

SOLAR NITRO GHANA LIMITED

**STATEMENT OF AFFAIRS FOR THE THREE MONTHS PERIOD
ENDED 31ST MARCH 2018**

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

SOLAR NITRO GHANA LIMITED

CONTENTS:	PAGE(S)
DIRECTORS, OFFICIALS AND REGISTERED OFFICE	2
REPORT OF THE DIRECTORS	3
STATEMENT OF DIRECTORS RESPONSIBILITIES	3
REPORT OF THE AUDITORS	4-5
STATEMENT OF AFFAIRS	6
NOTES TO THE STATEMENT OF AFFAIRS	7-9

SOLAR NITRO GHANA LIMITED
(Incorporated on 22nd December 2017)
DIRECTORS, OFFICIALS AND REGISTERED OFFICES:

DIRECTORS:

Francis Decker

Milind Bhalchand RA

Suresh Parameshw Aran Menon

SECRETARY AND

Trustee Services Limited

REGISTERED OFFICE:

House No. 4
Momotse Avenue
P.O.Box GP. 1632
Accra, Ghana

AUDITORS:

Osei Kwabena & Associates
(Chartered Accountants)
98 Miamona Street
South Industrial Area
P. O. Box 10276
Accra-North

BANKERS:

Standard Chartered Bank Limited, Ghana

SOLAR NITRO GHANA LIMITED
REPORT OF THE DIRECTORS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2018

1. The Directors have the pleasure in submitting their report together with the audited Statement of Affairs of SOLAR NITRO GHANA LIMITED for the three months period ended 31st March, 2018.

Principal Activities

The authorised business of the company is to:

- a. Manufacturing, assembling, packaging and sale of packaged and bulk commercial emulsion explosives*
- b. Construction and operation of manufacturing plants and related facilities for use in the the manufacture of bulk emulsion explosives*
- c. Retailers and wholesalers of commercial explosives and explosives devices*
- d. Exporters of commercial explosives and explosive devices*
- e. Provision of mining support and quarrying services.*

Operational Results

The company is yet to start operation, but it has incurred cost in the form of registration and license, legal, consultancy, professional and audit fees and some administrative expenses since January, 2018 to 31st March, 2018. (Refer to note 3)

Auditors

2. In accordance with Section 134 (5) of the Companies Act 1963, Messrs Osei Kwabena & Associates will continue in office as auditors of the company.

Statement of Directors' Responsibilities

The Ghana Companies Act, 1963 (ACT 179) requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Company and its Income Statement for the year.

In preparing the financial statements, the Directors are required to:

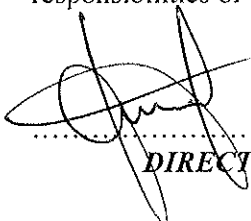
Select suitable accounting policies and apply them consistently.

Make judgements and estimates that are reasonable and prudent.


State whether applicable accounting standards have been followed, subject to any material departures, disclosed and explained in the financial statements.

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 enables them to ensure that the financial statements comply with the Companies Act 1963, (ACT 179). They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above statement which should be read in conjunction with the report of the Auditors, which is set out on page 4 and 5, is made with the view to distinguishing for shareholders the respective responsibilities of the Directors and the Auditors in relation to the financial statements.



DIRECTOR



DIRECTOR

SOLAR NITRO GHANA LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SOLAR NITRO GHANA LIMITED
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2018

Report on the Audit of the Statement of Affairs

Opinion

In our opinion, the accompanying statement of affairs gives a true and fair view of the financial position of Solar Nitro Ghana Limited as at March 31, 2018, for the three months period then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with Ghana Companies Act, 1963 (ACT 179).

We have audited the statement of affairs of the Company, as at March 31, 2018 for the three months period then ended, and notes to the statement of affairs, 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 this statement of affairs in accordance with IFRSs 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 statements of affairs 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 statement of affairs as a whole is 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.

Scope of the Audit

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of affairs. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the statement of affairs, 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 statement of affairs 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 statement of affairs.

**SOLAR NITRO GHANA LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SOLAR NITRO GHANA LIMITED
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2018**

REPORT ON OTHER LEGAL REQUIREMENTS

The Ghana 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 appears from our examination of those books; and
- iii. the company's statement of affairs is in agreement with the books of account.

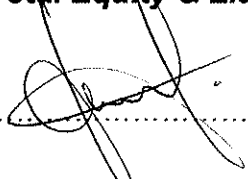
Osei Kwabena & Ass'ts


.....
OSEI KWABENA & ASSOCIATES (ICAG/F/2018/111)
(CHARTERED ACCOUNTANTS)
PAUL OSEI KWABENA (ICAG/P/1161)
ACCRA, GHANA

DATE: *23rd APRIL 2018*

SOLAR NITRO GHANA LIMITED
(INCORPORATED ON 22ND DECEMBER, 2017)
STATEMENT OF AFFAIRS FOR THE THREE MONTHS
PERIOD AS AT 31ST MARCH, 2018

NON-CURRENT ASSETS	Notes	2018 GH¢
Property, Plant and Equipment	9	3,113
Capital Work - in- Progress	9	412,555
Deferred Tax Asset		83,775
		<u>499,443</u>
CURRENT ASSETS		
Accounts Receivable	4	145,998
Bank Balance	5	4,412,642
<i>Total current assets</i>		<u>4,558,640</u>
Total Assets		<u>5,058,083</u>
EQUITY & LIABILITIES		
Stated Capital	6	4,500,000
Retained Earnings	3	(195,149)
<i>Total equity</i>		<u>4,304,851</u>
LONG TERM LIABILITIES		
Non-current liabilities	7	656,572
<i>Total long-term liabilities</i>		<u>656,572</u>
CURRENT LIABILITIES		
Accounts Payables	8	96,660
		-
<i>Total current liability</i>		<u>96,660</u>
Total Equity & Liabilities		<u>5,058,083</u>

.....




DIRECTORS

The attached notes 1 to 6 on pages 7 to 9 form an integral part of the statement of affairs

SOLAR NITRO GHANA LIMITED
NOTES TO THE STATEMENT OF AFFAIRS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2018

1. General Information

Solar Nitro Ghana Limited is a Limited Liability Company Incorporated in Ghana. Their principal business activity is to manufacture, construct, assemble, import and export sale of packaged and bulk commercial emulsion explosives and provision of mining support and quarrying services. The address of its Registered Office and principal place of business are: P. O. Box GP 1632, Accra Ghana and House No.4 Momotse Avenue - Accra.

2. Accounting policies

The significant accounting policies which have been used in preparing this statement of affairs are as follows:

Basis of accounting

The statements of affairs have been prepared under the historical cost convention.

Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Capital work-in-progress includes cost of Property, Plant and Equipment that are not ready to be put to use.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it is probable that future economic benefits associated with the item will flow to the Company. All other expenses on existing Property, Plant and Equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period / year during which such expenses are incurred.

Gains or losses arising from disposal of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

SOLAR NITRO GHANA LIMITED
NOTES TO THE STATEMENT OF AFFAIRS
FOR THE THREE MONTHS PERIOD ENDED 31ST MARCH, 2018

3 Deferred Expenditure -GHS195,149

	2018 (3Months to 31/03/2018) GHS
<i>This is made up as follows:</i>	
Legal Fees	96,826
Rent	45,043
Professional Fees	23,465
Registration and License	94,595
Stationery	2,033
Postage,Courier and Cargo Charges	1,108
Audit Fees	15,602
Depreciation	252
Deferred Tax	<u>(83,775)</u>
	<u><u>195,149</u></u>

4 Accounts Receivables GHS145,998

	2018 (3Months to 31/03/2018) GHS
<i>This is made up as follows:</i>	
Solar Overseas Netherlands B.V.	96,210
Francis Decker	42,450
Ghana Revenue Authority- VAT	<u>7,338</u>
	<u><u>145,998</u></u>

5 Bank Balance-GHS4,412,642

	2018 (3Months to 31/03/2018) GHS
<i>This is made up as follows:</i>	
Standard Chartered Bank (USD)	8,852
Standard Chartered Bank (CEDI)	<u>4,403,790 ✓</u>
	<u><u>4,412,642</u></u>

SOLAR NITRO GHANA LIMITED
NOTES TO THE STATEMENT OF AFFAIRS
FOR THE THREE MONTHS PERIOD ENDED 31ST MARCH, 2018

6 Stated Capital -GHS4,500,000

The Company is registered with Ten Million(10,000,000) authorised ordinary shares of no par value of which four million, five hundred thousand had been issued for a cash consideration of Four Million, Five Hundred Thousand Ghana Cedis (GHS4,500,000.00)

7 Non-Current liabilities-GHS656,572

	2018 (3Months to 31/03/2018) GHS
<i>This is made up as follows:</i>	
Solar Overseas Netherlands B.V.	656,572
	656,572

8 Accounts Payable -GHS96,660

	2018 (3Months to 31/03/2018) GHS
<i>This is made up as follows:</i>	
Audit Fees	15,602
Statutory Payments-; Withholding Taxes-	3,603
Francis Decker	66,390
Ernest Osei	11,065
	96,660

SOLAR NITRO GHANA LIMITED
NOTES TO THE STATEMENT OF AFFAIRS
FOR THE THREE MONTHS PERIOD ENDED 31ST MARCH, 2018

9 Property, Plant and Equipment

	Office Equipment GHS	Computers GHS	Total GHS	Capital-Work- In-Progress GHS
1/1/2018				
<i>Acquisition during the year</i>	<u>835</u>	<u>2,530</u>	<u>3,365</u>	<u>412,555</u>
<i>Balance as at 31st March</i>	<u>835</u>	<u>2,530</u>	<u>3,365</u>	<u>412,555</u>
Depreciation				
1/1/2018				
<i>Charged during the year</i>	<u>125</u>	<u>127</u>	<u>252</u>	<u>-</u>
<i>Balance as at 31st March</i>	<u>125</u>	<u>127</u>	<u>252</u>	<u>-</u>
<i>Balance as at:</i>				
31/3/2018	<u>710</u>	<u>2,403</u>	<u>3,113</u>	<u>412,555</u>