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# 2024 ANNUAL REPORT — AND — FINANCIAL STATEMENTS

# **ACCRA BREWERY PLC**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

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# ACCRA BREWERY PLC

## CORPORATE INFORMATION

<b>DIRECTORS</b>	Dr. George Dawson-Ahmoah (Chairman) Mr. Dederik Johannes Kruger Ms. Kefilwe Tabona Mr. Solomon Yaw Ayiah
<b>SECRETARY</b>	Lennap & Company 1st Floor, PKF Building 20 Farrar Avenue Accra
<b>REGISTERED OFFICE</b>	Graphic Road South Industrial Area P O Box GP 1219 Accra
<b>AUDITOR</b>	KPMG Chartered Accountants 13 Yiyiwa Drive, Abelenkpe P O Box GP 242 Accra
<b>SOLICITOR</b>	Adu Kusi 3rd Floor, Teachers' Hall Complex Off Barnes Road, Adabraka Accra
<b>BANKERS</b>	Absa Bank Ghana Limited Ecobank Ghana PLC Societe Generale Ghana Limited Stanbic Bank Ghana Limited Standard Chartered Bank Ghana Limited

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## Our 10 PRINCIPLES

Our 10 Principles shape how we interact, influence how we make decisions and guide how we do business. That's why we place them at the core of our culture.

### We are owners who:

- 01** Dream big.
- 02** Focus on superior results.
- 03** Lead by example and take accountability.
- 04** Attract and develop great people.
- 05** Build brands consumers love.
- 06** Grow with customers and communities.
- 07** Prioritize simple and scalable solutions.
- 08** Manage costs tightly.
- 09** Think long-term.
- 10** Never take shortcuts.



## **REPORT OF THE DIRECTORS TO MEMBERS OF ACCRA BREWERY PLC**

The Directors present their annual report and the financial statements of Accra Brewery PLC (the “Company”) for the year ended 31 December 2024.

### **STATEMENT OF DIRECTORS’ RESPONSIBILITIES**

The Directors are responsible for the preparation of financial statements that give a true and fair view of Accra Brewery PLC, comprising the statement of financial position at 31 December 2024, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, which include a summary of material accounting policies and other explanatory notes, in accordance with IFRS Accounting Standards including the Hyperinflation Directive issued by the Institute of Chartered Accountants, Ghana 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 Auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

### **GOING CONCERN CONSIDERATION AND STATE OF AFFAIRS**

The Company reported a loss of GH¢ 112.54 million (2023: GH¢61.79 million) for the year ended 31 December 2024. At that date, the Company’s current liabilities exceeded its current assets by GH¢678.72 million (2023: GH¢535.87 million). A substantial part of the Company’s liabilities is due to its related parties.

Anheuser-Busch InBev (ABInBev), the Ultimate Parent Company, has confirmed that it will continue to provide financial support to the Company to enable it to meet its financial obligations as and when they fall due. Based on confirmation and assurance of continued financial support by the Ultimate Parent Company, the Directors expect the Company to continue as a going concern, realising its assets and discharging its liabilities in the normal course of business.

In addition, the Directors also intend to identify new lines of business, driving and challenging costs and attracting new customers. Subsequent to the reporting date, the Company has begun reporting profits on account of these plans.

Accordingly, the financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis assumes that funds will be available to finance future operations of the Company and the realisation of assets and the settlement of liabilities would occur in the normal course of business.

### **NATURE OF BUSINESS**

The principal activities of the Company are the manufacture and distribution of beer, soft drinks and non-alcoholic malt beverages.

### **HOLDING COMPANY**

The Company is a subsidiary of Overseas Breweries Limited, a Company incorporated in Switzerland. The ultimate parent company is Anheuser-Busch InBev (ABInBev), a Company incorporated in Belgium. Overseas Breweries Limited, the parent company was liquidated on 6 February 2025. ABInBev, the ultimate parent company has assumed ownership of the interest in the Company. The Company is currently owned by ABInBev. The administrative process of the change in ownership is yet to be completed with the Registrar- General’s Department.

**REPORT OF THE DIRECTORS  
TO MEMBERS OF  
ACCRA BREWERY PLC (CONT'D)**

**FINANCIAL STATEMENTS/BUSINESS REVIEW**

The financial results of the Company for the year ended 31 December 2023 are set out in the financial statements, highlights of which are as follows:

	2023 GH¢'000	2022 GH¢'000
Loss before tax	(70,260)	(407,732)
Loss for the year	(61,788)	(414,408)
Total assets	1,242,374	1,060,010
Total equity	159,839	221,627
Total liabilities	1,082,535	838,383
	=====	=====

**PARTICULARS OF ENTRIES IN THE INTERESTS REGISTER DURING THE YEAR**

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

**CORPORATE SOCIAL RESPONSIBILITY**

The Company expended GH¢64,761 on social responsibility for the year ended 31 December 2023 (2022: GH¢68,727).

**CAPACITY BUILDING FOR DIRECTORS**

The Company ensures only fit and proper persons are appointed to the Board. The Directors are knowledgeable individuals with extensive experience in the alcoholic beverage manufacturing industry as well as their fields of discipline. Relevant training and capacity building programs are put in place to enable the Directors to discharge their duties. The ABInBev Group organizes online training programmes and seminars for Executive Directors within the ABInBev Group.

**DIVIDEND**


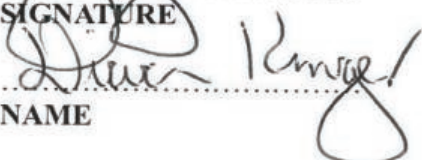
The Directors do not recommend dividend whilst there remains a deficit balance in the retained earnings account.



**AUDIT FEES**

The audit fee for the year is GH¢300,000.

**APPROVAL OF THE REPORT OF THE DIRECTORS**

The report of the Directors of Accra Brewery PLC was approved by the Board of Directors on and signed on 5 November 2025 their behalf by:

.....  
  
 SIGNATURE  
 .....  
  
 NAME

.....  
  
 SIGNATURE  
 .....  
  
 NAME



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
ACCRA BREWERY PLC**

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of Accra Brewery PLC (“the Company”), which comprise the statement of financial position as at 31 December 2024, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of material accounting policies and other explanatory notes, as set out on pages 8 to 57.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards including the Hyperinflation Directives issued by the Institute of Chartered Accountants, Ghana and in the manner required by 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 *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 Ethics Standards Board for Accountants' *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 Report of the Directors as required by the Companies Act, 2019 (Act 992) and Corporate Information but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express 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.

*Responsibilities of the Directors for the Financial Statements*

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards including the Hyperinflation Directives issued by the Institute of Chartered Accountants, Ghana and in the manner required by 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.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
ACCRA BREWERY PLC (CONT'D)**

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.

The Directors are responsible for overseeing the Company's financial reporting process.

*Auditor's 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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment 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 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 auditor's 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 auditor's 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.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
ACCRA BREWERY PLC (CONT'D)**

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.

**Report on Other Legal and Regulatory Requirements**

*Compliance with the requirements of Section 137 of the Companies Act, 2019 (Act 992)*

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.

In our opinion, proper books of account have been kept, so far as appears from our examination of those books.

The statements of financial position and comprehensive income are in agreement with the accounting records and returns.

We are independent of the Company under audit 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 Jonah Ekow Annobil (ICAG/P/1624).

*KPMG*

FOR AND ON BEHALF OF:  
KPMG: (ICAG/F/2025/038)  
CHARTERED ACCOUNTANTS  
13 YIYIWA DRIVE, ABELENKPE  
P O BOX GP 242  
ACCRA

*28 November 2025*

**ACCRA BREWERY PLC**  
**STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2024**

	Note	2024 GH¢'000	2023 GH¢'000
<b>ASSETS</b>			
Property, plant and equipment	4(a)	955,212	884,824
Intangible assets	5	592	903
Right of use assets	6(i)	36,930	48,622
Prepayments	7(b)	3,411	5,232
<b>Total non-current assets</b>		<b>996,145</b>	<b>939,581</b>
Inventories	8	165,575	107,880
Trade and other receivables	7(a)	17,906	8,227
Prepayments	7(b)	1,758	1,862
Current tax assets	9(c)	713	508
Cash and cash equivalents	10	16,417	184,316
<b>Total current assets</b>		<b>202,369</b>	<b>302,793</b>
<b>Total assets</b>		<b>1,198,514</b>	<b>1,242,374</b>
<b>Equity and liabilities</b>			
Share capital	12(a)	7,332	7,332
Retained earnings	12(c)	(538,345)	(425,806)
Other reserves	12(b)	578,313	578,313
<b>Total equity</b>		<b>47,300</b>	<b>159,839</b>
<b>Liabilities</b>			
Related party loans	22(c)	212,835	165,204
Lease liabilities	6(ii)	29,875	37,171
Deferred tax liabilities	9(b)	27,418	41,498
<b>Total non-current liabilities</b>		<b>270,128</b>	<b>243,873</b>
Bank overdraft	11	278	-
Trade and other payables	13	525,136	548,152
Related party loans	22(c)	346,479	281,662
Lease liabilities	6(ii)	9,193	8,848
<b>Total current liabilities</b>		<b>881,086</b>	<b>838,662</b>
<b>Total liabilities</b>		<b>1,151,214</b>	<b>1,082,535</b>
<b>Total equity and liabilities</b>		<b>1,198,514</b>	<b>1,242,374</b>

The financial statements were approved by the Board of Directors on 28 November 2025 and signed on their behalf by:

SIGNATURE

NAME

SIGNATURE

NAME

The notes on pages 12 to 57 are an integral part of these financial statements.

**ACCRA BREWERY PLC**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 GH¢'000	2023 GH¢'000
Revenue	14	1,593,995	1,165,445
Cost of sales	15	(1,215,190)	(959,642)
<b>Gross profit</b>		----- 378,805	----- 205,803
Distribution expenses	16	(118,691)	(97,658)
Administrative expenses	17	(203,896)	(151,115)
Impairment credit	23	941	758
Other expenses	18	(79,587)	(28,240)
Other income	19	355	86,913
<b>Operating (loss)/profit</b>		----- (22,073)	----- 16,461
Finance income	20(a)	20,984	449
Finance costs	20(b)	(125,530)	(87,170)
<b>Loss before tax</b>		----- (126,619)	----- (70,260)
Income tax credit	9(a)	14,080	8,472
<b>Loss for the year</b>		----- (112,539)	----- (61,788)
<b>Total comprehensive income</b>		----- (112,539) =====	----- (61,788) =====

The notes on pages 12 to 57 are an integral part of these financial statements.

**ACCRA BREWERY PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>Share Capital GH¢'000</b>	<b>Other Reserves GH¢'000</b>	<b>Retained Earnings GH¢'000</b>	<b>Total Equity GH¢'000</b>
<b>2024</b>				
Balance at 1 January 2024	7,332	578,313	(425,806)	159,839
<b>Total comprehensive income</b>				
Loss for the year	-	-	(112,539)	(112,539)
	-----	-----	-----	-----
Balance at 31 December 2024	7,332 =====	578,313 =====	(538,345) =====	47,300 =====
<b>2023</b>				
Balance at 1 January 2023	7,332	578,313	(364,018)	221,627
<b>Total comprehensive income</b>				
Loss for the year	-	-	(61,788)	(61,788)
	-----	-----	-----	-----
Balance at 31 December 2023	7,332 =====	578,313 =====	(425,806) =====	159,839 =====

The notes on pages 12 to 57 are an integral part of these financial statements.

**ACCRA BREWERY PLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

<b>Cash flows from operating activities</b>	<b>Note</b>	<b>2024 GH¢'000</b>	<b>2023 GH¢'000</b>
Loss after tax		(112,539)	(61,788)
<i>Adjustments for:</i>			
Depreciation of PPE and intangible assets	4(a),5	198,643	159,587
Depreciation of right-of-use assets	6(i)	12,848	5,287
Income tax credit	9(a)	(14,080)	(8,472)
Gain on disposal of property, plant and equipment	4(c)	-	(2,341)
Write off of property, plant and equipment	4(a)	11,312	7,732
Impairment allowance on trade receivables	23	(941)	(758)
Interest received	20(a)	(20,984)	(449)
Interest expense	20(b)	38,187	18,269
Unrealised exchange loss on loan	22(c)	102,902	65,943
Unrealised exchange differences		128,453	22,665
		-----	-----
		343,801	205,675
 <i>Movement in working capital:</i>			
Change in inventories		(57,695)	(10,661)
Change in trade and other receivables		(7,749)	6,559
Change in prepayments		1,925	11,667
Change in trade and other payables		(156,073)	109,495
		-----	-----
Cash generated from operations		124,209	322,735
Tax paid	9(c)	(205)	(1,446)
Tax refund received	9(c)	-	24,785
Interest paid	20(b)	(28,641)	(10,885)
		-----	-----
<b>Net cash from operating activities</b>		<b>95,363</b>	<b>335,189</b>
		-----	-----
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	4(a)	(280,032)	(271,130)
Proceeds from disposal of property, plant- and equipment	4(c)	-	2,632
Purchase of intangible assets	5	-	(891)
Interest received	20(a)	20,984	449
Payment of lease liabilities - principal	6(ii)	(8,107)	(6,877)
		-----	-----
<b>Net cash used in investing activities</b>		<b>(267,155)</b>	<b>(275,817)</b>
		-----	-----
Net (decrease)/increase in cash and cash equivalents		(171,792)	59,372
Cash and cash equivalents at 1 January		184,316	112,753
Effect of movement in exchange rate on cash held		3,615	12,191
		-----	-----
<b>Cash and cash equivalents at 31 December</b>	10	<b>16,139</b>	<b>184,316</b>
		=====	=====

The notes on pages 12 to 57 are an integral part of these financial statements.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. CORPORATE INFORMATION**

Accra Brewery PLC ("the Company") is a limited liability Company incorporated and domiciled in Ghana. The address of the Company's registered office is Graphic Road, South Industrial Area, P.O. Box GP 1219, Accra, Ghana. The Company is primarily involved in the manufacture and distribution of beer, soft drinks and non-alcoholic malt beverages.

The financial statements for the year ended 31 December 2024 is the individual financial statements of the Company.

**2. BASIS OF PREPARATION**

**(a) Statement of compliance**

The financial statements have been prepared in accordance with IFRS Accounting Standards including the Hyperinflation Directive issued by the Institute of Chartered Accountants, Ghana and in the manner required by the Companies Act, 2019 (Act 992).

**(b) Basis of measurement**

The financial statements have been prepared on historical cost basis except for related party loan which is measured based on discounted cash flows valuation model.

**(c) Functional and presentation currency**

These financial statements are presented in Ghana Cedi, which is the Company's functional currency. All financial information presented in Ghana Cedi has been stated to the nearest thousand except where otherwise indicated.

**(d) Use of estimates and judgement**

In preparing these financial statements, management has made judgements and estimates about the future 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 prospectively.

*(i) Assumption and estimation uncertainties*

Information about assumptions and estimation uncertainties at 31 December 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 23 - Measurement of ECL allowance for trade receivables: key assumptions in determining the weighted- average loss rate.
- Note 22(c) - Measurement of fair value of related party loan: key valuation assumptions.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

*Measurement of fair values*

Some of the Company's accounting policies and disclosures require the determination of fair value, for financial and non-financial assets and liabilities. The Company regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset or liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in the fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset and liability that are not based on observable market data (unobservable inputs).

If inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognised transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about assumptions made in determining fair values is included in Note 23 – Financial risk management and financial instruments.

**e. Standards issued but not yet effective**

A number of new standards, amendments to standards, interpretations and amendments are effective for annual periods beginning after 1 January 2025 and have not been applied in preparing these financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to early adopt these standards. These will be adopted in the period that they become mandatory unless otherwise indicated. Those that are relevant to the Company's financial statements are:

<b>Standard/Interpretation</b>		<b>Effective date periods beginning on or after</b>
IAS 21 amendment	Lack of exchangeability	1 January 2025
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 9 and IFRS 7 amendment	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 9 and IFRS 7 Amendments	Contracts Referencing Nature- dependent Electricity	1 January 2026
IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 amendment	Annual Improvements to IFRS Standards	1 January 2026

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**Lack of exchangeability (Amendment to IAS 21)**

In August 2023, the International Accounting Standards Board (IASB) amended IAS 21 to clarify:

- when a currency is exchangeable into another currency; and
- how a company estimates a spot rate when a currency lacks exchangeability.

A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose.

When a currency is not exchangeable, a company needs to estimate a spot rate. A company's objective when estimating a spot rate is only that it reflects the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

The amendments contain no specific requirements for estimating a spot rate. Therefore, when estimating a spot rate a company can use:

- an observable exchange rate without adjustment; or
- another estimation technique.

*New disclosures*

Under the amendments, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include:

- the nature and financial impacts of the currency not being exchangeable;
- the spot exchange rate used;
- the estimation process; and
- risks to the company because the currency is not exchangeable

The Company is yet to assess the impact of the amendment on its financial statements.

**Presentation and Disclosure in Financial Statements (IFRS 18)**

IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements.

Under IFRS 18, a company's net profit will not change. What will change is how they present their results on the face of the income statement and disclose information in the notes to the financial statements. This includes disclosure of certain 'non-GAAP' measures – management performance measures (MPMs) – which will now form part of the audited financial statements.

Under current IFRS Accounting Standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. IFRS 18 promotes a more structured income statement. In particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities.

IFRS 18 also requires companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. If any items are presented by function on the face of the income statement (e.g. cost of sales), then a company provides more detailed disclosures about their nature.

IFRS 18 introduces a narrow definition for MPMs and for each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**Presentation and Disclosure in Financial Statements (IFRS 18) (cont'd)**

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. Companies are discouraged from labelling items as 'other' and will now be required to disclose more information if they continue to do so.

IFRS 18 is effective from 1 January 2027 and applies retrospectively. It is available for early adoption.

The Company is yet to assess the impact of the amendment on its financial statements.

**Amendments to the Classification and Measurement of Financial Instruments (Amendment to IFRS 9 and IFRS 7)**

The International Accounting Standards Board (IASB) issued amendments to the classification and measurement requirements in IFRS 9 Financial Instruments. The key amendments include the following:

- Settlement of financial liabilities through electronic payment systems: The amendments clarify that a financial liability is derecognised on the 'settlement date'. However, the amendments provide an exception for the derecognition of financial liabilities. This exception allows the company to derecognise its trade payable before the settlement date when it uses an electronic payment system, provided that specified criteria are met.
- Additional SPPI Test for Contingent Features: The amendments introduce an additional SPPI test for financial assets with contingent features that are not directly related to a change in basic lending risks or costs – for example, where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract. Under the amendments, certain financial assets, including those with ESG-linked features, could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.
- Clarification on Contractually Linked Instruments (CLIs): The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. They also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).
- Additional Disclosure Requirements: The amendments require additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that are not directly related to a change in basic lending risks or costs and are not measured at fair value through profit or loss.

The amendments apply for reporting periods beginning on or after 1 January 2026. Early adoption is permitted.

The Company is yet to assess the impact of the amendment on its financial statements.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**Subsidiaries without Public Accountability: Disclosures (IFRS 19)**

Subsidiaries of companies using IFRS Accounting Standards can substantially reduce their disclosures and focus more on users' needs following the release of IFRS 19 Subsidiaries without Public Accountability: Disclosures by the International Accounting Standards Board.

For those subsidiaries that don't currently report under IFRS Accounting Standards, the new standard also offers a practical way of reducing reporting costs – by removing the need to maintain two separate sets of accounting records for group reporting purposes if IFRS 19 is applied.

A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

- it does not have public accountability;
- its parent produces consolidated financial statements under IFRS Accounting Standards.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.

IFRS 19 is effective from 1 January 2027. It is available for early adoption.

The Company is yet to assess the impact of the amendment on its financial statements.

**Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity**

Companies face challenges in applying IFRS 9 Financial Instruments to contracts referencing nature-dependent electricity – sometimes referred to as renewable power purchase agreements (PPAs). The International Accounting Standards Board (IASB) has now amended IFRS 9 to address these challenges.

The amendments include guidance on:

- the 'own-use' exemption for purchasers of electricity under such PPAs, and
- hedge accounting requirements for companies that hedge their purchases or sales of electricity using PPAs.

Amendments for the own-use exemption

The amendments allow a company to apply the own-use exemption to power purchase agreements (PPAs) if the company has been, and expects to be, a net-purchaser of electricity for the contract period. This assessment considers the variability in the amount of electricity expected to be generated due to the seasonal cycle of the natural conditions and the variability in the entity's demand for electricity due to its operating cycle.

Where a company applies the own-use exemption to a PPA contract under the amendments, it would not recognise the PPA in its statement of financial position. Where this is the case, a company is required to disclose further information such as:

- contractual features exposing the company to variability in electricity volume and the risk of oversupply;
- estimated future cash flows from unrecognised contractual commitments to buy electricity in appropriate time bands;
- qualitative information about how the company has assessed whether a contract might become onerous; and
- qualitative and quantitative information about the costs and proceeds associated with purchases and sales of electricity, based on the information used for the 'net-purchaser' assessment.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity (cont'd)**

The amendments apply retrospectively using facts and circumstances at the beginning of the reporting period of initial application (without requiring prior periods to be restated).

Amendments for hedge accounting

Virtual PPAs and PPAs that do not meet the own-use exemption are accounted for as derivatives and measured at FVTPL. Applying hedge accounting could help companies to reduce profit or loss volatility by reflecting how these PPAs hedge the price of future electricity purchases or sales.

Subject to certain conditions, the amendments permit companies to designate a variable nominal volume of forecasted sales or purchases of renewable electricity as the hedged transaction, rather than a fixed volume based on P90 estimates. The variable hedged volume is based on the variable volume expected to be delivered by the generation facility referenced in the hedging instrument, facilitating compliance with hedge accounting requirements.

The amendments apply prospectively to new hedging relationships designated on or after the date of initial application. They also allow companies to discontinue an existing hedging relationship, if the same hedging instrument (i.e. the nature-dependent electricity contract) is designated in a new hedging relationship applying the amendments.

These amendments apply for reporting periods beginning on or after 1 January 2026. Early application is permitted. The Company is yet to assess the impact of the amendment on its financial statements.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Annual Improvements to IFRS Standards**

IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i>	<p>Paragraphs B5–B6 of IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i> was amended to:</p> <ul style="list-style-type: none"> <li>a.! improve their consistency in wording with the requirements in IFRS 9 Financial Instruments; and</li> <li>b.! add cross-references to improve the understandability of IFRS 1.</li> </ul>
IFRS 7 <i>Financial Instruments: Disclosures</i>	<ol style="list-style-type: none"> <li>1. Gain or loss on derecognition. The amendment addresses a potential confusion in paragraph B38 of IFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when IFRS 13 Fair Value Measurement was issued.</li> <li>2. Disclosure of deferred difference between fair value and transaction price. The amendment addresses an inconsistency between paragraph 28 of IFRS 7 and its accompanying implementation guidance that arose when a consequential amendment resulting from the issuance of IFRS 13 was made to paragraph 28, but not to the corresponding paragraph in the implementation guidance.</li> <li>3. Introduction and credit risk disclosures. The amendment addresses a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 and by simplifying some explanations.</li> </ol>
IFRS 9 <i>Financial Instruments</i>	<ol style="list-style-type: none"> <li>1. Initial measurement of trade receivables. The amendments remove the conflict between IFRS 9 and IFRS 15 over the amount at which a trade receivable is initially measured. Under IFRS 15, a trade receivable may be recognised at an amount that differs from the transaction price – e.g. when the transaction price is variable. Conversely, IFRS 9 requires that companies initially measure trade receivables without a significant financing component at the transaction price. The IASB has amended IFRS 9 to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. Amendment on trade receivables could prompt accounting policy change</li> <li>2. Derecognition of a lease liability. If a lease liability is derecognised, then the derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases.</li> </ol> <p>The IASB's amendment states that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss.</p>
IFRS 10	<p>The amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of IFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs.</p>
IAS 7 <i>Statement of Cash Flows</i>	<p>This amendment replaces the term 'cost method' in paragraph 37 of IAS 7 with 'at cost'.</p>

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**Annual Improvements to IFRS Standards (cont'd)**

These amendments are effective for annual periods beginning on or after 1 January 2026. Earlier application is permitted.

The Company is yet to assess the impact of the amendment on its financial statements.

**f. Changes in material accounting policies**

The following amendments and interpretations apply for the first time in the Company's financial period beginning 1 January 2024, but do not have a material impact on the financial statements:

- IAS 1 amendments - Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current Liabilities
- IFRS 16 amendments - Lease Liability in a Sale and Leaseback
- IAS 7 and IFRS 7 amendments - Supplier Finance Arrangements.

**3. MATERIAL ACCOUNTING POLICIES**

The accounting policies set out below have been consistently applied consistently to all periods presented in these financial statements.

**(a) Foreign currency transactions**

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other income' or 'other expenses'.

**(b) Property, plant and equipment**

**i. Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Property, plant and equipment being constructed or developed for future use are disclosed as part of reported capital work in progress.

The cost of self-constructed asset includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use including, where applicable, the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets. All other repairs and maintenance costs are charged to profit or loss during the financial year in which they are incurred. Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**i. Recognition and measurement (cont'd)**

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

**ii. Subsequent costs**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

**iii. Spare parts**

Spare parts, stand-by and servicing equipment held by the Company generally are classified as inventories. However, if major spare parts and stand-by equipment are expected to be used for more than one period or can be used only in connection with an item of property, plant and equipment, then they are classified as property, plant and equipment.

**iv. Capital work in progress**

Property, plant and equipment under construction is stated at initial cost and depreciated from the date the asset is made available for use over its estimated useful life. Assets are transferred from capital work in progress to an appropriate category of property, plant and equipment when commissioned and ready for its intended use.

**v. Depreciation**

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment which reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives of the current and comparative years are as follows:

Leasehold land and buildings	20 to 50 years
Plant and machinery	4 to 20 years
Motor vehicles	5 to 10 years
Bottles and containers:	
Soft drinks bottles	4 years
Beer bottles	2-5 years
Crates	2-10 years
Kegs	2-10 years
Pallets	2-5 years

Depreciation methods, useful lives, and residual values are reassessed at each reporting date. The carrying amounts of equipment are assessed to determine whether they are recoverable in the form of future economic benefits. If the recoverable amount of a PPE has declined below its carrying amount, an impairment loss is recognised to reduce the value of the asset to its recoverable amount. In determining the recoverable amount of the asset, expected cash flows are discounted to their present value.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**vi. Derecognition**

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected to flow to the Company from either their use or disposal. Gains or losses on derecognition of an item of property, plant and equipment are determined by comparing proceeds from disposal, if applicable, with the carrying amount of the item and are recognised directly in profit or loss.

**(c) Leases**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**As a lessee**

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term unless, the lease transfers ownership of the underlying asset to the Company by the end of the lease term. In that case the right of use asset will be depreciated over the useful life of the underlying asset.

The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**As a lessee (cont'd)**

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

*Short-term leases and leases of low-value assets*

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**(d) Inventories**

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. The costs of manufactured inventories include costs directly related to the units of production, such as direct labour, fixed and variable production overheads that are incurred in converting materials into finished products.

The cost of inventories is based on the Weighted Average Cost (WAC) allocation method for all inventory item except finished goods. The cost of finished goods is based on standard cost. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Inventories are recognised in profit or loss when goods are sold or there is a write down of inventories.

**(e) Financial instruments**

*i. Recognition and Initial measurement*

Financial instruments comprise trade and other receivables, cash and cash equivalents, trade and other payables, bank overdrafts and related party loans.

Trade and other receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at 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.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

ii. *Classification and subsequent measurement*

*Financial assets*

On initial recognition, a financial asset is classified as measured at amortised cost.

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 as 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.

*Financial assets - 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:

- 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
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

*Financial assets -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.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

*Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest (cont'd)*

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;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

*Financial assets - Subsequent measurement and gains and losses*

*Financial assets at amortized 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.

*Financial liabilities - Classification, subsequent measurement and gains and losses*

Financial liabilities are classified as measured at amortised cost. The Company's financial liabilities are subsequently 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.

iii. *Derecognition*

*Financial assets*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers 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 in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset or (the carrying amount allocated to the portion of the asset derecognised) and the consideration received (including any new asset less any new liability arrived) is recognised in profit or loss.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

*Financial liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

*iv. Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

*(v) Share capital*

Proceeds from issue of equity shares are classified as equity. Incremental costs directly attributable to the issue of equity shares, net of any tax effects are recognised as a deduction from share capital.

**(f) Impairment**

*(i) Non-derivative financial assets*

*Financial instruments*

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 are measured at 12-month ECLs.

Loss allowances for trade receivables 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 30 days past due.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

*Financial instruments (cont'd)*

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

- the debt is 90 days past due
- 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.

*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).

ECLs are discounted at the effective interest rate of the financial asset.

*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 customer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the customer 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.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

*Presentation of allowance for ECL in the statement of financial position (cont'd)*

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. Reasonable expectation of recovery is determined when the customer no longer trades with the Company and the amount has been outstanding for over two years.

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 procedures for recovery of amounts due.

*(ii) Non-financial assets*

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (except deferred tax and inventories) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

The recoverable amount of the asset is the greater of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. An impairment loss is recognised if the carrying amount of the asset exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

**(g) Employee benefits**

*(i) Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay future amounts. Obligations for contributions to defined contribution schemes are recognised as an expense in profit or loss when the related service is provided.

*(a) Social Security and National Insurance Trust (SSNIT)*

Under the National Pension Scheme, the Company contributes 13% of each employee's basic salary to SSNIT as employee pensions. The Company's obligation is limited to the relevant contributions which is charged to profit or loss when the related service is provided. The pension liabilities and obligations, however, rest with SSNIT and United Pension Trustees Limited.

*(b) Provident fund*

The Company has a provident fund scheme for staff to which the Company contributes 7.5% of the basic salaries of staff. Obligations under the plan are limited to the relevant contributions, which are charged to profit or loss as and when they fall due. The fund is managed by United Pension Trustees Limited.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

*(ii) Short-term benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

*(iii) Termination benefits*

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognised cost for restructuring. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

**(h) Revenue**

The Company recognises revenue from the sale of alcoholic and non-alcoholic beverages.

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a good to a customer i.e. when the goods are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there are no unfulfilled obligations that could affect the customer's acceptance of the products.

Delivery occurs when the products have been transported to specific location of the customer, the risks of obsolescence and loss have transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

**(i) Finance income and finance costs**

The Company's finance income and finance costs include:

- interest income on funds invested or held in bank accounts
- interest expenses on overdue balances and borrowings

Interest income and expense is recognised, as they accrue in profit or loss, using the effective interest method.

**(j) Income tax expense**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In this case the tax is recognised directly in equity or in other comprehensive income, respectively.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**(j) Income tax expense (cont'd)**

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates statutorily enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences.

If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plan for the Company. 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; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

**(k) Intangible assets**

Software acquired by the Company is measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure on software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life of software is four years. Amortisation methods, useful lives and residual values are reassessed at the reporting date.

**(l) Dividend**

Dividends are recognised as a liability in the financial statements in the period in which the dividends are approved by the shareholders.

**(m) Statement of cash flows**

The statement of cash flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cash flows such as unrealised exchange differences and other non-cash items, have been eliminated for the purpose of preparing the statement. Interest paid is included in financing activities while finance income is included in investing activities.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**(n) Fair value measurement**

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company access at the date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company measure instruments quoted in an active market at a mid-price, because this price provides a reasonable approximation of the exit price.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing transactions.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**(o) Contingent liabilities**

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

<b>4. PROPERTY, PLANT AND EQUIPMENT</b>									
<b>a. Reconciliation of carrying amount</b>									
<b>2024</b>	<b>Leasehold land and buildings GH¢'000</b>	<b>Plant, Machinery &amp; Equipment GH¢'000</b>	<b>Motor Vehicles GH¢'000</b>	<b>Bottles &amp; Containers GH¢'000</b>	<b>Capital work-in- progress GH¢'000</b>	<b>Total GH¢'000</b>			
<b>Cost</b>									
At 1 January 2024	161,086		626,957	39,949	410,221	100,487			
	1,338,700								
Additions					280,032	280,032			
Transfers	6,356	58,451	1,468	213,137	(279,412)	-			
Write off	-	(5,111)	-	(54,256)	-	(59,367)			
	-----	-----	-----	-----	-----	-----			
At 31 December 2024	167,442	680,297	41,417	569,102	101,107	1,559,365			
	-----	-----	-----	-----	-----	-----			
<b>Accumulated depreciation</b>									
At 1 January 2024	28,638	246,098	30,655	148,485	-	453,876			
Charge for the year	4,375	49,943	5,600	138,414	-	198,332			
Write off	-	(5,008)	-	(43,047)	-	(48,055)			
	-----	-----	-----	-----	-----	-----			
At 31 December 2024	33,013	291,033	36,255	243,852	-	604,153			
	-----	-----	-----	-----	-----	-----			
<b>Carrying amount</b>									
At 31 December 2024	134,429	389,264	5,162	325,250	101,107	955,212			
	=====	=====	=====	=====	=====	=====			

**ACCRA BREWERY PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**a. Reconciliation of carrying amount (cont'd)**

<b>2023</b>	<b>Leasehold land and buildings GH¢'000</b>	<b>Plant, Machinery &amp; Equipment GH¢'000</b>	<b>Motor Vehicles GH¢'000</b>	<b>Bottles &amp; Containers GH¢'000</b>	<b>Capital work-in- progress GH¢'000</b>	<b>Total GH¢'000</b>
<b>Cost</b>						
At 1 January 2023	159,599	551,404	36,704	411,183	107,309	1,266,199
Additions	-	-	-	-	271,130	271,130
Transfers	1,487	84,956	3,245	188,264	(277,952)	-
Disposals	-	-	-	(3,494)	-	(3,494)
Write off	-	(5,716)	-	(185,732)	-	(191,448)
Transfer to intangible assets	-	(3,687)	-	-	-	(3,687)
	-----	-----	-----	-----	-----	-----
At 31 December 2023	161,086	626,957	39,949	410,221	100,487	1,338,700
	-----	-----	-----	-----	-----	-----
<b>Accumulated depreciation</b>						
At 1 January 2023	24,344	209,404	25,728	225,407	-	484,883
Charge for the year	4,294	45,031	4,927	105,137	-	159,389
Released on disposals	-	-	-	(3,203)	-	(3,203)
Write off	-	(4,860)	-	(178,856)	-	(183,716)
Transfer to intangible assets	-	(3,477)	-	-	-	(3,477)
	-----	-----	-----	-----	-----	-----
At 31 December 2023	28,638	246,098	30,655	148,485	-	453,876
	-----	-----	-----	-----	-----	-----
<b>Carrying amount</b>						
At 31 December 2023	132,448	380,859	9,294	261,736	100,487	884,824
	=====	=====	=====	=====	=====	=====

There was no indication of impairment of property, plant and equipment held by the Company at 31 December 2024 (2023: Nil). Also, none of the Company's property, plant and equipment has been pledged as securities for liabilities at the reporting date (2023: Nil).

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**b. Depreciation has been charged to profit or loss as follows:**

	<b>2024</b> <b>GH¢'000</b>	<b>2023</b> <b>GH¢'000</b>
Cost of sales	185,943	149,001
Administrative expenses	12,389	10,388
	-----	-----
	198,332	159,389
	=====	=====

**c. Disposal of property, plant and equipment**

Costs	-	3,494
Accumulated depreciation	-	(3,203)
	-----	-----
Net book value	-	291
Proceeds on disposal	-	(2,632)
	-----	-----
Gain on disposal	-	(2,341)
	=====	=====

**5. INTANGIBLE ASSETS**

**Costs**

Balance at 1 January	4,578	-
Transfer from PPE	-	3,687
Additions	-	891
	-----	-----
Balance at 31 December	4,578	4,578
	=====	=====

**Accumulated depreciation**

Balance at 1 January	3,675	-
Transfer from PPE	-	3,477
Charge for the year	311	198
	-----	-----
	3,986	3,675
	=====	=====

**Carrying amount**

At 31 December	592	903
	===	===

This relates to the cost of purchased software.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**6. LEASES**

**i. Right of use assets**

	<b>Buildings GH¢'000</b>	<b>Rental Equipment GH¢'000</b>	<b>Total GH¢'000</b>
<b>Cost</b>			
At 1 January 2024	7,821	47,630	55,451
Additions	1,156	-	1,156
	-----	-----	-----
At 31 December 2024	8,977	47,630	56,607
	-----	-----	-----
<b>Depreciation of right-of-use assets</b>			
At 1 January 2024	4,291	2,538	6,829
Charge for the year	3,242	9,606	12,848
	-----	-----	-----
At 31 December 2024	7,533	12,144	19,677
	-----	-----	-----
<b>Carrying amount</b>			
At 31 December 2024	1,444	35,486	36,930
	=====	=====	=====
<b>Carrying amount</b>			
At 31 December 2023	3,530	45,092	48,622
	=====	=====	=====

*Extension options*

Some property leases contain extension options exercisable by the Company up to two years before the end of the non-cancellable contract period. The Company assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The Company has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liability of GH¢5,111,077 (2023: GH¢3,495,691).

**ii. Lease liabilities**

	<b>2024 GH¢'000</b>	<b>2023 GH¢'000</b>
At 1 January	46,019	-
Addition	1,156	52,896
Interest expense	10,990	3,042
Interest payment	(10,990)	(3,042)
Principal payment	(8,107)	(6,877)
	-----	-----
<b>At 31 December</b>	<b>39,068</b>	<b>46,019</b>
	=====	=====
Non-current liabilities	29,875	37,171
Current liabilities	9,193	8,848
	-----	-----
	<b>39,068</b>	<b>46,019</b>
	=====	=====

**iii. Amount recognised in profit or loss**

Depreciation	12,848	5,287
Expenses on short term leases	1,096	1,195
Expenses relating to leases of low valued asset	297	242
	===	===

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**6. LEASES (CONT'D)**

	<b>2024</b>	<b>2023</b>
	<b>GH¢'000</b>	<b>GH¢'000</b>
<b>iv. Amount recognised in the statement of cash flows</b>		
Payment of lease liabilities - principal	8,107	6,877
Payment of lease liabilities – interest (Note 20(b))	10,990	3,042
	-----	-----
	19,097	9,919
	=====	=====

The Company has elected not to recognize lease liabilities for short-term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

**7a. TRADE AND OTHER RECEIVABLES**

	<b>2024</b>	<b>2023</b>
	<b>GH¢'000</b>	<b>GH¢'000</b>
Trade receivables	10,911	5,276
Impairment allowance	(1,993)	(2,934)
	-----	-----
Trade receivables – net	8,918	2,342
Other receivables and deposits	1,238	522
Amounts due from related parties (Note 22(b)(ii))	6,554	4,138
Staff loans and advances	1,196	1,225
	-----	-----
	17,906	8,227
	=====	=====

The maximum amount due from officers/staff of the Company during the year was approximately GH¢1,746,317 (2023: GH¢1,684,030).

The Company's exposure to credit and currency risks, and impairment losses related to trade and other receivables are disclosed in Note 23.

**7b. PREPAYMENTS**

	<b>2024</b>	<b>2023</b>
	<b>GH¢'000</b>	<b>GH¢'000</b>
Prepaid expenses	1,965	1,975
Prepaid employee benefit	3,204	5,119
	-----	-----
	5,169	7,094
	=====	=====
Current asset	1,758	1,862
Non-current asset	3,411	5,232
	-----	-----
	5,169	7,094
	=====	=====

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

	<b>2024</b>	<b>2023</b>
	<b>GH¢'000</b>	<b>GH¢'000</b>
<b>8. INVENTORIES</b>		
Raw materials	76,706	30,725
Work-in-progress	10,491	12,067
Finished goods	6,733	16,154
Goods in transit	41,256	19,597
Consumables and spares	30,389	29,337
	-----	-----
	165,575	107,880
	=====	=====

There are no inventories pledged as security for liabilities as at the reporting date (2023: Nil). Inventories recognised as expense during the year and included in 'cost of sales' amounted to GH¢1,011,833,445 (2023: GH¢789,002,926). Inventories amounting to GH¢4,665,094 (2023: GH¢6,539,927) were written off during the year.

**9. TAXATION**

**a. Income tax credit**

	<b>2024</b>	<b>2023</b>
	<b>GH¢'000</b>	<b>GH¢'000</b>
Current tax expense	-	-
Deferred tax credit	(14,080)	(8,472)
	-----	-----
	(14,080)	(8,472)
	=====	=====

**b. Deferred tax**

Deferred tax is calculated, in full, on all temporary differences under the liability method using a principal tax rate of 25% (2023: 25%). The movement on the deferred tax account is as follows:

	<b>2024</b>	<b>2023</b>
	<b>GH¢'000</b>	<b>GH¢'000</b>
Balance at 1 January	41,498	49,970
Credit for the year	(14,080)	(8,472)
	-----	-----
Balance at 31 December	27,418	41,498
	=====	=====

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**c. Movement in current tax liabilities/(assets)**

<b>2024</b>	<b>Balance at 1/1 GH¢'000</b>	<b>Payments during the year GH¢'000</b>	<b>Charge for the year GH¢'000</b>	<b>Balance at 31/12 GH¢'000</b>
Up to 2023	(508)	-	-	(508)
2024	-	(205)	-	(205)
	-----	-----	-----	-----
	(508)	(205)	-	(713)
	=====	=====	=====	=====

No provision has been made for income tax in the current year as the Company's operational results adjusted for tax purposes results in a nil chargeable income.

The tax position up to 2021 year of assessment has been agreed with the Ghana Revenue Authority. The remaining tax position is, however, subject to agreement with the tax authorities.

<b>2023</b>	<b>Balance at 1/1 GH¢'000</b>	<b>Payments during the year GH¢'000</b>	<b>Charge for the year GH¢'000</b>	<b>Tax refund received GH¢'000</b>	<b>Balance at 31/12 GH¢'000</b>
Up to 2021	(19,134)	(1,446)	-	20,580	-
2022	(508)	-	-	-	(508)
2023	-	-	-	-	-
	-----	-----	-----	-----	-----
	(19,642)	(1,446)	-	20,580	(508)
	-----	-----	-----	-----	-----

**National Fiscal Stabilisation Levy**

Up to 2021	(4,205)	-	-	4,205	-
2022 and 2023	-	-	-	-	-
	-----	-----	-----	-----	-----
	(4,205)	-	-	4,205	-
	-----	-----	-----	-----	-----
<b>Total</b>	(23,847)	(1,446)	-	24,785	(508)
	=====	=====	=====	=====	=====

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**d. Reconciliation of effective tax rate**

	<b>2024</b> <b>GH¢'000</b>	<b>2023</b> <b>GH¢'000</b>
Loss before tax	(126,619) =====	(70,260) =====
Income tax using the domestic tax rate (25%)	(31,655)	(17,565)
Non-deductible expenses	17,575	9,092
	-----	-----
Income tax expense	14,080 =====	(8,473) =====
Effective tax rate	11%	12%

**e. Reconciliation of deferred tax**

<b>2024</b>	<b>Net balance at</b> <b>1/1</b> <b>GH¢'000</b>	<b>Recognised</b> <b>in profit/loss</b> <b>GH¢'000</b>	<b>Balance at 31 December 2023</b> <b>Net balance</b> <b>at 31/12</b> <b>GH¢'000</b>	<b>Deferred</b> <b>tax asset</b> <b>GH¢'000</b>	<b>Deferred</b> <b>tax liability</b> <b>GH¢'000</b>
Property plant and equipment	50,519	(16,777)	33,742	-	33,742
Inventories	(564)	5	(559)	(559)	-
Trade and other receivables	(733)	235	(498)	(498)	-
Lease - ROU asset	12,155	(2,923)	9,232	-	9,232
Lease – lease liabilities	(11,505)	1,738	(9,767)	(9,767)	-
Tax losses carried forward	(8,374)	3,642	(4,732)	(4,732)	-
	-----	-----	-----	-----	-----
Net tax liabilities/(assets)	41,498 =====	(14,080) =====	27,418 =====	(15,556) =====	42,974 =====

<b>2023</b>	<b>Net balance at</b> <b>1/1</b> <b>GH¢'000</b>	<b>Recognised</b> <b>in profit/loss</b> <b>GH¢'000</b>	<b>Balance at 31 December 2023</b> <b>Net balance</b> <b>at 31/12</b> <b>GH¢'000</b>	<b>Deferred</b> <b>tax asset</b> <b>GH¢'000</b>	<b>Deferred</b> <b>tax liability</b> <b>GH¢'000</b>
Property plant and equipment	60,381	(9,862)	50,519	-	50,519
Inventories	(923)	359	(564)	(564)	-
Trade and other receivables	-	(733)	(733)	(733)	-
Lease - ROU asset	(253)	12,408	12,155	-	12,155
Lease – lease liabilities	-	(11,505)	(11,505)	(11,505)	-
Tax losses carried forward	(9,235)	861	(8,374)	(8,374)	-
	-----	-----	-----	-----	-----
Net tax liabilities/(assets)	49,970 =====	(8,472) =====	41,498 =====	(21,176) =====	62,674 =====

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**f. Unrecognised deferred tax assets**

Deferred tax assets have not been recognized in respect of the following items, because it is not probable that future taxable profits will be available against which the Company can use the benefit therefrom.

	2024		2023	
	Gross amount GH¢'000	Tax effect GH¢'000	Gross amount GH¢'000	Tax effect GH¢'000
Tax losses	97,584 =====	24,396 =====	143,298 =====	35,825 =====

**g. Tax losses carried forward**

Tax losses for which no deferred tax asset was recognized expire as follows.

	2024		2023	
	GH¢'000	Expiry date	GH¢'000	Expiry date
Tax losses – 2022	97,584 =====	2027	143,298 =====	2027

**10. CASH AND CASH EQUIVALENTS**

	2024 GH¢'000	2023 GH¢'000
Bank balances	16,417	60,316
Short term deposit	-	124,000
	-----	-----
Cash and cash equivalents in the statement of financial position	16,417	184,316
Bank overdraft	(278)	-
	-----	-----
Cash and cash equivalents in the statement of cash flows	16,139 =====	184,316 =====

**11. BANK OVERDRAFTS**

Stanbic Bank Limited	278 ===	- ===
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*Stanbic Bank Ghana Limited*

The Company has an overdraft facility of GH¢70 million (2023:GH¢70 million) with Stanbic Bank Ghana Limited. Interest rate for the facility is at the Bank's base rate currently 26% plus a margin of 1.5% per annum based on the Ghana Reference Rate. The overdraft facility expired on 31 May 2023 and is yet to be renewed.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**12. SHARE CAPITAL**

**a. Share capital**

	2024		2023	
	No. of shares '000	Amount GH¢'000	No. of shares '000	Amount GH¢'000
<i>Authorised:</i>				
Ordinary share of no par value	1,000,000 =====		1,000,000 =====	
<b>Issued shares</b>				
For cash	153,330	7,144	153,330	7,144
For consideration other than cash	968	59	968	59
Transferred from retained earnings	95,149	129	95,149	129
	-----	-----	-----	-----
	249,447	7,332	249,447	7,332
	=====	=====	=====	=====

The holders of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the Company. There is no share in treasury and no call or instalment unpaid on any share.

**b. Other reserves**

	2024 GH¢'000	2023 GH¢'000
Fair value reserve	360,805	360,805
Deposit for shares	217,508	217,508
	-----	-----
Balance at 31 December	578,313	578,313
	=====	=====

*Fair value reserve*

This represents fair value adjustment on initial recognition of a related party loan.

*Deposit for shares*

This represents a portion of a related party loan that was converted to additional shares.

The administrative process regarding registration of the shares with the Registrar General is yet to be completed as at year end.

**c. Retained earnings**

This represents the aggregate of accumulated annual results available for distribution to ordinary shareholders when in credit.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**13. TRADE AND OTHER PAYABLES**

	<b>2024</b> <b>GH¢'000</b>	<b>2023</b> <b>GH¢'000</b>
Trade payables	137,312	118,535
Accrued expenses	84,737	73,082
Excise duty and VAT payable	47,285	45,259
Amounts due to related parties (Note 22(b)(i))	210,199	302,436
Contract liabilities*	45,603	8,840
	-----	-----
	525,136	548,152
	=====	=====

\*The contract liabilities relate to advance consideration received from customers for the supply of goods yet to be delivered.

The Company's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 23.

**14. REVENUE**

Revenue from external customers recognised at a point-in time.

	<b>2024</b> <b>GH¢'000</b>	<b>2023</b> <b>GH¢'000</b>
<i>Domestic sales</i>		
Sale of hard and soft drinks	1,593,995	1,165,445
	=====	=====

**15. COST OF SALES**

Raw materials and material sourcing expenses	1,011,834	789,003
Depreciation of property, plant and equipment (Note 4(b))	185,943	149,001
Personnel costs (Note 21)	17,413	21,638
	-----	-----
	1,215,190	959,642
	=====	=====

**16. DISTRIBUTION EXPENSES**

Freight and distribution management costs	67,262	58,777
Advertising and promotion	51,429	38,881
	-----	-----
	118,691	97,658
	=====	=====

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**17. ADMINISTRATIVE EXPENSES**

	<b>2024</b>	<b>2023</b>
	<b>GH¢'000</b>	<b>GH¢'000</b>
Personnel costs (Note 21)	46,901	44,619
Management fees	60,857	29,276
Maintenance costs	33,325	26,987
Depreciation on property, plant and equipment (Note 4(b))	12,389	10,388
Amortisation of intangible assets (Note 5)	311	198
Manning costs	1,944	2,357
Royalties	12,627	8,335
Information technology costs	6,130	4,220
Insurance	3,161	2,900
Depreciation of right-of-use assets (Note 6)	12,848	5,287
Auditor's remuneration	350	300
Consultancy fees	110	507
Travel, accommodation and entertainment	970	829
Security	971	816
Municipal taxes	142	92
Other administrative costs	10,860	14,004
	-----	-----
	203,896	151,115
	=====	=====

**18. OTHER EXPENSES**

Net exchange losses (others)	47,470	9,772
Property, plant and equipment written off	11,312	7,732
Sundry expenses	20,805	10,736
	-----	-----
	79,587	28,240
	=====	=====

**19. OTHER INCOME**

Sundry income	355	1,035
Gain on disposal of property, plant and equipment (Note 4(c))	-	2,341
Management fees no longer required*	-	61,371
Bottles and crates sold	-	22,166
	-----	-----
	355	86,913
	====	=====

\* This relates to management fees that was reversed because there was no approval from GIPC for that period.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**20. FINANCE INCOME/COSTS**

	<b>2024</b>	<b>2023</b>
	<b>GH¢'000</b>	<b>GH¢'000</b>
<b>a. Finance income</b>		
Interest on short term fixed deposits	20,984	449
	=====	===
<b>b. Finance cost</b>		
Interest on amounts due to related party	(17,522)	(4,775)
Interest on bank overdrafts	(129)	(3,068)
Interest on lease liabilities	(10,990)	(3,042)
	-----	-----
<i>Interest paid</i>	(28,641)	(10,885)
Interest on intercompany loan	(9,546)	(7,384)
	-----	-----
<i>Interest expense per the statement of cash flows</i>	(38,187)	(18,269)
Net exchange loss on loans	(87,343)	(68,901)
	-----	-----
	(125,530)	(87,170)
	=====	=====

**21. PERSONNEL COSTS**

Employee salaries	54,909	58,431
Defined contribution – provident fund	1,001	1,364
Social security contributions	3,158	2,595
Termination benefits	5,246	3,867
	-----	-----
	64,314	66,257
	=====	=====

*Personnel costs has been charged to profit or loss as follows:*

Cost of sales	17,413	21,638
Administrative expenses	46,901	44,619
	-----	-----
	64,314	66,257
	=====	=====

The number of persons employed by the Company at year end was 351 (2023: 382). Executive Directors' remuneration for the year included in personnel costs above was GH¢ 2,143,798 (2023: GH¢2,883,637).

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**22. RELATED PARTY TRANSACTIONS**

The Company is a subsidiary of Overseas Breweries Limited, a Company incorporated in Switzerland. The ultimate parent and controlling party of the Company is Anheuser-Busch InBev (ABInBev), a Company incorporated in Belgium. Other related parties to the Company, through common shareholding or common directorship, with whom the Company conducted business are: Nile Breweries, ABInBev Africa Pty Limited, MUBEX, SABMiller International B.V, Cervecería Nacional, International Breweries PLC, International Brands, Tanzania Breweries (TBL), ABI Service LLC and ABI Africa BV.

Transactions with these related parties include management services, royalties, purchase of raw materials and spare parts, expense recharges and loans.

(a) *Transactions with related parties*

	<b>2024</b>	<b>2023</b>
	<b>GH¢'000</b>	<b>GH¢'000</b>
<b>Purchases of goods and services</b>		
<i>Goods:</i>		
Mubex	410,996	308,488
	=====	=====
<i>Services – other services</i>		
SABMiller International BV	5,650	4,542
ABI Africa BV	-	1,853
Cervecería Nacional	4,853	2,606
Tanzania Breweries (TBL)	1,565	925
International Breweries PLC	-	579
AB Inbev GCC Services India	379	-
Anheuser-Busch InBev NVSA	114	-
Kgalagadi Breweries Limited	75	-
	-----	-----
	12,636	10,505
	=====	=====
<i>Royalties and management fees</i>		
International Breweries PLC - beta malt royalties	4,838	2,916
International Brands - eagle beer royalties	7,720	4,532
AB Inbev Africa – management fees	61,058	29,276
	-----	-----
	73,616	36,724
	=====	=====
<b>Sale of goods and services</b>		
<i>Sale of old bottles:</i>		
Nile Breweries	-	7,349
	=====	=====
<i>Services - recharges and other services:</i>		
SABMiller International BV	383	134
ABI Africa BV	2,487	1,632
ABI Service LLC	81	-
International Breweries PLC	987	2,425
Tanzania Breweries (TBL)	11	-
Cervejas de Moçambique	1,275	-
	-----	-----
	5,224	4,191
	=====	=====

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

(b) *Year end balances arising from related party transactions*

**(i) Amounts due to related parties:**

	<b>2024</b> <b>GH¢'000</b>	<b>2023</b> <b>GH¢'000</b>
ABI Africa BV	43,997	47,150
International Breweries PLC	561	2,159
Corporate Africa	2,379	20,769
SABMiller International BV	8,495	6,034
Mubex	154,506	222,984
Cervecería Nacional	-	2,605
Tanzania Breweries (TBL)	121	701
Anheuser-Busch InBev NVSA	114	34
Kgalagadi Breweries Limited	26	-
	-----	-----
	210,199	302,436
	=====	=====

**(ii) Amount due from related parties:**

ABI Africa BV	-	194
SABMiller International BV	293	9
International Breweries Pic	4,906	3,869
ABI Service LLC	80	66
Cervejas de Moçambique	1,275	-
	-----	-----
	6,554	4,138
	=====	=====

*Related parties excluding Mubex*

The related party balances are interest free debt with no stated maturity date and are repayable on demand. There are no guarantees on these balances. No amounts were written off during the year and no impairment was recognized on the amount due from related party balances. The balances will be repaid in cash during the ordinary course of business.

*Mubex*

Invoices issued by Mubex are due for payment within 60 days and attract a fixed rate interest of 7.5% per annum on invoices greater than 60 days. No amount was written off during the year and no impairment was recognized on the balance. The balance will be repaid in cash during the ordinary course of business.

(c) *Related party loans*

	<b>2024</b> <b>GH¢'000</b>	<b>2023</b> <b>GH¢'000</b>
Overseas Breweries Limited ( <i>parent company</i> )	346,479	281,662
ABI Africa BV	212,835	165,204
	-----	-----
	559,314	446,866
	=====	=====

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

(c) *Related party loans (cont'd)*

Related party loans are analyzed into current and non-current liabilities based on the time the repayment obligation falls due as follows:

	<b>2024</b> <b>GH¢'000</b>	<b>2023</b> <b>GH¢'000</b>
Current liabilities	346,479	281,662
Non-current liabilities	212,835	165,204
	-----	-----
	559,314	446,866
	=====	=====

**Movement in related party loans**

*ABI Africa BV*

Balance at 1 January	165,204	134,108
Interest expense	9,546	7,384
Exchange loss	38,085	23,712
	-----	-----
Balance at 31 December	212,835	165,204
	=====	=====

The Company obtained an unsecured facility of US\$93 million in 2014 from ABI Africa BV, a related entity. The facility attracts interest at Libor plus 760bps, or 0%, where the Company's EBITDA in respect of each day of the financial year does not exceed US\$50 million. The loan is not secured and is repayable 51 years from 23 April 2014.

*Overseas Breweries Limited*

	<b>2024</b> <b>GH¢'000</b>	<b>2023</b> <b>GH¢'000</b>
Balance at 1 January	281,662	239,431
Exchange loss	64,817	42,231
	-----	-----
Balance at 31 December	346,479	281,662
	=====	=====

The Company obtained an unsecured facility of US\$38.5 million in 2012 from Overseas Breweries Limited to support its working capital. The facility is an interest free debt with no stated maturity date and is repayable on demand.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

(d) *Key management personnel compensation*

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly including any Director (whether executive or otherwise) of the Company. Key management personnel emoluments are as follows:

	<b>2024</b> <b>GH¢'000</b>	<b>2023</b> <b>GH¢'000</b>
Short term employee benefits	8,535	5,354
Post employment benefits	406	318
	-----	-----
	8,941	5,672
	=====	=====

### 23. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

*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.

(i) *Measurement of fair values*

	<u>Carrying amount</u>			<b>Fair value</b> <b>Level 2</b> <b>GH¢'000</b>
	<b>Financial</b> <b>assets at</b> <b>amortised cost</b> <b>GH¢'000</b>	<b>Other</b> <b>financial</b> <b>liabilities</b> <b>GH¢'000</b>	<b>Total</b> <b>GH¢'000</b>	
<b>2024</b>				
<b>Financial assets not measured at fair value</b>				
Trade and other receivables*	16,367	-	16,367	-
Cash and cash equivalents	16,417	-	16,417	-
	-----	-----	-----	
	32,784	-	32,784	
	=====	-----	=====	
<b>Financial liabilities not measured at fair value</b>				
Trade and other payables**	-	419,693	419,693	-
Related party loans	-	559,314	559,314	523,470
Lease liabilities	-	39,068	39,068	-
Bank overdraft	-	278	278	-
	-----	-----	-----	
	-	1,018,353	1,018,353	
	=====	=====	=====	

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

(i) *Measurement of fair values*

2023	<u>Carrying amount</u>			Fair value Level 2 GH¢'000
	Financial assets amortised cost GH¢'000	Other financial liabilities GH¢'000	Total GH¢'000	
<b>Financial assets not measured at fair value</b>				
Trade and other receivables*	8,171	-	8,171	-
Cash and cash equivalents	184,316	-	184,316	-
	-----	-----	-----	
	192,487	-	192,487	
	=====	-----	=====	
<b>Financial liabilities not measured at fair value</b>				
Trade and other payables**	-	485,416	485,416	-
Related party loans	-	446,866	446,866	463,371
Lease liabilities	-	46,019	46,019	-
	-----	-----	-----	
	-	978,301	978,301	
	=====	-----	=====	

\* Excluded from trade and other receivables is withholding tax receivable of GH¢1,538,626 (2023: GH¢ GH¢55,512).

\*\* Excluded from trade and other payables is statutory taxes payable and contract liabilities of GH¢105,443,126 (2023: GH¢62,735,787).

*Fair value – level 2*

The fair value of related party loan was determined based on discounted cash flows. The valuation model considers the present value of the expected future payments, discounted using a risk-adjusted rate.

### Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk
- Capital management

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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*Risk management framework*

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board empowers management to develop and monitor the Company's risk management policies. The Executive Management is assisted in this role by Internal Audit.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly by the executive management to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Management monitors compliance with the Company's risk management policies, ABInBev policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Internal Audit undertakes both regular and adhoc reviews of compliance with established controls and procedures, the results of which are reported to Senior Management of the Company at management meetings.

Management is responsible for managing and analysing the credit risk for each of the Company's new clients before standard payment. The Company mostly sells to customers on cash basis. Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers, government and other related parties as well as cash and cash equivalents and deposits with banks and financial institutions. The amount that best represents the Company's maximum exposure to credit risk is the carrying amount of its bank balances and trade receivables in the statement of financial position.

*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:

	<b>2024</b> <b>GH¢'000</b>	<b>2023</b> <b>GH¢'000</b>
Trade and other receivables	16,367	8,171
Cash and cash equivalents	16,417	184,316
	-----	-----
	32,784	192,487
	=====	=====

*Trade and other receivables*

Amount due from related parties as at year end consists of outstanding invoices for expenses incurred on behalf of related entities. The Company has transactions with its related parties who are related to the Company by virtue of being members of the Group. Payment terms are usually not established for transactions within the Group companies, amounts receivable from members of the Group are not impaired except the member is facing bankruptcy. In the Directors' view, all amounts are collectible. No impairment was recorded with respect to related parties in the current year (2023: Nil).

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

*Trade and other receivables (cont'd)*

Other receivables represent staff loans and advances and sundry receivables. Employees advances are considered to have a minimal to low impairment because they are considered to have a loss given default of zero percent as amounts due from employees are deducted from their gross pay and other entitlements. The Company's exposure to credit risk in respect of sundry receivables is minimised. These are insignificant amounts due on retirement of advances given to staff and sale of sundry items.

The Company establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, especially customers and a collective loss component established for groups of similar assets.

*Cash and cash equivalents*

The Company's maximum exposure held in the form of bank balances amounted to GH¢16,417,442 at 31 December 2024 (2023: GH¢184,315,855). The balances are held with credit-worthy banks regulated by the Central Bank of Ghana.

**Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivable from customers.

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 31 December 2024 and 31 December 2023.

	<b>Average Loss rate %</b>	<b>Gross Carrying Amount GH¢'000</b>	<b>Impairment Loss Allowance GH¢'000</b>	<b>Credit Impaired</b>
<b>2024</b>				
Current	1.42	8,722	(124)	No
1-30 days	22.88	191	(44)	No
31-60 days	37.31	5	(2)	No
61-90 days	-	-	-	No
Above 90 days	91.49	1,993	(1,823)	Yes
		----- 10,911 =====	----- (1,993) =====	
<b>2023</b>				
Current	1.45	2,350	(34)	No
1-30 days	18.18	22	(4)	No
31-60 days	32.36	11	(4)	No
61-90 days	75.00	4	(3)	No
Above 90 days	100.00	2,889	(2,889)	Yes
		----- 5,276 =====	----- (2,934) =====	

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

*Trade and other receivables*

*Expected credit loss assessment for trade and other receivables*

The Company adopts the simplified model approach of IFRS 9 in measuring expected credit losses (ECLs). The ECLs on trade receivables are calculated based on customers estimated lifetime loss rate. Loss rates are calculated under a roll rate method based on the probability of a receivable progressing through the successive stages of delinquency to write off.

Loss rates are based on actual credit loss experience over the past two years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	<b>2024</b> <b>GH¢'000</b>	<b>2023</b> <b>GH¢'000</b>
At 1 January	2,934	3,692
Released to profit or loss	(941)	(758)
	-----	-----
At 31 December	1,993	2,934
	====	====

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company maintains a strong liquidity position and manages the liquidity profile of its assets, liabilities and commitments so that cash flows are appropriately balanced, and all funding obligations are met when due.

The Company evaluates its ability to meet its obligations on an ongoing basis. Based on these evaluations, the Company implements strategies to manage its 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.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**Liquidity risk (cont'd)**

The Company recorded a net current liability position at the reporting date. Anheuser-Busch InBev the ultimate parent has confirmed that it will continue to provide financial support to the Company to enable it to meet its financial obligations as and when they fall due. for twelve months from the date of approval of the 2024 financial statements. The Company also has overdraft facilities with its bankers which it can draw on to pay maturing obligations. Details of bank overdrafts facilities taken on by the Company are disclosed in Note 11 to the financial statements.

The table below analyses the Company's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed below are the contractual undiscounted cash flows.

**31 December 2024**

	<b>Carrying amount GH¢'000</b>	<b>Total GH¢'000</b>	<b>Due within 0-6 months GH¢'000</b>	<b>Contractual liabilities Due within 6-12 months GH¢'000</b>	<b>Due after one year GH¢'000</b>
<b>Non-derivative financial liabilities</b>					
Trade and other payables**	419,693	419,693	419,693	-	-
Related party loans	559,314	1,712,744	-	346,479	1,366,265
Lease liabilities	39,068	60,843	8,561	8,152	44,130
Bank overdraft	278	278	278	-	-
	-----	-----	-----	-----	-----
	1,018,353	2,193,558	428,532	354,631	1,410,395
	=====	=====	=====	=====	=====

**31 December 2023**

<b>Non-derivative financial liabilities</b>					
Trade and other payables**	485,416	485,416	485,416	-	-
Related party loans	446,866	1,392,333	-	281,662	1,110,671
Lease liabilities	46,019	78,784	9,076	8,865	60,843
	-----	-----	-----	-----	-----
	978,301	1,956,533	494,492	290,527	1,171,514
	=====	=====	=====	=====	=====

\*\*Excluded from trade and other payables is statutory taxes and contract liabilities amounting to GH¢105,443,126 (2023: GH¢62,735,787).

*Maturity profile of financial assets*

<b>31 December 2024</b>	<b>Carrying amount GH¢'000</b>	<b>Total GH¢'000</b>	<b>Due within 0-6 months GH¢'000</b>	<b>Due within 6-12 months GH¢'000</b>	<b>Due after one year GH¢'000</b>
<b>Non-derivative financial assets</b>					
Trade and other receivables	16,367	16,367	16,367	-	-
Cash and cash equivalents	16,417	16,417	16,417	-	-
	-----	-----	-----	-----	-----
	32,784	32,784	32,784	-	-
	=====	=====	=====	=====	=====

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

*Maturity profile of financial assets (cont'd)*

<b>31 December 2023</b>	<b>Carrying amount GH¢'000</b>	<b>Total GH¢'000</b>	<b>Due within 0-6 months GH¢'000</b>	<b>Due within 6-12 months GH¢'000</b>	<b>Due after one year GH¢'000</b>
<b>Non-derivative financial assets</b>					
Trade and other receivables	8,171	8,171	8,171	-	-
Cash and cash equivalents	184,316	184,316	184,316	-	-
	-----	-----	-----	-----	-----
	192,487	192,487	192,487	-	-
	=====	=====	=====	=====	=====

**Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company manages market risks by keeping costs low through various cost optimization programs. Moreover, market developments are monitored and discussed regularly, and mitigating actions are taken where necessary.

*Foreign currency risk*

The Company is exposed to currency risk on sales and purchases that are denominated in a currency other than the functional currency. The currencies in which these transactions primarily are denominated are US Dollars (USD), South African Rand (ZAR), British pound (GBP) and EURO. Thus, the exposure to currency risk in that regard is significant. The currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates.

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The Company seeks to reduce its foreign currency exposure by matching, as far as possible assets and liabilities denominated in foreign currencies. Currency exposure arising from liabilities denominated in foreign currencies is managed primarily through holding of bank balances in the relevant foreign currency. In pricing its products, the Company uses the foreign currency amounts as the base price and adds on its profit margin.

*Exposure to currency risk*

The summary quantitative data about the entity's exposure to currency risk as reported to management is as follows.

<b>31 December 2024</b>	<b>US\$'000</b>	<b>Euro'000</b>	<b>ZAR'000</b>
<b>Assets</b>			
Cash and cash equivalents	190	147	1,289
Trade and other receivables	453	-	376
<b>Liabilities</b>			
Trade and other payables	(11,001)	(6,497)	(69,547)
Related party loans	(116,513)	-	-
	-----	-----	-----
Net exposure	(126,871)	(6,350)	(67,882)
	=====	=====	=====

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

*Exposure to currency risk (cont'd)*

The summary quantitative data about the entity's exposure to currency risk as reported to management is as follows.

**31 December 2023**

	US\$'000	Euro'000	ZAR'000	GBP'000
<b>Assets</b>				
Cash and cash equivalents	366	763	52	223
Trade and other receivables	340	-	259	-
<b>Liabilities</b>				
Trade and other payables	(32,086)	(6,559)	(171,249)	-
Related party loans	(116,513)	-	-	-
Net exposure	(147,893)	(5,796)	(170,938)	223

The following significant exchange rates have been applied:

GH¢	Average Rate		Reporting Date	
	2024	2023	2024	2023
USD	14.6546	11.7886	14.7500	11.9760
EURO	15.7690	12.7810	15.2188	13.2407
GBP	0.8020	14.7043	0.7865	15.2401
ZAR	18.7295	0.6388	18.4579	0.6448

*Sensitivity analysis*

**2024**

	USD	EURO	ZAR	GBP
Average	14.6546	15.7690	0.68020	18.7295
Closing	14.7500	15.2188	0.7865	18.4579
% variation of average rate	0.65%	3.49%	1.93%	1.45%
% variation of average rate (rounded)	1%	3%	2%	1%
impact of rate variation on reporting rate	0.15	0.46	0.02	0.18

**2023**

	USD	EURO	ZAR	GBP
Average	11.7886	12.7810	0.6388	14.7043
Closing	11.9760	13.2407	0.6448	15.2401
% variation of average rate	1.59%	3.60%	0.93%	3.64%
% variation of average rate (rounded)	2%	4%	1%	4%
impact of rate variation on reporting rate	0.24	2.74	0.01	0.61

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

*Sensitivity analysis (cont'd)*

The following table shows the effect of a strengthening or weakening of the GH¢ against all other currencies on the Company's profit or loss and equity. This sensitivity analysis indicates the potential impact on profit or loss based upon foreign currency exposures at 31 December 2024 (see "currency risk" above). It does not represent actual or future gains or losses. The sensitivity analysis is based on the percentage difference between the highest daily exchange rate and the average exchange rate per currency recorded in the course of the respective financial years.

A strengthening/weakening of the GH¢, by the rates shown in the table, against the following currencies at 31 December 2024 would have increased/(decreased) profit or loss and equity by the amounts shown below:

This analysis assumes that all other variables, in particular interest rates, remain constant.

in GHS	31-Dec-24			31-Dec-23		
	% Change	Profit or loss/equity impact: strengthening	Profit or loss/equity impact: weakening	% Change	Profit or loss/equity impact: strengthening	Profit or loss/equity impact: weakening
USD	+/- 1	(18,714)	18,714	+/- 2	(35,423)	35,423
EURO	+/- 3	2,899	(2,899)	+/- 4	(10,942)	10,942
ZAR	+/- 2	1,068	(1,068)	+/- 1	(1,102)	1,102
GBP	+/-1	-	-	+/-4	136	(136)

*Interest rate risk*

In managing interest rate risk, the Company aims to reduce the impact of short-term fluctuations in earnings.

Dividend pay-out practices seek a balance between giving good returns to shareholders on one hand and maintaining a solid debt/equity ratio on the other hand.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:

	Carrying amounts	
	2024 GH¢'000	2023 GH¢'000
<b>Fixed rate instrument</b>		
Amount due to related party (Mubex)	154,506 =====	222,984 =====
<b>Variable rate instrument</b>		
Bank overdraft	278	-
Related party loan	212,835	165,204
	----- 213,113 =====	----- 165,204 =====

*Fair value sensitivity analysis for fixed rate instrument*

The Company does not account for fixed rate financial liabilities at fair value through profit or loss account therefore changes in interest rates are not expected to affect profit or loss.

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

*Sensitivity analysis for variable rate instrument (cont'd)*

A change of 100 basis points in interest rate at the reporting date would have increased (decreased) profit or loss, as well as equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

The analysis is performed on the same basis for 31 December 2023.

<b>Effect in cedis</b>	<b>Profit or loss</b>		<b>Equity, net of tax</b>	
	<b>100bp Increase GH¢'000</b>	<b>100bp Decrease GH¢'000</b>	<b>100bp Increase GH¢'000</b>	<b>100bp Decrease GH¢'000</b>
<b>31-Dec-24</b>				
Variable rate instrument	(4)	4	(3)	3
<b>31-Dec-23</b>				
Variable rate instrument	(119)	119	(89)	89

*Capital Management*

The Board's policy is to maintain a strong capital base so as to maintain continuity of operations in order to provide a return to the shareholders, provide benefits for the other stakeholders, and maintain an optimal capital structure to reduce cost of capital and to sustain future development of the business. To maintain or adjust its capital structure, the Company can adjust the amount of dividends paid to shareholders or issue new shares as it may deem fit.

There were no externally imposed capital requirements. There were also no changes to what the entity manages as capital and the strategy for capital maintenance.

In accordance with industry practice, management closely monitors its capital by controlling its debt ratio. This ratio represents net debt to total equity capital. Net debt is total liabilities as shown in the statement of financial position, less cash and bank balances. The Company's net debts to equity at 31 December 2024 and 31 December 2023 were as follows:

	<b>2024 GH¢'000</b>	<b>2023 GH¢'000</b>
Total liabilities	1,150,106	1,082,535
Bank balances	(16,417)	(184,316)
Net debt	1,133,689	898,219
Total equity	48,408	159,839
Net debt to equity ratio	23.42	5.62

**ACCRA BREWERY PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

**24. CAPITAL COMMITMENTS**

There were no capital commitments at the reporting date (2023: Nil).

**25. EVENTS AFTER REPORTING PERIOD**

The Directors are not aware of any material event which occurred after the reporting date and up to the date of this report which has not been recognised or disclosed.

**26. GOING CONCERN CONSIDERATION**

The Company reported a loss of GH¢ 112.54 million (2023: GH¢61.79 million) for the year ended 31 December 2024. At that date, the Company's current liabilities exceeded its current assets by GH¢678.72 million (2023: GH¢535.87 million). A substantial part of the Company's liabilities is due to its related parties.

Anheuser-Busch InBev (ABInBev), the Ultimate Parent Company, has confirmed that it will continue to provide financial support to the Company to enable it to meet its financial obligations as and when they fall due. Based on confirmation and assurance of continued financial support by the Ultimate Parent Company, the Directors expect the Company to continue as a going concern, realising its assets and discharging its liabilities in the normal course of business.

In addition, the Directors also intend to identify new lines of business, driving and challenging costs and attracting new customers. Subsequent to the reporting date, the Company has begun reporting profits on account of these plans.

Accordingly, the financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis assumes that funds will be available to finance future operations of the Company and the realisation of assets and the settlement of liabilities would occur in the normal course of business.



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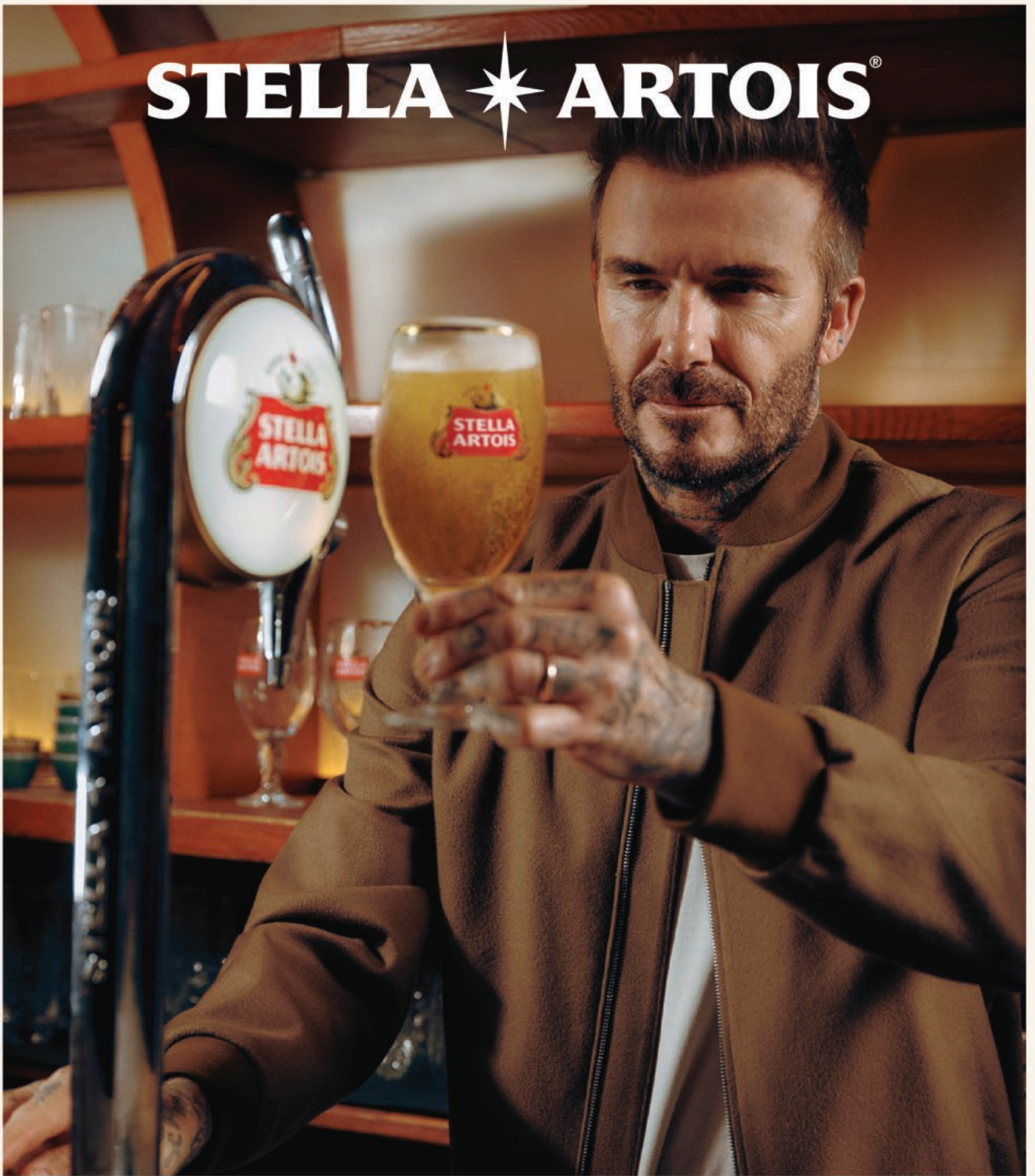
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