulfilled our other ethical responsibilities in accordance with the code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Report on Other Legal and Regulatory Requirements**

The Companies Act, 2019 (Act 992).

In carrying out our audit we consider and report on the following matters

We confirm that:

- i. We have received 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 appears from our examination of those statements; and
- iii. The statement of Financial Position, Statement of Comprehensive Income of the company is in agreement with the books of account.

E.M.M.E CONSULT

Firm Licence No. ICAG/F/2020/292

CHARTERED ACCOUNTANTS

& TAX PRACTITIONERS

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9000 GEORGE W BUSH HIGHWAY, LAPAZ

P. O. BOX DK 1081

DARKUMAN-ACCRA

TEL: 030-3969657



**ASTERISK LIFESCIENCES GHANA LIMITED**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> MARCH, 2020**

	Notes	2020 GH c	2019 GH c
<b>NON CURRENT ASSET</b>	<b>4</b>		
Property, Plant and Equipment		1,063,118	827,911
<i>Total Non Current Assets</i>		<i>1,063,118</i>	<i>827,911</i>
 <b>CURRENT ASSETS</b>			
Inventories	8	1,800,956	3,563,231
Accounts Receivable	5	18,437,789	7,625,129
Taxation	9	100,031	6,056
Cash on Hand and Bank	6	604,781	124,017
<i>Total Current Assets</i>		<i>20,943,557</i>	<i>11,318,433</i>
 <b>TOTAL ASSETS</b>		 <b>22,006,675</b>	 <b>12,146,344</b>
 <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
 <b>CURRENT LIABILITIES</b>			
Accounts Payable	7	18,904,684	9,664,103
<i>Total Liabilities</i>		<i>18,904,684</i>	<i>9,664,103</i>
 <b>SHAREHOLDERS' EQUITY</b>			
Stated Capital	14	4,000,000	4,000,000
Retained Earnings		(898,009)	(1,517,759)
<i>Total Shareholders' Equity</i>		<i>3,101,991</i>	<i>2,482,241</i>
 <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		 <b>22,006,675</b>	 <b>12,146,344</b>

Director.....

Director.....

AKHIL KUMAR GUPTA

NARSIMHA SHIBROOR KAMATH

**ASTERISK LIFESCIENCES GHANA LIMITED**  
**STATEMENT COMPREHENSIVE INCOME FOR THE YEAR**  
**ENDED 31<sup>ST</sup> MARCH, 2020**

	NOTES	2020 GH ¢	2019 GH ¢
Sales	10	24,384,243	119,129
Cost Of Sales	12	(22,819,490)	(105,137)
<b>Gross Profit</b>		<b>1,564,753</b>	<b>13,992</b>
Other Income	11	-	26,233
Administrative Expenses	13	(1,575,422)	(1,229,539)
Foreign Exchange Gain		662,420	-
<b>Operating Profit</b>		<b>651,751</b>	<b>(1,189,314)</b>
<b>Taxation</b>		<b>(32,001)</b>	<b>-</b>
<b>Profit After Taxation</b>		<b>619,750</b>	<b>(1,189,314)</b>

**RETAINED EARNINGS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2020**

	2020 GH ¢	2019 GH ¢
1 April 2019	(1,517,759)	(331,445)
For the Year	619,750	(1,189,314)
Prior Year Adjustment		3,000
31 March 2020	<b>(898,009)</b>	<b>(1,517,759)</b>

Notes on pages 7-13 forms an integral part of the financial statements



**ASTERISK LIFESCIENCES GHANA LIMITED**  
**STATEMENT OF CASHFLOW FOR THE YEAR ENDED**  
**31<sup>ST</sup> MARCH, 2020**

	2020 GH ¢	2019 GH ¢
<b>OPERATING ACTIVITIES</b>		
Net Cash Inflow\Outflow from Operating Activities	898,367	25,960
Tax Paid	(125,976)	(1,250)
<b>INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(291,627)	(57,289)
<b>FINANCING ACTIVITIES</b>		
Proceeds From Loan Issue	-	-
<b>Inc.\(Dec.) in Cash &amp; Cash Equivalents (ii)</b>	<u><u>480,764</u></u>	<u><u>(32,579)</u></u>
i) Net Cash flow from Operating activities		
Operating Profit/(Loss)	651,751	(1,189,314)
Depreciation	56,420	20,569
Decrease/(Increase) in Inventories	1,762,275	(3,547,816)
(Increase)/Decrease in Accounts Receivables	(10,812,660)	(501,196)
Increase/(Decrease) in Accounts Payables	9,240,581	5,240,717
Prior Year Adjustment		3,000
Net Cash flow from Operating Activities	<u><u>898,367</u></u>	<u><u>25,960</u></u>
ii) Analysis of Cash and Cash Equivalent as shown in the Stat. of Financial Position		
01/04/19	124,017	156,596
Net Cash Movement	<u><u>480,764</u></u>	<u><u>(32,579)</u></u>
31/03/20	<u><u>604,781</u></u>	<u><u>124,017</u></u>

Notes on pages 7-13 forms an integral part of the financial statements

**ASTERISK LIFESCIENCES GHANA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1 REPORTING ENTITY**

**ASTERIKS LIFE SCIENCE GHANA LIMITED** is a company incorporated under the Companies Act, 2019 (Act 992).

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies which have been consistently applied in the preparation of these financial statements are as set out below.

**2.1 Basis of preparation**

The financial statements have been prepared in compliance with International Reporting Standards International, Financial Reporting Standards for SMEs (IFRS) issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared under the historical cost convention except for certain financial instruments classified as loans and receivables and carried at amortised cost.

**2.2 Foreign Currency translation**

**a) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency') The financial statements are presented in the Ghana Cedis which is the Company's functional and presentation currency.

**b) Transactions and balances**

Foreign currency transactions are translated into Ghana Cedis using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlements of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

**2.3 Property and Equipment**

Property and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The annual rates in use are as follows:

Computer & Accessories	32%
Building	3%
Office Equipments	16%
Furniture,Fittings & fixtures	6%

**ASTERISK LIFESCIENCES GHANA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.4 Accounts Receivable**

Accounts receivable are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

A provision for impairment of accounts receivables is established when there is objective evidence impairment that the Company will not be able to collect all amounts due according to the original terms of the receivables.

**2.5 Cash and Cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost.

Cash and Cash equivalents comprise cash on hand, balances with banks and other short-term highly liquid investments with original maturities of three months or less.

**2.6 Accounts Payable**

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 recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**2.7 Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result past events; it is probable that a transfer of economic benefits will be required to settle the obligation. And the amount can be reliable estimated. Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessment of time value of money and the risks specific to the obligation.

**2.8 Employee benefits obligations**

***a) Short Term Obligations***

Wages and salaries paid to employees are recognised as an expense in the statement of comprehensive during the period when the expense is incurred.

Liabilities for wages, salaries and outstanding or unused annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees services up to the reporting date.

They are measured at the amounts expected to be paid when the liabilities are settled.



**ASTERISK LIFESCIENCES GHANA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***b) Pensions Obligations***

The company contributes towards three defined contribution plans in compliance with the National Pensions Act (Act 766) . The company is required to make a monthly contribution of 13% of employees' basic salaries, whilst the employee makes a contribution of 5.5% making a total of 18.5% of workers basic salaries.

The Act seeks to implement a three tier pension scheme which is regulated by the National Pension Regulatory Authority (NPRA).

**2.9 Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in ordinary course of the Company's activities. The Company recognises revenue when that amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity, and specific criteria have been met of each of the company's' activities.

**2.10 Inventories**

These have been valued at cost, being suppliers invoice values by the Managing Director after physical stock count at the close of business on 31st December, 2018.

**3.0 Financial Risk Management**

The Company's activities expose it to certain financial risks, credit risk and liquidity risk. The Company's overall risk management is programmed to focus on the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The Company does not hedge any of its risk exposure. Financial risk management is carried out by the Finance Committee under the policies approved the Board of Directors of the Company.

**3.1 Liquidity Risk Management**

The Company evaluates its ability to meet its obligations on an ongoing basis. Based on these evaluations, the Board of Directors of the Company devises strategies to manage liquidity risk. Prudent liquidity risk management implies that sufficient cash is maintained and that sufficient funding is available through an adequate amount of committed credit facilities.

**3.2 Credit Risk**

Credit risk arises from cash and cash equivalents as well as credit exposure to creditors as credit exposure to outstanding receivables and committed transactions. Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company.

**ASTERISK LIFESCIENCES GHANA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020**

**4 NON CURRENT ASSETS**

	1 Apr., 2019	Additions	31 Mar., 2020
	GH ¢	GH ¢	GH ¢
<b>COST</b>			
Computer & Accessories	3,100		3,100
Building	773,000		773,000
Office Equipments	7,683	94,500	102,183
Furniture,Fittings & fixtures	84,587	197,127	281,714
<b>Total</b>	<b>868,370</b>	<b>291,627</b>	<b>-</b>
			<b>1,159,997</b>
<b>DEPRECIATION</b>		Charge for the Year	
Computer & Accessories	2,214	886	3,100
Building	24,459	12,280	36,739
Office Equipments	3,843	18,573	22,416
Furniture,Fittings & fixtures	9,943	24,681	34,624
<b>Total</b>	<b>40,459</b>	<b>56,420</b>	<b>96,879</b>
<b>NET BOOK VALUES</b>			
Computer & Accessories	886		-
Building	748,541		736,261
Office Equipments	3,840		79,767
Furniture,Fittings & fixtures	74,644		247,090
<b>Total</b>	<b>827,911</b>		<b>1,063,118</b>

**5 ACCOUNTS RECEIVABLE**

	2020	2019
Trade Receivables	16,670,910	7,001,423
Loans & Advances	571,579	
Prepaid Expenses	593,700	378,806
Other Receivables	601,600	244,900
	<b>18,437,789</b>	<b>7,625,129</b>

**6 CASH AND BANK**

	2020	2019
Cash	3,581	64,464
Bank	601,200	59,553
	<b>604,781</b>	<b>124,017</b>

**ASTERISK LIFESCIENCES GHANA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020**

7	ACCOUNTS PAYABLE	2020	2019	
	Trade Payables	15,806,162	2,954	
	Sundry Payables	1,243,342	984,734	
	Audit Fees Payable	13,200	5,289	
	Provision For Sales Promotion	1,651,570	1,651,570	
	Outstanding From Micro Finance Ent.		6,814,638	
	Withholding Tax Payable	190,410	204,918	
		<u>18,904,684</u>	<u>9,664,103</u>	
8	INVENTORIES	2020	2019	
		1,800,956	3,563,231	
		<u>1,800,956</u>	<u>3,563,231</u>	
9	TAXATION	TAX PROVIDED	PAYMENTS	BALANCE
	Balance B/Forward	140,214	146,270	(6,056)
	2020	32,001	9,970	22,031
	IRSTD		116,006	(116,006)
		<u>172,215</u>	<u>272,246</u>	<u>(100,031)</u>
10	INCOME	2020	2019	
	Sales Of Goods	24,384,243	119,129	
		<u>24,384,243</u>	<u>119,129</u>	
11	OTHER INCOME	2020	2019	
		-	26,233	
		<u>-</u>	<u>26,233</u>	
12	COST OF SALES	2020	2019	
	Inventories at 01/04/2019	3,563,231	15,415	
	Import Purchases	20,726,597	3,652,953	
	Customs Clearing & Handling	85,161	-	
	Freight & Insurance	115,604	-	
	Insurance	129,233	-	
	Labour	620	-	
		<u>24,620,446</u>	<u>3,668,368</u>	
	Inventories at 31/03/2020	<u>(1,800,956)</u>	<u>(3,563,231)</u>	
		<u>22,819,490</u>	<u>105,137</u>	



**ASTERISK LIFESCIENCES GHANA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020**

<b>13 ADMINISTRATION EXPENSES</b>	<b>2020</b>	<b>2019</b>
Salaries & Wages	410,860	384,236
Insurance	21,874	23,348
Travelling & Transport	196,045	80,230
Electricity & Water	600	-
Printing & Stationery	194	-
School Fees	20,357	-
Medical Expenses	7,397	-
Staff Welfare	12,861	5,654
Telephone, Postage & Internet	385	1,777
Sales Promotion	-	350
Immigration	15,960	-
Rent- Akhil Gupta	55,690	-
Business Promotion	198,133	78,261
Gift Expenses	5,350	-
Overseas Travel	1,450	-
Registration & Licencing	128,396	-
Cleaning & Sanitation	2,490	-
Professional Fees	33,790	-
Hotel Accomodation Expenses	10,520	-
Accounting Charges	16,193	-
Security Expense	9,530	-
Miscellaneous Expenses	-	111,882
Rates & Levies	-	41,054
General Office Expenses	-	-
Repairs & Maintenance	40,407	32,373
Fuel & Lubricants	855	820
Legal Expenses	151	-
Rent	258,612	374,795
Audit Fees	7,700	5,289
Bank Charges & Interest	63,202	-
Legal & Other Professional Fees	-	68,901
Depreciation	56,420	20,569
<b>TOTAL</b>	<b>1,575,422</b>	<b>1,229,539</b>

**ASTERISK LIFESCIENCES GHANA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020**

14	STATED CAPITAL	2020	2019
	Authorised No. of shares of no par value:	<u>500,000,000</u>	<u>500,000,000</u>
	Issued and Fully paid:		
	Issued for cash	<u>4,000,000</u>	<u>4,000,000</u>
	Stated Capital (GHS)	<u>4,000,000</u>	<u>4,000,000</u>

**15 CONTINGENT LIABILITIES AND COMMITMENTS**

There were no contingent liabilities or Capital Commitments at the year end.

**ASTERISK LIFESCIENCES GHANA LIMITED**  
**CAPITAL ALLOWANCE AND INCOME TAX COMPUTATION**  
**YEAR OF ASSESSMENT - 2020**

**DEPRECIATION ALLOWANCES**

CLASS OF ASSETS	RESIDUE B/F	ADDITIONS	CAPITAL ALLOWANCE	RATES	W.D.V C/F
Class One	946	-	378	40%	568
Class Two	-	-	-	30%	-
Class Three	64,787	291,627	71,283	20%	285,131
Class Four	563,517	-	56,352	10%	507,165
	<u>629,250</u>	<u>291,627</u>	<u>128,013</u>		<u>285,699</u>

**SUMMARY OF CAPITAL ALLOWANCES**

Depreciation Allowances	<u><u>128,013</u></u>
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**Income Tax Computation**

Net Profit/(loss) Per The Accounts	651,751
Add Back	
Depreciation	56,420
School Fees	20,357
Business Promotion	198,133
Gift Expenses	5,350
Adjusted Profit	<u>932,011</u>
Capital Allowances for 2020	<u>(128,013)</u>
	803,998
Loss(2018) B/F $((815,359+76,315) \times 1/3)$	(297,225)
Loss(2019) B/F $(1,136,303 \times 1/3)$	<u>(378,768)</u>
Chargeable Income	<u>128,005</u>
Tax @ 25%	32,001
Tax Payable	32,001

NB      GhC 76,315 in respect of capital allowance was omitted in computing the loss in 2018.