

# **E.S.L.A. PLC**

***UNAUDITED CONDENSED FINANCIAL STATEMENTS  
FOR THE TWELVE MONTH PERIOD ENDED 30  
SEPTEMBER 2018***

**E.S.L.A. PLC**  
**STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2018**

	Note	GH¢'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
E.S.L.A. receivables	7	3,769,961
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<b>Current assets</b>		
Cash and cash equivalents		841,875
E.S.L.A. receivables	7	1,278,765
Other receivables		3,437
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<b>Total current assets</b>		2,124,077
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<b>Total assets</b>		5,894,038
		=====
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Bonds payable	6	5,384,089
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<b>Total non-current liabilities</b>		5,384,089
<b>Current liabilities</b>		
Bond interest payable		452,583
Other payable		5,913
Deposits towards expenses		1,137
Deferred income (bond premium)		12,391
Tax payable		9,479
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<b>Total current liabilities</b>		481,503
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<b>Total liabilities</b>		5,865,592
		=====
<b>EQUITY</b>		
Stated capital		10
Retained earnings		28,346
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<b>Total equity</b>		28,446
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<b>Total equity and liabilities</b>		5,894,038
		=====

The notes on pages 5 to 6 form an integral part of these condensed financial statements.

**E.S.L.A. PLC**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2018**

	<b>GH¢'000</b>
E.S.L.A. receipts applied towards interest expense	978,977
E.S.L.A. receipts applied towards administrative expenses	5,257
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<b>Total E.S.L.A. receipts applied</b>	<b>984,234</b>
Interest expense	(978,977)
Administrative expenses	(5,257)
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Operating results	-
Other income	37,942
Other expenses	(27)
	-----
	<b>37,915</b>
Income tax expense	(9,479)
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<b>Results after tax</b>	<b>28,436</b>
Other comprehensive income	-
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<b>TOTAL COMPREHENSIVE INCOME</b>	<b>28,436</b>
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Earnings per share (GH¢)	28.44
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**E.S.L.A. PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2018**

	<b>Stated Capital GH¢'000</b>	<b>Retained Earnings GH¢'000</b>	<b>Total Equity GH¢'000</b>
<b>Balance at the beginning</b>	-	-	-
<b>Total comprehensive income for the period</b>			
Results for the period	-	28,436	28,436
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Total comprehensive income for the period	-	28,436	28,436
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<b>Transactions with owners of the Company</b>			
Proceeds from the issue of shares	10	-	10
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	10	-	10
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<b>Balance at 30 September 2018</b>	10	28,436	28,446
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**E.S.L.A. PLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2018**

	<b>GH¢'000</b>
<b>Cash flows from operating activities</b>	
Results after tax	28,436
Adjustment:	
Income tax expense	9,479
Interest income	(9,510)
Amortisation of cash premium	(1,214)
	-----
	27,191
	-
Administration expenses paid	(2,280)
Interest paid	(523,165)
Tax paid	(528)
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Net cash used in operating activities	(498,782)
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<b>Cash flows from investing activities</b>	
Interest received	6,602
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Net cash from investing activities	6,602
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<b>Cash flows from financing activities</b>	
Proceeds from the issue of shares	10
Cash proceeds from bonds issued	1,754,974
ESLA levies collected	1,278,765
Novated loans repaid	(1,420,607)
Bond buy back	(230,034)
Bond issuing costs	(62,657)
Bond premium	13,604
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<b>Net cash from financing activities</b>	1,334,055
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Net increase in cash and cash equivalents	841,875
Cash and cash equivalents at beginning	-
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<b>Cash and cash equivalents at 30 September</b>	841,875
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The notes on pages 5 to 6 form an integral part of these condensed financial statements.

**E.S.L.A. PLC**  
**NOTES FORMING PART OF THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2018**

**1. REPORTING ENTITY**

E.S.L.A. Plc is a public limited liability company incorporated and domiciled in Ghana. The address of its registered office is Ocean House, 13 Yiyiwa Drive Abelenkpe, Accra. The company was established to among others issue debt securities to refinance Ghana's energy sector debt.

**2. BASIS OF PREPARATION**

The condensed financial statements have been prepared based on policies that are derived from International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 1963 (Act 179). The management accounts have been prepared to fulfil reporting requirements of the Securities and Exchange Commission.

No comparatives have been presented as this is the company's first year of operation. The full set of condensed financial statements will be prepared for the fifteen month period ending 31 December 2018.

**3. BASIS OF MEASUREMENT**

The condensed financial statements have been prepared on the historical cost basis.

**4. FUNCTIONAL AND PRESENTATION CURRENCY**

The condensed financial statements are presented in Ghana Cedis (GH¢) which is the company's functional currency. Except otherwise indicated, the financial information presented has been rounded to the nearest thousand.

**5. USE OF JUDGEMENT AND ESTIMATES**

The preparation of the condensed financial statements in conformity with policies derived from IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period or in the period of revision and future periods, if the revision affects both current and future periods.

**6. ISSUE OF SECURITIES**

Between November 2017 and January 2018, the company issued the following bonds to refinance Ghana's energy sector debts.

	<b>GH¢'000</b>
7-year bond - November 2017	2,408,626
10-year bond - November 2017	2,375,348
10 year bond retap - January 2018	615,948
10 year bond retap – August 2018	264,799
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	<b>5,664,721</b>
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## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

### 6. ISSUE OF SECURITIES (CONT'D)

There was a premium of GH¢13,604,422 on the bonds issued in January and August 2018.

The issuance cost associated with the bonds raised was GH¢65,592,733. The Company expects to issue the remaining GH¢0.34 billion bonds as part of its bond programme. This will have associated listing and issuance approval fees. Also as part of its liability management program the company purchased some of the issued bonds on the open market during the period review.

The debt securities are backed by receivables collected under the Energy Sector Levy Act, assigned to the Company by the Government of Ghana acting through the Ministry of Finance.

The Company measures its bonds at amortised cost using the effective interest method.

### 7. E.S.L.A RECEIVABLES

These are levies expected to be collected under the energy sector levy act to refinance the energy sector debt. The E.S.L.A receivables is to support the payment of debt securities and its related expenses as and when they fall due.

	<b>GH¢'000</b>
Net assigned E.S.L.A. Receivables on novated debt	5,325,311
Collections during the period	(1,278,765)
Interest expense accrued/paid	995,786
Collections transferred to deposit towards expenses	6,394
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	5,048,726
	=====
Current	1,278,765
Non-current	3,769,961
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	5,048,726
	=====

### 8. LOCK BOX ACCOUNT

In accordance with the company's policies documented in the bond issuance prospectus, the company transferred levy collections in excess of coupon payments made in May 2018 to its lockbox account, which was set up for the purpose of funding any early redemption of bonds and for liability management. The balance currently outstanding on the lock box account including accrued interest is GH¢96,098,506.

### 9. DIRECTORS' STATEMENT

The condensed financial statements which were approved on 31 October 2018, do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge.

Signed  
**Frederick Dennis**  
Director

Signed  
**Simon Dornoo**  
Director