Daakye
Trust PLC

ANNUAL REPORTS AND FINANCIAL STATEMENTS

FOR THE EIGHT-MONTH PERIOD ENDED 31 DECEMBER 2020

DAAKYE TRUST PLC
ANNUAL REPORTS AND FINANCIAL STATEMENTS

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DAAKYE TRUST PLC
CORPORATE INFORMATION

BOARD OF DIRECTORS	Stephen Antwi-Asimeng- *Chairman* Frederick Dennis – *Corporate Manager* Hayford Amoh Samuel Danquah Arkhurst Emmanuel Addo
SECRETARY	S & H Group Limited 113 Archer Street, Abelenkpe Accra
ADMINISTRATORS	KPMG Marlin House, 13 Yiyiwa Drive, Abelenkpe P. O. Box GP 242 Accra.
PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE	Ocean House 13 Yiyiwa Drive, Abelenkpe P. O. Box GP 242 Accra
AUDITOR	Ernst & Young Chartered Accountants 60 Rangoon Lane Cantonments City Accra
BANKERS	Fidelity Bank Ghana Limited Cal Bank Ghana Limited Absa Bank Ghana Limited

REPORT OF THE DIRECTORS
TO THE MEMBERS OF
DAAKYE TRUST PLC

The Directors present their report and the financial statements of the Company for the period ended 31 December 2020

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation of financial statements that give a true and fair view of Daakye Trust PLC, comprising the statement of financial position as at 31 December 2020, and the statements of comprehensive income, changes in equity and cash flows for the period then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992). In addition, the Directors are responsible for the preparation of the Report of the Directors.

The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The Directors have made an assessment of the ability of the company to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

FINANCIAL STATEMENTS AND DIVIDEND

The financial results of the Company for the period ended 31 December 2020 are set out in the financial statements, highlights of which are as follows:

	2020
	GH¢'000
Results before tax	-
Results after tax	-
Total Assets	1,445,755
Total Liabilities	1,445,745
Total Equity	10

The Directors do not recommend the payment of dividend.

PRINCIPAL ACTIVITIES

The Company is set up as a special purpose vehicle to, among others, issue debt securities for the purpose of refinancing the Ghana Education Trust Fund (GETFund) Debt. Pursuant to that, it has issued debt securities backed by portion of GETFund levies, assigned to the Company by the GETFund for the purpose of servicing the debt securities and related expenses.

HOLDING COMPANY

GETFund is the shareholder and holds all the shares in the Company.

REPORT OF THE DIRECTORS
TO THE MEMBERS OF
DAAKYE TRUST PLC (CONT'D)

RELATED PARTY TRANSACTIONS

Information regarding Directors' interests in ordinary shares of the company and remuneration is disclosed in the notes to the financial statements. No director has any other interest in any shares or loan stock of the company.

The company is not aware of any conflicts, or any potential conflicts, between the duties of the Directors to the company and their private interests or other duties.

BOARD OF DIRECTORS

Profile

Non-executive	Qualification	Outside board and management position
Stephen Antwi-Asimeng	BA (Hons) Economics MA (Banking & Finance)	Oak Financial Services International Community School The Amalgamated Fund (GH) Limited
Samuel Danquah Arkhurst	B.A. Economics, M.A. Economic Policy Management, LLB	Director, Debt Management, Ministry of Finance Financial Intelligence Board Ghana Internal Audit Board ECOWAS Bank for Investment E.S.L.A. Plc
Hayford Amoh		None
Emmanuel Addo	Post Graduate Diploma - Mass Communication	Admedia Ltd Mediamart Ltd Promax Ltd GETFund
Frederick Dennis	BA. Administration, FCCA, ICA (Ghana)	Partner, KPMG Director, E.S.L.A. Plc

Biographical information of Directors

Age category	Number of Directors
35 - 60 years	4
61 - 75 years	1

ROLE OF THE BOARD

The Directors are collectively responsible for the direction and strategic control of Daakye Trust PLC, driving its activities towards the achievements of the entity's vision, whilst enhancing the value of its shareholders and meeting the interests of other stakeholders. The Board is ultimately accountable to the shareholder for the performance of the business. In view of the above responsibility, the Board has assumed a number of activities including monitoring performance, risk management, internal controls and compliance as well as delegating its authority to the administrators of the company to oversee the performance of key activities.

REPORT OF THE DIRECTORS
TO THE MEMBERS OF
DAAKYE TRUST PLC (CONT'D)

INTERNAL CONTROL SYSTEMS

The Directors have overall responsibility for the company's internal control systems and review their effectiveness, including a review of financial, operational, compliance and risk management controls. The implementation and maintenance of the risk management and internal control systems are the responsibility of the corporate manager. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss. The Directors have reviewed the effectiveness of the internal control systems, including controls related to financial, operational and reputational risks identified by the company as at the reporting date and no significant failings or weaknesses were identified.

PARTICULARS OF ENTITIES IN THE INTEREST REGISTER DURING THE FINANCIAL PERIOD

No Director had any interest in contracts and proposed contracts with the Company during the period under review, hence there were no entries recorded in the Interests Register as required by sections 194(6),195(1)(a) and 196 of the Companies Act 2019, (Act 992).

BOARD BALANCE AND INDEPENDENCE

The composition of the board of directors and its Committees is reviewed to ensure that the balance and mix of skills, independence, knowledge and experience is maintained.

IMPACT OF COVID-19

The Covid-19 Pandemic has hit several countries around the world. We expect the impact on Daakye Trust PLC will be limited for the following reasons:

- In accordance with the requirements of the programme the company has been assigned monthly cashflows by the sponsor in accordance with its financial model towards funding for semi-annual interest.
- In the year 2021, the company has received 100 % of levy collections assigned to it by the sponsor which will ensure that coupon payments required for this year will be settled as and when they fall due.
- The Company has transferred an amount of 1.25 times of coupon expense accruing towards the first interest to the bond trustee out of which coupons were paid in April 2021.

Based on the above analysis we do not expect COVID-19 to have any significant impact on the operations of the company.

CORPORATE SOCIAL RESPONSIBILITY

The company did not engage in any Corporate Social Responsibility (CSR) programmes during the period under review.

DIRECTORS REMUNERATION

Directors' remunerations are determined upon appointment. There have been no variations in remuneration to date.

REPORT OF THE DIRECTORS
TO THE MEMBERS OF
DAAKYE TRUST PLC (CONT'D)

AUDIT FEES

Audit fee for the period is GH¢150,000.00

APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the Company as identified above do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge. They were approved by the Board of Directors on 12 May 2021 and signed on their behalf by:

....	....
DIRECTOR	**DIRECTOR**

EY
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Independent Auditors' Report
To the Shareholders of Daakye Trust PLC
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Daakye Trust PLC ('the company') set out on pages 10 to 31, which comprise the statement of financial position as at 31 December 2020, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2020, and its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2019 (Act 992).

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Ghana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the 31-page document titled "Daakye Trust PLC, Financial Statements for the period ended 31 December 2020". The other information does not include the financial statements and our auditors' reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the Directors for the financial statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2019 (Act 992), and for such internal control as the Directors determine 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 Directors are responsible for assessing the company'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 Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives 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 auditors' 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 scepticism 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 company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' 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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the company 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 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.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory requirements

The Companies Act, 2019 (Act 992) 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 purposes of our audit;

ii. In our opinion, proper books of account have been kept by the company, so far as appears from our examination of those books;

iii. The statement of financial position and the statement of comprehensive income (statement of profit or loss and other comprehensive income) of the company are in agreement with the underlying books of account;

iv. In our opinion, to the best of our information and according to the explanations given to us, the accounts give the information required under the Act, in the manner so required and give a true and fair view of the state of affairs of the company at the end of the financial period and of the profit or loss for the financial period then ended;

v. We are independent of the company pursuant to section 143 of the Companies Act, 2019 (Act 992).

The engagement partner on the audit resulting in this independent auditor's report is Pamela Des Bordes (ICAG/P/1329).

Ernst + Young

Signed for and on behalf of
Ernst & Young (ICAG/F/2021/126)
Chartered Accountants
Accra, Ghana

Date: 14 May 2021

DAAKYE TRUST PLC

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Note	Dec 2020 GH¢'000
ASSETS		
Non-current assets		
GETFund receivables	6	118,001
Current assets		
Cash and cash equivalents	7	541,728
GETFund receivables	6	786,016
Other receivables	8	10
Total current assets		1,327,754
Total assets		1,445,755
LIABILITIES		
Non-current liabilities		
Bonds payable	5	1,374,163
Total non-current liabilities		1,374,163
Current liabilities		
Bond interest payable	10	52,773
Other payables	11	17,329
Deposits towards expenses	12	1,480
Total current liabilities		71,582
Total liabilities		1,445,745
EQUITY		
Stated capital	13(a)	10
Retained earnings	13(c)	-
Total equity		10
Total equity and liabilities		1,445,755

.... **DIRECTOR**

.... **DIRECTOR**

The notes on pages 14 to 31 form an integral part of these financial statements.

DAAKYE TRUST PLC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE EIGHT-MONTH PERIOD ENDED 31 DECEMBER 2020

	Note	8 months to Dec 2020 GH¢'000
GETFund receipts applied towards interest expense		50,958
GETFund receipts applied towards administrative expenses		1,305
Total GETFund receipts applied		52,263
Interest expense	14	(50,958)
Administrative expenses	15	(1,305)
Operating results		-
Other income	17	-
Income tax expense	9	-
Results after tax		-
Other comprehensive income		-
Total comprehensive income		-
Earnings per share (GH¢)	16	-

The notes on pages 14 to 31 form an integral part of these financial statements.

DAAKYE TRUST PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE EIGHT-MONTH PERIOD ENDED 31 DECEMBER 2020

2020	Stated Capital GH¢'000	Retained Earnings GH¢'000	Total Equity GH¢'000
Balance at beginning	-	-	-
Total comprehensive income			
Results for the period	-	-	-
Total comprehensive income	-	-	-
Transactions with owners of the Company			
Proceeds from the issue of shares	10	-	10
	-	-	-
Balance at 31 December 2020	10	-	10

The notes on pages 14 to 31 form an integral part of these financial statements.

DAAKYE TRUST PLC
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Note	Dec 2020 GH¢'000
Cash flows from operating activities		
Results after tax		-
Adjustment:		
Administration expenses		(209)
Net cash used in operating activities		(209)
Cash flows from financing activities		
Cash proceeds from bonds issued		275,925
GETFund levies collected	6	649,474
Novated loans paid to contractors		(370,186)
Bond issuance costs		(17,366)
Net cash from financing activities		541,937
Net increase in cash and cash equivalents		541,728
Cash and cash equivalents at beginning		-
Cash and cash equivalents at 31 December	7	541,728

The notes on pages 15 to 31 form an integral part of these condensed financial statements.

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

1. REPORTING ENTITY

Daakye Trust 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 liabilities of GETFund to relevant contractors and banks.

2. BASIS OF PREPARATION

a. Statement of compliance

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, 2019 (Act 992).

These are the first set of financial statements of the Company, comparative figures have therefore not been presented

b. Basis of measurement

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

c. Functional and presentation currency

The 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.

d. Use of judgement and estimates

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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 the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in notes 4 and 18.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below would be applied consistently to all periods presented in these financial statements by the company with the exception of those highlighted under the section labelled changes in accounting policies.

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

(a) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency (GH¢) of the Company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing on the reporting date.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences are generally recognised in profit or loss and are reported on a net basis under selling, general and administrative expenses or other income.

(b) Financial Instruments

i. Recognition and initial measurement

The Company initially recognises GETFund Receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognized on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a receivable without a significant financing component) or financial liability is initially measured at fair values plus, for an item not at Fair Value Through Profit or Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

a. Financial assets

Classification

On initial recognition, a financial asset is classified as measured at: amortized cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.
Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment’s fair value in OCI. This election is made on an investment-by-investment basis.

Business model assessment

The company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

(b) Financial Instruments (cont'd)

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the company's continuing recognition of the assets.
Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs {e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the company considers contingent events that would change the amount or timing of cash flows.

Subsequent measurement and gains and losses:

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

b. Financial liabilities

Classification, subsequent measurement and gains and losses

Financial liabilities are classified as other financial liabilities and measured at amortised cost. using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. Non-derivative financial liabilities include bonds payable, interest payable and other payables.

iii. Derecognition

The company derecognises a financial asset when the contractual rights to cash flows from the asset expire, or when the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.
Any interest in such derecognised financial assets that is created or retained by the company is recognised as a separate asset or liability.

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

(b) Financial Instruments (cont'd)

On derecognition of a financial asset, the difference between the carrying amount of the asset and the consideration received is recognized in profit or loss.

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

iv. Offsetting

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the company has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

v. Impairment

(i) Financial assets

(a) Assets carried at amortised costs

The company recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost.

The company measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for financial assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The company assumes that the credit risk on a financial asset has increased significantly if it is more than 182 days past due for its open market customers and more than 365 days for its institutional customers.

The company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the company in full due to bankruptcy
- there are adverse changes in the payment status of debtors

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

(b) Financial Instruments (cont’d)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

Credit-impaired financial assets

At each reporting date, the company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedure for recovery of amounts due. Any write -off incurred will be expensed in the books.

(ii) Non-financial assets

The carrying amounts of the company’s non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists thew the asset’s recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount.

The recoverable amount is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rates that reflect current market assessments of the time value of money and risks specific to the asset.

A previously recognised impairment loss is reversed where there has been a change in circumstances or in the basis of estimation used to determine the recoverable value, but only to the extent that the asset’s net carrying amount does not exceed the carrying amount of the asset that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

i the assignment of portion of GETFund levies towards the payment of interest accrued on the bonds issued and administrative expenses incurred;

ii. Interest Income from investments

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

(b) Financial Instruments (cont'd)

Revenue is recognised to the extent that the economic benefit will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

(c) Revenue

The company's funds are earned from a portion of GETFund levies assigned to the company. The collections from GETFund are used to reduce the GETFund receivables arising from settlement of novated debts to the Company. The assignment of the funds is also used to settle future interest costs incurred on the issued Bonds and administrative expenses is considered as revenue.

Revenue is recognized on:

(d) Interest income and expense

Interest income comprises interest income on funds invested. Interest expense comprise interest expense on bonds issued. Interest income and expense for all interest-bearing/earning financial instruments are recognised in profit or loss using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts the expected future cash payment or receipts through the expected life of the financial instrument, or when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses.

The calculation includes all transaction costs, fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(e) Taxation

Tax expense comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on taxable incomes or losses for the period and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss.

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

(e) Taxation (cont'd)

Deferred tax is measured at tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or the tax assets and liabilities will be realised simultaneously.

(f) Events after reporting date

Events subsequent to the reporting date are reflected in the financial statements only to the extent that they relate to the period under consideration and the effect is material.

(g) Earnings per share

The company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(h) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less, from the date of acquisition that are subject to an insignificant risk of changes in their fair values and are used in the management of its short-term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

(i) Share capital

Proceeds from issue of ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

(J) Changes in significant accounting policies

A number of new standards are effective from 1 January 2020, but they do not have a material effect on the Company's financial statements. Details of those that are relevant are as follows:

Standard/Interpretation		**Effective date** **Periods beginning on or after**
Conceptual Framework	Amendments to References to Conceptual Framework in IFRS Standards	1 January 2020
IAS 1 and IAS 8	*Definition of Material*	1 January 2020

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

(j) Changes in significant accounting policies (Cont'd)

a. Amendments to References to Conceptual Framework in IFRS Standards

The IASB revised the Conceptual Framework because certain important issues were not covered, and certain guidance was unclear or out of date. The revised Conceptual Framework, issued by the IASB in March 2018, includes:

- A new chapter on measurement;
- Guidance on reporting financial performance;
- Improved definitions of an asset and a liability, and guidance supporting these definitions; and
- Clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

The IASB also updated references to the Conceptual Framework in IFRS Standards by issuing Amendments to References to the Conceptual Framework in IFRS Standards. This was done to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction.

b. Definition of Material (Amendments to IAS 1 and IAS 8)

The IASB refined its definition of material to make it easier to understand. It is now aligned across IFRS Standards and the Conceptual Framework. The changes in Definition of Material (Amendments to IAS 1 and IAS 8) all relate to a revised definition of 'material' which is quoted below from the final amendments;
Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

(K) Standards issued not yet effective

At the date of authorisation of financial statements of Daakye Trust Plc for the year ended 31 December 2020, the following Standards and Interpretations were in issue but not yet effective:

- Reference to the Conceptual Framework (Amendments to IFRS 3)
- Annual Improvements to IFRS Standards (2018 – 2020)
- Classification of liabilities as current or non-current (Amendments to IAS 1)

The Company has not early adopted the new or amended standards in preparing these financial statements. The amended standards and interpretations are not expected to have a significant impact on the Company's financial statements.

a. Reference to the Conceptual Framework (Amendments to IFRS 3)

The amendment has:

- updated IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework;
- added to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination and
- added to IFRS 3 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

Standards issued not yet effective (cont'd)
The amendment is effective for annual periods beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

b. Annual Improvements to IFRS Standards (2018 – 2020)

IFRS 1 First-time Adoption of International Financial Reporting Standards	The amendment permits a subsidiary (as a first-time adopter of IFRS that applies IFRS later than its parent) that applies IFRS 1.D16(a) to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.
IFRS 9 Financial Instruments	The amendment clarifies that for the purpose of performing the ''10 per cent test" for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.
IFRS 16 Leases	The amendment removes the illustration of payments from the lessor relating to leasehold improvements. As currently drafted, this example is not clear as to why such payments are not a lease incentive.
IAS 41 Agriculture	The amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in IFRS 13 Fair Value Measurement.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

c. Classification of liabilities as current or non-current (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement.
The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged.
The amendments are to be applied retrospectively from the effective date.

4. DETERMINATION OF FAIR VALUES

A number of the company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) GETFund receivables and other receivables

The fair value of GETFund receivables and other receivables is estimated as the present value of future cash flows, discounted at the current market rate of instruments with similar credit risk profile and maturity at the reporting date. Receivables due within 6-month period are not discounted as their carrying values approximate their fair values.

(ii) Cash and cash equivalents

The fair value of cash and cash equivalent approximate their carrying values.

(iii) Bond and other payables

The fair value of bonds and other payables is estimated as the present value of future cash flows, discounted at the current market rate of instruments with similar credit risk profile and maturity at the reporting date. Payables due within 6-month period are not discounted as their carrying values approximate their fair values.

Fair value hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the company's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued sing: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

5. BONDS PAYABLE

(a) Amortised Cost of Securities issued

The debt securities are backed by receivables from the GETFund levy and/or budgetary allocations to GETFund under the GETFund Act, assigned to the Company by Ghana Education Trust Fund (GETFund).

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

	2020
	GH¢'000
Balance at beginning	-
Bonds issued	1,392,581
Bonds issuance cost	(18,649)
Amortised issuance cost	231
	1,374,163

(b) Face Value of Securities Issued

During the period under review, the company issued the following bonds to refinance GETFund novated debts.

	2020
	GH¢'000
Tranche D1 Bonds issued (Oct. 2020)	1,294,057
Tranche D1000-B Bonds issued (Dec. 2020)	98,524
	1,392,581

6. GETFund RECEIVABLES

These are levies and budgetary allocations expected to be collected under the bond programme to refinance the GETFund liabilities assigned to the Company. The GETFund receivables is used for settling obligation under the debt securities issued and all other related expenses as and when they fall due.

	2020
	GH¢'000
Balance at beginning	-
GETFund receivables on novated debt	1,499,748
Collections during the year	(649,474)
Interest expense accrued	50,958
Collections transferred to deposit towards expenses	2,785
	904,017
Current	786,016
Non-current	118,001
	904,017

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

7. CASH AND CASH EQUIVALENTS

	2020
	GH¢'000
Cash at Bank	541,728

	541,728
	======

8. OTHER RECEIVABLE

	2020
	GH¢'000
~~Share proceeds held with~~ Receivable from corporate manager	10

	10
	==

9. TXATION

		2020
		GH¢'000
(i)	Income tax expense	-

(ii) Taxation payable

Year	**Balance at beginning**	**Payments during the year**	**Charged to P/L account**	**Balance at year-end**
2020	-	(-)	-	-
	===	======	=====	====

The above tax position is subject to the agreement of the tax authorities.

(iii) Deferred taxation

The company did not have any temporary timing differences in the period under review hence no provision has been made for deferred taxes.

10. BOND INTEREST PAYABLE

	2020
	GH¢'000
Accrued Interest payable	52,773
	=====

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

11. OTHER PAYABLES

	2020
	GH¢'000
Accrued administration expenses	1,047
Withholding taxes on admin expense	50
Bond issuance cost payable	766
Withholding taxes on issuance cost	517
Withholding taxes on novated loans	14,949

	17,329
	======

12. ~~DEPOSITS TOWARDS EXPENSES~~

This represents the unutilised portion of the 0.2% outstanding on bonds issued allocated for administrative expenses incurred in the operations of the company. These are deferred income advanced to the company and are recognized in the income statement as the expenses are incurred.

	2020
	GH¢'000
Funds allocated as deposit	2,785
Administration expense for the period	(1,305)

	1,480
	=====

13. STATED CAPITAL AND RESERVES

Share capital (Stated capital)
Share capital is made up of proceeds of ordinary shares.

(a) *Ordinary shares*

	No of Shares 2020	**Proceeds 2020 GH¢'000**
Authorised:		
Ordinary shares of no par value	1,000,000	10
	=======	==
Issued and fully paid for cash	1,000,000	10
	=======	==

(a) *Ordinary shares*

GETFund is the sole shareholder and holds all the company's shares.

(b) *Shares in treasury*

There are no shares in treasury and no call or instalment unpaid on any share.

(c) *Retained earnings (Income surplus account)*

This represents the residual of cumulative annual results.

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

14. INTEREST EXPENSE

	2020
	GH¢'000
Interest expense accrued on bonds	50,958
	=====

15. ADMNISTRATIVE EXPENSES

	2020
	GH¢'000
Corporate manager fee	548
Secretary fee	24
Directors' fee	256
Trustee fee	48
Listing fee	139
Audit fee	150
VAT& NHIL expenses	140

	1,305
	====

16. EARNINGS PER SHARE (EPS)

Basic

The calculation of the basic and diluted EPS has been based on the following profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

	2020
	GH¢'000
Profit attributable to equity holders	-
Number of ordinary Shares in issue	1,000,000
Basic/diluted earnings per share (expressed in GH¢ per share)	-

17. RELATED PARTY TRANSACTIONS

GETFund is the sole shareholder and holds all the shares in the company. At the reporting date, there had not been any transaction between the company and GETFund except for the issuance of shares.

There were no transactions between the company and its Directors save for the payment of directors' fees.

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

18. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK ASSESSMENT

(a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2020	**Amortised Cost GH¢'000**	**Other Financial Assets GH¢'000**	**Total GH¢'000**
Financial assets not measured at fair value			
GETFund receivables	904,017	-	904,017
Cash and cash equivalents	541,728	-	541,728
Other receivable	10	-	10
	1,445,755	-	1,445,755

	Amortised Cost GH¢'000	**Other Financial Liabilities GH¢'000**	**Total GH¢'000**
Financial liabilities not measured at fair value			
Bonds payable	1,374,163	-	1,374,163
Bond interest payable	52,773	-	52,773
Other payables	17,329	-	17,329
	1,444,265	-	1,444,265

The fair value of bonds payable which is recognized in the level 1 category of the fair value hierarchy at 31 December 2020 was GH¢ 1,424,986,564.96

(b) Financial Risk Management

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risks

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2020
	GH¢'000
GETFund receivables	904,016
Cash and cash equivalents	541,728
Other receivables	10

	1,445,754
	=======

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty.

The Company establishes an allowance for impairment losses that represents its estimate of expected credit losses in respect of financial assets.

The company has not incurred any losses in respect of any of its financial assets and therefore the expected loss raised in respect of any of its financial assets is considered adequate. Further details are as follows:

GETFund receivables

The company has been assigned portion of GETFund levies for the purpose of settling the GETFund receivables. This assignment has been scheduled from September 2020 and will be in existence until all receivables have been settled. The company has been receiving collections as indicated in these financial statements.

Cash and cash equivalents and other receivables

The company's bank balances are held with Absa Bank Ghana Limited, Cal Bank Ghana Limited and Fidelity Bank Ghana Limited. The company considers these banks to be credit worthy banks which are regulated by the Bank of Ghana and therefore no impairments have been raised on the bank balances. The other receivables relate to share consideration received by the corporate manager in trust of the Company pending the opening of the Company's bank statement. This receivable has subsequently been received into the Company's operations account held with Absa Bank.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under normal conditions.

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

The following are contractual maturities of financial liabilities:

31 December 2020

	Carrying amount GH¢'000	Contractual cash flows GH¢'000	6 months or less GH¢'000	Over 6 months GH¢'000
Non-derivative financial liability				
Bonds payable	1,374,163	1,392,581	-	1,392,581
Bond interest payable	52,773	52,773	52,773	-
Other payables	17,329	17,329	17,329	-
Balance as at 31 December 2020	1,444,265	1,462,683	70,102	1,392,581

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign currency exchange rates may cause a decrease in fair values of future cash flows of financial instruments and consequently result in a financial loss for the Company.

Foreign currency risk

At the period end the company does not have balances that are denominated in a currency other than the functional currency of the Company, and therefore is not exposed to foreign currency risk.

Interest rate risk

At the reporting date, the profile of the Company's interest-bearing/earning financial instruments comprised the following financial instruments:

	Carrying amounts 2020 GH¢'000
Fixed rate instruments	
Bonds payable	(1,374,163)

	Carrying amounts 2020 GH¢'000
Variable rate instruments	-

DAAKYE TRUST PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 31 DECEMBER 2020

Sensitivity analysis for variable rate instruments

A 200 basis points increase in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables in particular foreign currency rates remain constant.

The Company did not have a variable instrument as at the reporting date.

Fair value sensitivity analysis for fixed rate instrument

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

19. CAPITAL COMMITMENTS

There were no capital commitments at the reporting date.

20. CONTINGENT LIABILITIES

There were no contingent liabilities at the reporting date.

21. EVENTS AFTER THE REPORTING PERIOD

Events subsequent to the reporting date are reflected in the financial statements only to the extent that they relate to the period under consideration and the effect is material. The Company had no material subsequent events that required adjustments to or disclosure in the financial statements.