



**ACCRA HEARTS OF OAK
SPORTING CLUB LIMITED**

ANNUAL REPORT AND FINANCIAL STATEMENTS
2019/2020

Phobia-Never Say Die!



Hearts of Oak players posing for a friendly match.



Hearts of Oak players celebrating a goal.



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COMPANY INFORMATION

Directors	Togbe Afede XIV - Chairman Dr. Nyaho Nyaho-Tamakloe Frank Nelson Nwokolo Prof. Kofi Kumado Justice Ivy Heward-Mills Alhassan Andani Thomas Kwesi Easo Elvis Hermann Hesse Alhaji Amadu Moro Briamah Hon. Vincent Sowah Odotei Fredrick Moore – M D
Auditors	Prah-Ameyaw and Co. Chartered Accountants & Tax Consultants 7 Official Street Adabraka – Accra P. O. Box GP4134 prahameyaw2020@yahoo.com Tel: 0289110134 / 0285077899 Fax: 302-257679
Registered Office	Phobia House No. 13 Sobukwe Road Farrar Avenue, Adabraka P. O. Box 2175, Accra, Ghana
Registrars	NTHC Limited Martco House P. O. Box KIA 9563 Accra, Ghana
Bankers	Bank of Africa Limited Stanbic Bank Limited Ghana Trust Bank
Country of incorporation	Ghana
Company registration number	C - 52,725
Sponsors	Ghana Oil Company Ltd

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Shareholders of Accra Hearts of Oak Sporting Club Limited will be held at the Civil Servant's Auditorium, Ministries - Accra on Wednesday, th, 2021, at 9:00 a.m. to transact the following ordinary business.

AGENDA

1. To receive the Financial Statements for the year ended 30th June, 2019, and the reports of the Directors and Auditor's thereon.
2. To approve the remuneration of the Directors.
3. To authorize the Directors to negotiate and determine the remuneration of the Auditors.

Dated 15th March, 2021

BY ORDER OF THE BOARD

(Board Secretary)

NOTE

A member of the company entitled to attend and vote may appoint a proxy to attend and vote instead of him/her. A proxy need not be a member of the company. A proxy form is provided in the Annual Report. For a form of proxy to be valid for the purpose of the meeting, it must be completed and deposited at the **Registered Office of the Company or the Registrar's Office, NTHC Limited, Martco House, No. D542/4, Okai Mensah Link, Adabraka, Accra, P.O.Box 9563, Airport, Accra** not less than 48 hours before the appointed time of the meeting.



A scene from Hearts-King Faisal encounter at the Accra Sports Stadium



THE BOARD OF DIRECTORS

PROFILE OF BOARD MEMBERS:



Togbe Afede XIV (Executive Board Chairman) – Togbe Afede XIV is the Agbogbomefia of the Asogli State, President of the Volta Regional House of chiefs. He was the immediate past President of the National House of Chiefs,

Togbe Afede XIV is a business executive and the CEO of SAS Finance Group Limited and Strategic Initiative Limited. He is an investment banker with experience spanning over twenty-eight (28) years. He holds a Bachelor of Science Degree in Business Administration from the University of Ghana business school-Legon-Ghana. He also holds an MBA from the prestigious Yale University of Management-USA. He serves on the Boards of African Fertilizer and Agribusiness partnership, Aluworks Limited, Accra World Trade Centre Limited, African World Airlines Limited, Ensign College of Public Health, Pioneer Kitchenware Limited, SAS Finance Group Limited, Strategic Initiative Limited, the Sunon Asogli Power Limited and the National Investment Bank (NIB).



Frank Nelson Nwokolo – Frank Nelson is a renowned businessman with Technical knowledge in football and has supported the club in various capacities.

He first joined the Board in 2005 and played pivotal roles in all activities. In 2008/2009 he was the Vice Chairman of the Interim Management Committee (IMC) that won the Glo Premier League title. He was once in charge of the club’s Youth Development. He was once a member of the Executive Committee of the Ghana Football Association (GFA).



Dr. Nyaho Nyaho-Tamakloe – Dr. Nyaho-Tamakloe is a medical Doctor and a former CEO of Hearts of Oak. He was also the Chairman of the Ghana Football Association from 2004-2005. He was Ghana’s Ambassador to Serbia from 2006-2008 and represents council of patrons of Hearts of Oak on the Board. He has extensive experience and understanding of the game of football in Ghana and beyond.



Hon. Vincent Sowah Odotei – Hon. Sowah Odotei was Ghana’s deputy Communications Minister and a member of parliament (MP) for La Dade Kotopon Constituency from 2016 – 2020.

He is a football Administrator and has vast knowledge in Strategic Management and Finance. He owns Vallex Leasing Company Limited, a leading equipment Company in Ghana. He was the C E O of the Club in 2008.



Alhaji Imoro Briamah – Alhaji Imoro Briamah is a retired banker and the club’s representative on the Professional League Board (PLB) and a former National Chapters Committee Chairman.

He is a business investor and holds directorate roles in numerous companies which includes Prestime Investment Company Limited, Community Uplift (NGO), Skygipsy Travel & Tours and Skygipsy Construction Company Limited.



Professor Kofi Kumado – Professor Kofi Kumado is a Professor of Law at the University of Ghana and a former Vice Chairman of the Ghana Football Association (GFA). He has been on the Hearts Board since 2005.



Ivy Heward Mills – Ivy Heward Mills is a former member of the Ghana judiciary and a keen fan of the club. She was also a member of the Council of Patrons and a representative of the Hearts Ladies club on the Board. She plays various benevolent roles to keep the ladies club vibrant.



Alhaji Alhassan Andani – Alhaji Andani is the Managing Director of Stanbic Bank Ghana and once the chairman of the Savannah Accelerated Development Authority (SADA). Alhaji Andani holds a Bachelor of Science Degree from the University of Ghana, a Master's Degree in Banking & Finance from FINAFRAKA-Milan-Italy. He has held various responsible positions in various Banks in Ghana including Deputy Managing Director, Director, and Extended Coverage content for Barclays Bank Ghana and South Africa respectively.



Thomas Kwesi Esso – Thomas Esso joined the Strategic African Security in 2014 to oversee the operations of SAS investment Management and had broad responsibility to re-strategize the business operations of SAS Finance Group in general.

He has over 18 years working experience in auditing, accounting, taxation and investment banking. He worked with Databank Group of Companies for over 10 years. Thomas Esso is a chartered Accountant and holds an Executive MBA from the University of Ghana-Legon. He is currently the CEO of Beige Bank.



Frederick Moore – Frederick Moore joined Hearts from AJS Consulting where he helped set up various business market platforms to support the retail industry and provided business advice to start-ups. He once worked as the CEO of the Institute of Chartered Accountants, Ghana between 2013 to 2016. He also worked in the financial industry in the United Kingdom for several years.



Elvis Herman Hesse Jnr – Elvis Herman Hesse Jnr is an immigration officer and currently the Chairman of the club's supporter's wing, the National Chapters Committee (NCC). He represents the supporters on the Hearts Board.





CHAIRMAN'S REPORT FOR THE YEAR ENDED 2019/20

INTRODUCTION

On behalf of the Board of Directors, I am happy to present to you Accra Hearts of Oak SC Annual Report and Financial Statements for the year ended June 30, 2020, intended to inform stakeholders of the current state of the Club and finally, to update you on projections into the future of the Club.

The significance of the Annual Report and Financial Statements is to inform the various stakeholders of the club about the state of the Club as at the reporting date and the steps being taken by the Board of Directors towards bringing the Club to higher technical standards in a financially sustainable manner.

2019/2020 FOOTBALL SEASON – A GENERALLY FRUSTRATING SEASON

Dear stakeholders, the 2019/2020 football season was very frustrating for the entire Ghanaian football fraternity due to the protracted effect of the Anas revelations which resulted in a delay to the start of the season's league. These revelations which were made in June, 2018 had a chain of effects, causing an abrupt end to the 2017/18 season and, also, interrupting the start of the 2018/19 season - the reason for the Novelty League during the latter season. Even though calm was restored after the Novelty League, the GFA had to go into elections to choose their President and other executives to steer its affairs. This happened in November 2019 and the season's league which was to start months back only started late December, 2019.

The challenges notwithstanding, the Board is still committed to its vision of making the Club a successful one in the very near future. This is why we have not relented in supporting the club with the needed financial and needed resources.

The country failed to witness a full football league during the 2017/18 and 2018/19 seasons due to the Anas revelations. It was, therefore, a

joy to all football clubs when it became evident that there was going to be a normal league for the 2019/2020 season after the GFA's congress which followed the elections in November 2019.

The stakes were high for the club and the board, considering the promising performance in the NC competition a few months back. Thus, the Board's desire to push harder to ensure that the team improved the standard demonstrated in that competition. So, all necessary logistics were organized for them to help them deliver. The team had a two-week pre-season camping in Cape Coast. These involved a huge financial outlay, but the board was poised to motivating and energizing the team for the season.

Twenty-seven players were registered in all to start the season. Despite the efforts put in by the Board and the Management, the team started the league at a slow pace and were lying mid-table after the first twelve matches. True to their never say die attitude, the board gave further support to the technical team to beef up the squad, leading to the arrival, during the second window, of the likes of Mamani Abdulrahman Mamane, a Nigerian midfielder, Nuru Sulley, a former player of the Club who had returned from the international scene and Abednego Tetteh.

Unfortunately, after the registration and the increased financial commitment, the country was locked down by the government at the height of the Covid 19 Pandemic. This resulted in the suspension of the league for months and the league was eventually truncated once again. A heartbreaking news once again to the football fraternity especially, club owners.

THE JUNIOR TEAMS / ACADEMY PROJECT

A major strategic objective of the board, as we all know, is for the club to own a sports academy sooner than later. It is our plan that the academy scheme is started with the existing Auroras and



Royal Oaks players. Currently, thirty players have registered with the Auroras team. There are discussions with international experts and academy specialists on how the scheme should be operating. Staffing for the academy is also being considered to ensure that the programme starts as soon as the project is completed.

As already announced, you are aware, the club signed an agreement with Prefabex Company, a Turkish Construction Company, to put up the building facilities of the said project. At the time of this report, the buildings were under construction, and about 80% complete. The effects of COVID-19 were still lingering and posed a great challenge though.

The Club signed a Line of Credit (LC) and Loan Agreements with Ghana Trust Bank (GTB) for the funding of this all-important project, with Strategic Initiatives Ltd providing the required guarantees.

RIGHTS ISSUE

The recent happenings in the Ghanaian league, the cancellation of 2017/18 and the truncation of the 2019/20 league, have woefully impacted the Club's finances worsening its burden on the majority shareholding company, SAS. To ensure that the Club moves away from this conundrum and becomes self-reliant, the board, among other possibilities, decided on a rights issue of shares as the best option for raising urgently needed cash.

Application for the issue was sent to the Security and Exchange Commission and is being considered. We want to assure you of this happening despite the delays caused by happenings in the football environment. I ask you to prepare to seize the opportunity and invest when the time comes. Please note that the success of the rights issue is highly tied to your participation.

COMMERCIAL ACTIVITIES/SPONSORSHIP

Commercially, the team has performed below par over the past years. This has been one of the major worries of the board despite our constant efforts to find a lasting solution to it. Currently,

a Marketing Manager has been engaged to spearhead the agenda of exploring the benefits of all the commercial avenues in football. The increased efforts have resulted in a partnership deal with Star Assurance and Starlife Insurance companies under which the club earns a percentage of all insurance premiums paid under the club's scheme. We advise that you patronize the various insurance schemes associated with the club. We also edge you to show appreciation to GOIL for their financial support over the past years by patronizing their products as well.

STRENGTHENING OF THE ADMINISTRATION / MANAGEMENT

The Board has always wished to have a good management team to implement its policies. This vision saw the appointment of Mr Fredrick Moore, a Chartered Accountant, as the CEO to replace Mark Noonan who exited in February 2019. Unfortunately, Fredrick Moore's two-year term came to an abrupt end just before it expired, when he announced his decision to leave for family reasons.

The Club is working on his replacement. Meanwhile, there have been two more additions to the team to help raise the standard of work in the office. The Board is putting in all these measures and changes to ensure that the club performs to expected standards both on and off the field.

FINANCIAL PERFORMANCE

Whilst the Club's revenues have been stagnant, its expenditures keep growing year after year. This deepens the Club's reliance on loans to finance mostly recurrent expenditure including salaries. Below is the financial summary for the year under discussion.

Revenue for 2019/2020 was GH¢1,580,473, 1.52% less than that of the previous year of GH¢1,604,811. Total Income was GH¢1,593,743, insignificantly falling short of the previous year's figure of GH¢1,605,426 by 0.73%. Direct expenses increased from GH¢1,866,669 in 2018/19 to GH¢3,308,479 representing 77.24% increase.



General and Administrative Expenses, however, decreased from GH¢1,886,669 in 2018/19 to GH¢1,231,128 resulting in 34.75% downward change. Annual Finance Cost has been rising due to the capitalization of unpaid interest as well as additional loans.

The cumulative effect of these was a loss before other comprehensive income of GH¢8,511,133 compared to GH¢7,427,498 during the 2018/19 financial year. There was a total gain of GH¢6,169,206 from the revaluation of the club's secretariat and the Pobiman land. This reduced the total loss for the year from GH¢8,511,133 to GH¢2,341,927.

Total Assets stood at GH¢8,482,943 compared to GH¢2,437,269 at the end of 2018/19, an increase of 348.1% mainly due to the revaluation gain. There was a 28.5% increase in Total Liabilities from GH¢30,049,236 at the end of 2018/19

to Ghs38,617,199 at the end of 2019/20. Total Shareholders' Funds worsened by 9.2% from (GH¢27,611,967) in 2018/19 to (GH¢30,134,246) at the end of 2019/20.

CONCLUSION

I would like to end by thanking the Board members, shareholders, sponsors and supporters of the Phobia family for your unwavering support at all times to the great oak tree which never says die. We should all come together wholeheartedly to help push this our club to become greater than we met it.

Sincerely yours,

Togbe Afede (XIV)
Executive Chairman



Salifu Ibrahim works hard to gain control over his opponent in the Bechem match



REPORT OF THE DIRECTORS

The Directors submit their report and audited financial statements of the Club for the year ended 30th June, 2020.

DIRECTORS RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation of the Club’s financial statements for the financial year, which give a true and fair view of the state of affairs of the Club, the comprehensive income statement and cash flows for the year. In preparing these financial statements, the Directors have selected and applied consistently suitable accounting policies, made judgments and estimates that are reasonable and prudent and followed International Financial Reporting Standards. The Directors have made an assessment of the Club’s ability to continue as a going concern and have no reason to believe the Club will not be a going concern in the year ahead.

SUMMARY OF FINANCIAL STATEMENTS

	GH¢
Loss for the period ended 30 th June, 2020 was	(8,511,133)
From which is deducted taxation of	-
Leaving a balance carried forward of	(8,511,133)
To which has been added the balance brought forward on Retained Earnings (Income Surplus) of	<u>(30,456,261)</u>
Leaving a balance carried forward on Retained Earnings (Income Surplus Account) of	(38,967,394)
	=====

The Directors do not recommend the payment of dividends.

NATURE OF BUSINESS

The club has been registered to engage in the act of playing association football and other games or sporting activities, as well as, investing to generate income for the running of the Club.

There was no change in the nature of business of the Club during the year.

AUDITORS

In accordance with Section 134(5) of the Companies Code, 1963 (Act 179) the Auditors Messrs. Prah-Ameyaw & Co. will continue in office.



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DIRECTOR



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DIRECTOR



Patrick Razak shoots at goal against Wafa



Fans watching keenly as we defeated Bechem at their home grounds.



CORPORATE SOCIAL RESPONSIBILITY

The Club could not live up to expectation in this regard but hope to deliver in the years ahead.



Manaf Gumah dribbles past Gama in an away match to kotoko.



Ovouka on the move for a goal.



INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the financial statements of Accra Hearts of Oak Sporting Club Limited which comprise the statement of financial position as at 30th June, 2020, the statement of comprehensive income, changes in equity, and cash flows for the year then ended, and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes as set out on pages 19 to 26.

Directors' Responsibility for the Financial Statements

The Club's Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Code, 1963 (Act 179), and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to obtain reasonable assurance about whether the financial statements are free from material misstatement due to fraud or error and issue Auditor's report including our opinion. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Accra Hearts of Oak Sporting Club Limited as at 30th June 2020, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Code, 1963 (Act 179).

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Companies Act, 2019 (Act 992).

In compliance with the requirements of 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, and the statements of financial position, the statement of comprehensive income and the statement of changes in equity are in agreement with the books of account.



The Club's transactions were within its powers.

.....

Edmond Vanderpuje- partner
(ICAG/P/1032/2021)
PRAH-AMEYAW AND CO.
CHARTERED ACCOUNTANTS AND TAX CONSULTANTS
P.O. BOX GP 4134
ACCRA



FINANCIAL STATEMENTS

ACCRA HEARTS OF OAK SPORTING CLUB LIMITED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE, 2020

	NOTES	2020 GH¢	2019 GH¢
Revenue	13(a)	1,580,473	1,604,811
Direct expenses	13(b)	<u>(3,308,479)</u>	<u>(1,866,701)</u>
Gross Loss		<u>(1,728,006)</u>	<u>(261,890)</u>
Other Income	14	13,270	615
General & administrative expenses	15	1,231,128	(1,886,669)
Loss before interest & tax		<u>(2,945,864)</u>	<u>(2,147,944)</u>
Finance cost		(6,154,104)	(5,279,554)
Income tax expense		-	-
(Loss)/Profit after tax		<u>(9,099,968)</u>	<u>(7,427,498)</u>
Other comprehensive income	16	6,169,206	-
Total comprehensive income for the year		<u>(2,930,762)</u>	<u>(7,427,498)</u>
Basic earnings per share	3(e)	(1.7787)	(1.4518)
Diluted earnings per share		(1.7787)	(1.4518)



ACCRA HEARTS OF OAK SPORTING CLUB LTD
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE, 2020

	NOTES	2020 GH¢	2019 GH¢
ASSETS			
Non-Current Assets:			
Investment in Players	5	615,836	649,786
Property and Equipment	7	6,717,680	693,756
Pobiman WIP		325,883	-
		7,659,399	1,343,542
Current Assets			
Prepayment		10,200	756,885
Inventory		330,022	-
Receivables		367,623	955,435
Cash and Bank Balances		115,709	138,292
		823,554	1,093,727
		8,482,953	2,437,269
<u>EQUITIES & LIABILITIES</u>			
Liabilities			
Payables	8	1,251,475	841,437
Loans	9	37,185,372	29,207,799
		38,436,847	30,049,236
Capital & Reserves:			
Stated Capital	11	2,555,676	2,555,676
Retained Earnings		(38,967,394)	(30,456,261)
Capital Surplus	12	6,457,824	288,618
Shareholder's Fund		(29,953,894)	(27,611,967)
TOTAL EQUITY/LIABIL		8,482,953	2,437,269

.....
 Director

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 Director



ACCRA HEARTS OF OAK SPORTING CLUB LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH JUNE, 2020

	NOTES	2020 GH¢	2019 GH¢
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(Loss) per Accounts		(2,945,864)	(2,147, 944)
Depreciation		162,208	30,280
Amortization		790,850	261,637
Exchange Loss		339,916	325,585
Working Capital Adjustments:			
(Increase)/Decrease in Prepayments		746,685	(721,865)
(Increase)/Decrease in Inventory		(330,022)	-
Increase/(Decrease) in receivables		(169,073)	290,315
Increase/(Decrease) in Payables		410,038	183,200
Gain from sale of players		-	(720,761)
Net Cash Inflow/ (Outflow) from operating activities		<u>(995,262)</u>	<u>(2,499,553)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Property and Equipment Acquired	7	(16,926)	(145,369)
WIP		(325,883)	-
Investment in Players	5	(756,900)	(74,600)
Proceeds from sale of Players		-	<u>720,761</u>
Net cash flow from investing activities		<u>(1,099,709)</u>	<u>500,792</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Loans		2,072,388	2,076,098
Net Cash Inflow from Financing Activities		2,072,398	2,076,098
Net Increase/(Decrease) in Cash and Cash Equivalents		(22,583)	77,337
Cash and Cash Equivalents at the beginning of the period		<u>138,292</u>	<u>60,955</u>
		-	
Cash and Cash Equivalents at the end of the period		<u>115,709</u>	<u>138,292</u>

.....
 Director

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 Director



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2020

1. REPORTING ENTITY

Accra Hearts of Oak Sporting Club Limited is a Limited Liability Company incorporated in Ghana. The address and registered office of the Company can be found on page 4 of this report.

2. BASIS OF PREPARATION

(i) Statement of Compliance

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and its interpretations as issued by the International Accounting Standards Board (IASB).

(ii) Basis of Measurement and Presentation

The Financial Statements are presented in Ghana Cedis (GH¢) and prepared on the historical cost basis, including the revaluation of certain fixed assets (Note 7 (b)).

(iii) Use of Estimates and Judgments

The preparation of Financial Statements in conformity with IFRS requires that management make judgments, assumptions and estimates that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under circumstances. Actual results may however differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognized in the period in which the estimates are revised or in a future period as appropriate.

3. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Club's Financial Statements.

(a) Player Valuation

Players are valued at purchase price and inducement fee paid and amortized over the period of the contract. Old players are revalued based on age and performance.

(b) Depreciation

Depreciation has been provided on the straight line basis at rates calculated to amortize the values of Fixed Assets to their estimated realizable values at the end of their useful lives.

The rates applicable are as follows:-

Freehold Land	..	Nil
Building	..	3% per annum



Motor Vehicle	..	20% per annum
Equipment	..	10% per annum
Computers	..	20% per annum

(c) Stationery

Stationery is written off in the year of purchase.

(d) Foreign Exchange Translation

Transactions denominated in foreign currencies are translated into Cedis at the rate of exchange ruling on the dates of the transactions. Balances on the Balance Sheet date are converted into Cedis at the rate of exchange ruling on that date. Gains or losses arising on such transactions are dealt with in the Income Statement.

(e) Earnings Per Share

The Club presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the club by the weighted average number of ordinary shares outstanding during the year. The club has neither share options nor convertible notes which could potentially dilute its EPS and therefore the basic and diluted EPS are essentially the same.

4. Cash & Bank Balances

	2020	2019
	GH¢	GH¢
Current Account	110,851	135,504
Cash on Hand	4,858	2,788
	<u>115,709</u>	<u>138,292</u>

5. Intangible Assets

Net Book Value b/f	978,500	948,900
Amount Invested in Acquisition of Players/Team during the year	756,900	74,600
Disposal	-	45,000
Less: Utilised / Amortised during the year	(1,119,564)	(328,714)
Net Book Value c/f	<u>615,836</u>	<u>978,500</u>

6. Receivables

Goil	272,500	102,500
GHALCA	45,000	21,000
Staff debtors	47,690	75,050
Sundry Debtors	2,433	-
	<u>367,623</u>	<u>198,550</u>



7. Property, Plant and Equipment Schedule

Assets	Freehold Land & Building GH¢	Motor Vehicles GH¢	Furniture & Equipment GH¢	Computers & Accessories GH¢	Total GH¢
Cost/Revaluation 1/7/2019	604,646	526,840	132,902	53,347	1,317,735
Additions	-	3,230	8,500	5,196	16,926
Addition Due To Revaluation	7,794,272	-	-	-	7,794,272
Cost/Revaluation 30/6/2020	8,398,918	530,070	141,402	58,543	9,128,933
Depreciation					
Balance @ 1/7/2019	133,052	403,350	57,302	23,888	593,699
Charge for the year	79,768	34,745	32,920	14,775	162,208
Addition due to revaluation	1,625,066	-	-	-	1,625,066
Balance @ 30/6/2020	1,837,886	438,095	90,315	44,957	2,411,253
Net Book Value 30/6/2020	6,561,032	91,975	51,087	13,586	6,717,680
Net Book Value @ 30/6/2019	471,594	123,490	75,507	23,165	693,756

8. The Club's Secretariat and Pobiman Land were professionally revalued during the year. The revalued figures have been incorporated into the Club's financial statement resulting in the gain above..

9. Loan

This represents outstanding loans owed to some Directors of the Club and Corporate Institutions. **37,185,372** **29,207,799**

10. Payables

Sundry Creditors	140,062	120,133
Accruals	<u>1,111,413</u>	<u>721,304</u>
	<u>1,251,475</u>	<u>841,437</u>

11. Stated Capital

The Club is registered with 100,000,000 (2014 - 100,000,000) Ordinary Shares of no par value out of which 5,116,033 (2017 - 5,116,033) have been issued as follows:

	No. of Shares	Value GH¢
Consideration for Cash	<u>5,116,033</u>	<u>2,555,676</u>

There are no shares in treasury.

**12. Capital Surplus**

	Total GH¢
Balance b/f	288,618
Revaluation Gain	6,169,206
Balance c/f	<u><u>6,457,824</u></u>

The above represents surpluses accruing from the revaluation of the Club's Secretariat and Pobiman Complex.

13. Revenue

	2020 GH¢	2019 GH¢
Match Proceeds	731,556	414,050
Sponsorship	327,400	470,000
Less retransfer/Agency Fees	-	720,761
Sales Revenue	521,517	-
	<u><u>1,580,473</u></u>	<u><u>1,604,811</u></u>

13 b. Direct expenses

Cost of sales	385,767	-
Salaries	1,495,432	206,124
Rent	121,393	1,053,631
Amortization	790,850	261,237
Match expenses	236,855	234,357
Training expenses	96,350	14,861
Other Junior team expenses	72,284	58,974
Other direct exps	109,579	37,117
	<u><u>3,308,479</u></u>	<u><u>1,866,701</u></u>

14. Other Income

Phobia for life contn/others

Note that the phobia for life contribution in 2020 yielded Ghs13,070

13,270

615

15. Included in General and Administrative Expenses are:

Directors Remuneration	228,050	496,373
Exchange Loss	339,916	325,585
Legal fees & expenses	4,438	12,663
Audit Fees	11,814	9,060
Depreciation	162,208	30,280
	<u><u>746,426</u></u>	<u><u>873,961</u></u>



16. Other Comprehensive Income

		2020	2019
		GHC	GHC
Revaluation	Gain	6,169,206	-

17. Statement of Changes in Equity

	Retained Earnings	Capital Surplus	Stated Capital	Total
	GHC	GHC	GHC	GHC
2020				
Balance as at 01/07/19	(30,456,261)	288,618	2,555,676	(27,515,875)
Change in Equity	(8,511,133)	-	-	(8,511,133)
Revaluation Gain		6,169,206		6,169,206
Balance as at 30/06/20	<u>(38,967,394)</u>	<u>6,457,824</u>	<u>2,555,676</u>	<u>(29,953,894)</u>
2019				
Balance as at 01/07/18	(23,028,763)	288,618	2,555,676	(20,136,423)
Change in Equity	(7,427,498)	-	-	(7,427,498)
Balance as at 30/06/19	<u>(30,456,261)</u>	<u>288,618</u>	<u>2,555,676</u>	<u>(27,515,875)</u>



SHAREHOLDERS' INFORMATION

Details of Shareholders as at 30th June, 2020

No.	Name of Shareholder	Number of Shares	% of Holding
1	Strategic African Securities Ltd.	2,000,000	39.09%
2	Strategic Initiatives Ltd.	1,505,190	29.42%
3	Nwokolo Nelson Frank	401,785	7.85%
4	Ahwoi Ato Kwamena	397,200	7.76%
5	Estate of Nana Wereko Ampem II	100,000	1.95%
6	Amissah-Arthur Kwesi	40,000	0.78%
7	Commodore Mensah Emmanuel Martey	40,000	0.78%
8	Nii Ayi-Bonte II (Gbese Mantse)	40,000	0.78%
9	Crentsil Fred	30,500	0.60%
10	Adzroe Grace Francisca	20,000	0.39%
11	Addison Philip Kojo Addo	10,000	0.20%
12	Kumado Kofi	10,000	0.20%
13	Thompson Ernest	10,000	0.20%
14	Akwetey Stephen Bortey	10,000	0.20%
15	Adzroe Grace Francisca	10,000	0.20%
16	Dzamefe Emmanuel Kafui	10,000	0.20%
17	Akuley Frank	5,680	0.11%
18	Dr. Crenstil George Ben	5,000	0.10%
19	Accra Hearts of Oak Greater Accra Regional Chapter	4,200	0.08%
20	Addo Daniel Amuyaw	4,000	0.08%
	Top 20 Total	4,653,555	90.96%
	Others	462,478	9.04%
	Total	5,116,033	100%

Directors' shareholding	No of shares	% holding
Frank Nwokolo Nelson	401,785	7.85
Prof. Kofi Kumado	10,000	0.20
Alhassan Andani	4,000	0.08
Dr Nyaho Nyaho-Tamakloe	3,000	0.06
Thomas Easo	700	0.01
Total	419,485	8.20

Shareholding Distribution

Holdings	No. of shareholders	No. of shares
1 - 1,000	1,553	353,720
1,001 - 5,000	50	121,958
5,001 -10,000	7	65,680
Over 10,000	10	4,574,675
	1,620	5,116,033



FIVE YEARS FINANCIAL SUMMARY

INCOME STATEMENT FROM 2016

	2020	2019	2018	2017	2016
	GHC	GHC	GHC	GHC	GHC
Revenue	1,580,473	1,604,811	1,017,492	1,281,075	894,846
Other Income	13,070	615	27,860	-	-
Total Revenue	1,593,543	1,605,426	1,045,352	1,281,075	894,846
Dir, Gen & Admin Exps.	(4,539,607)	(3,753,370)	(2,592,326)	(3,123,135)	(2,912,273)
Loss before interest & tax	(2,945,864)	(2,147,944)	(1,546,974)	(1,842,060)	(2,017,427)
Finance cost	(5,565,269)	(5,279,554)	(3,693,285)	(2,665,893)	(1,701,254)
Income tax expenses	-	-	-	-	-
(Loss)/Profit after tax	(8,511,133)	(7,427,498)	(5,240,259)	(4,507,953)	(3,718,681)
Other comprehensive income	6,169,206	-	-	-	-
Total Comprehensive Income	<u>(2,341,927)</u>	<u>(7,427,498)</u>	<u>(5,240,259)</u>	<u>(4,507,953)</u>	<u>(3,718,681)</u>

INCOME SURPLUS ACCOUNT - 5 YEARS FROM 2016

	2020	2019	2018	2017	2016
	GHC	GHC	GHC	GHC	GHC
Balance at 01/07 of each year	(30,456,261)	(23,028,763)	(17,788,504)	(13,280,551)	(9,561,870)
Profit/Loss for the period	(8,511,133)	(7,427,498)	(5,240,259)	(4,507,953)	(3,718,681)
Balance at 30/06 of each year	<u>(38,967,394)</u>	<u>(30,456,261)</u>	<u>(23,028,763)</u>	<u>(17,788,501)</u>	<u>(13,280,551)</u>

**Statement of Financial Position for five years from 2016**

Assets	2020	2019	2018	2017	2016
Non-Current Assets:	GHC	GHC	GHC	GHC	GHC
Tangible fixed assets	6,717,680	693,756	578,667	592,459	612,265
Intangible fixed assets	615,836	649,786	836,823	389,328	346,250
WIP	325,883	-	-	-	-
	7,659,399	1,343,542	1,415,490	981,787	958,515
Currents Assets:					
Trade & oth receivables	367,623	198,550	523,885	435,280	460,640
Inventory	330,022	-	-	-	-
Prepayment	10,200	756,885			
Cash & bank balances	115,709	138,292	60,955	69,409	30,180
	823,554	1,093,727	584,840	504,689	490,820
Total Assets	<u>8,482,953</u>	<u>2,437,269</u>	<u>2,000,330</u>	<u>1,486,476</u>	<u>1,449,335</u>
Current Liabilities:					
Trade & other payables	1,251,475	841,437	658,237	1,447,963	1,092,654
Short term loans	37,185,372	29,207,799	21,526,562	14,982,723	10,646,990
	38,436,847	30,049,236	22,184,799	16,430,686	11,878,541
Equities & Liabilities					
Capital & Reserves:					
Stated capital	2,555,676	2,555,676	2,555,676	2,555,676	2,555,676
Capital surplus	6,457,824	288,618	288,618	288,618	295,668
Retained Earnings	(38,967,394)	(30,456,261)	(23,028,763)	(17,788,504)	(13,280,551)
Total shareholders fund	(29,953,894)	(27,611,967)	(20,181,469)	(14,896,164)	(10,429,206)
Total Liabilities and Equities	<u>8,482,953</u>	<u>2,437,269</u>	<u>2,000,330</u>	<u>1,486,476</u>	<u>1,449,335</u>



Kwadwo Obeng Junior controls the ball against Dwarfs player



Ansah Botchway takes a shot at goal against Liberty



FINAL LEAGUE TABLES FOR THE PAST FOUR SEASONS

(INCLUDING CURRENT SEASON)

2020/2021

Psn	Team	P	W	D	L	GF	GA	GD	PTS
1	Hearts of Oak	27	14	7	6	37	18	+19	49
2	Asante Kotoko	27	12	11	4	29	14	+15	47
3	Great Olympics	27	13	5	9	31	26	+5	44
4	Karela	27	11	10	6	35	27	+8	43
5	Medeama	27	12	7	8	31	26	+5	43
6	WAFA	27	12	6	9	36	32	+4	42
7	Dreams	27	11	8	8	39	28	+11	41
8	Aduana Stars	27	11	7	9	31	35	-4	40
9	Legon Cities	27	9	8	10	28	24	+4	35
10	Ashanti Gold	27	8	10	9	37	33	+4	34
11	Bechem United	27	9	7	11	31	40	-9	34
12	Ebusua Dwarfs	27	8	7	12	31	38	-7	31
13	Berekum Chelsea	27	8	7	12	27	38	-11	31
14	Elmina Sharks	27	7	10	10	25	36	-11	31
15	Eleven Wonders	27	7	9	11	20	28	-8	30
16	Liberty Professionals	27	7	8	12	23	33	-10	29
17	King Faisal	27	7	8	12	25	38	-13	29
18	Inter Allies	27	7	5	15	24	26	-2	26

2018/19 Ghana Premier League Table

Pos	Club	P	W	D	L	F	A	GD	Pts
1	Aduana Stars	15	8	4	3	17	11	6	28
2	Berekum Chelsea	15	8	2	5	17	14	3	26
3	Kumasi Asante Kotoko	14	7	4	3	14	7	7	25
4	Elmina Sharks	15	6	7	2	19	14	5	25
5	Ashanti Gold	15	7	4	4	12	10	2	25
6	Medeama SC	15	9	3	3	19	8	07	24
7	Bechem United	15	6	4	5	16	15	1	22
8	WAFA	15	5	7	3	17	12	5	21
9	Accra Hearts of Oak	14	5	6	3	15	12	3	21
10	Eleven Wonders	15	4	5	6	11	15	-4	17
11	Great Olympics	15	5	2	8	14	20	-6	17
12	Inter Allies	13	4	4	5	19	19	0	16
13	Dreams FC	15	4	4	7	10	11	-1	16
14	Liberty Professionals	15	4	4	7	21	23	-2	16
15	Ebusua Dwarfs	15	4	4	7	14	18	-4	16
16	Legon Cities FC	15	3	7	5	12	17	-5	16
17	Karela United FC	15	2	6	8	10	16	-6	11
18	King Faisal	14	0	6	8	17	29	-13	6



2018/19 Ghana Premier League Table

Pos	Team	Pld	W	D	L	GF	GA	GD	Pts
1	Medeama SC	14	8	3	3	19	12	+7	27
2	Ashanti Gold S.C.	15	8	3	4	15	9	+6	27
3	Karela United FC	15	7	4	4	17	10	+7	25
4	Asante Kotoko FC	15	7	3	5	15	13	+2	24
5	International Allies F.C.	15	8	0	7	15	15	0	24
6	Dreams FC	15	7	3	5	13	15	-2	24
7	West African Football Academy	15	5	5	5	22	17	+5	20
8	Elmina Sharks F.C.	14	4	8	2	14	12	+2	20
9	Berekum Chelsea FC	15	5	4	6	14	14	0	19
10	Bechem United FC	15	5	4	6	17	20	-3	19
11	Liberty Professionals FC	15	4	5	6	15	18	-3	17
12	Accra Hearts of Oak SC	14	4	5	5	13	16	-3	17
13	Techiman Eleven Wonders FC	15	5	2	8	13	16	-3	17
14	Aduana Stars	12	4	2	6	18	16	+2	14
15	Ebusua Dwarfs	14	3	5	6	13	20	-7	14
16	Wa All Stars FC	14	2	4	8	8	18	-10	10

2016/2017 Ghana Premier League

Pos	Team	Pld	W	D	L	GF	GA	GD	Pts
1	Aduana Stars	30	16	9	5	45	25	+20	57
2	WAFA	30	15	6	9	40	19	+21	51
3	Hearts of Oak	30	13	9	8	42	33	+9	48
4	Ebusua Dwarfs	30	12	8	10	39	33	+6	44
5	Asante Kotoko	30	11	10	9	23	22	+1	43
6	Wa All Stars	30	11	9	10	36	32	+4	42
7	Elmina Sharks	30	12	6	12	29	29	0	42
8	Berekum Chelsea	30	12	6	12	37	35	+2	42
9	Medeama	30	11	9	10	35	32	+3	42
10	Bechem United	30	12	5	13	30	31	-1	41
11	Liberty Professionals	30	11	8	11	34	34	0	41
12	Ashanti Gold	30	12	5	13	38	36	+2	41
13	Inter Allies	30	10	10	10	24	26	-2	40
14	Tema Youth	30	10	7	13	30	33	-3	37
15	Great Olympics	30	9	9	12	27	32	-5	36
16	Bolga All Stars	30	2	6	22	21	78	-57	12



PROXY FORM

I/We,being member(s) of Accra Hearts of Oak Sporting Club Limited, hereby appointof

Or failing him/her the Chairman as my / our Proxy to vote for me / us, and on my / our behalf at the Annual General Meeting of the Company to be held on the Wednesday, 15th August, 2021 and at any and every adjournment thereof.

Please indicate with X in the space below how you wish your vote to be cast.

	RESOLUTIONS	FOR	AGAINST
1	To receive and adopt the Report of the Directors, Auditors and the Financial Statements for the year ended 30th June, 2020.		
2	To approve the remuneration of the Directors		
3	To authorize the Directors to negotiate and determine the Auditor’s remuneration.		
4			

Signed thisday of 2020

.....

Signature of Shareholder

THIS PROXY FORM SHOULD NOT BE COMPLETED AND SENT TO THE REGISTERED OFFICE IF THE MEMBERS WILL BE ATTENDING THE MEETING

1. A member (Shareholder) who is unable to attend the AGM is allowed by law to vote by proxy. The above proxy form has been prepared to enable you exercise your vote if you cannot personally attend.
2. Provision has been made on the form for the Chairman of the meeting to act as your proxy but, if you wish, you may insert in the space* the name of any person whether a member of the company or not, who will attend the meeting and vote on your behalf instead of the Chairman of the meeting.
3. In case of joint holders, each holder should sign.
4. If executed by a corporation, the proxy form should bear its common seal or be signed on its behalf by a Director.
5. Please signed the above Proxy Form and deliver it so as to reach the Registrar, NTHC Limited, Martco House Office, Kwame Nkrumah Avenue, P.O. Box KIA 9563, Accra not later than 48 hours before the appointed.
6. The proxy must produce the admission card sent with the notice of the meeting to obtain entrance to the meeting.