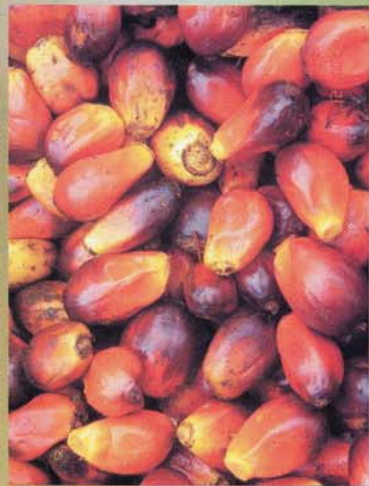


# BENSO OIL PALM PLANTATION LIMITED



## ANNUAL REPORT & FINANCIAL STATEMENTS

# 2007

*Delivering Value & Vitality  
Through Sustainable  
Agriculture*



DATABANK

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## NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the members of Benso Oil Palm Plantation Limited will be held at the Akroma Plaza, Police Reserve near MTTU, Takoradi on Friday, 9 May, 2008 at 11.00 a.m. for the following purposes:

### Agenda

1. To receive the report of the directors, the balance sheet as at 31 December, 2007 together with the accounts for the year ended on that date and the report of the auditors thereon.
2. To declare a dividend.
3. To re-elect directors.
4. To approve the terms of appointment of a manager
5. To fix directors' fees.
6. To fix the remuneration of the auditors

A member of the company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member. A form of proxy is attached and if it is to be valid for the purpose of the meeting it must be completed and deposited at the registered office of the Registrars of the company, NTHC Limited, not less than 48 hours before the meeting.

Dated this 31st day of March, 2008.

### By Order of the Board

**AFUA ODURO ASANTE (MS)**  
SECRETARY

**Registered Office:** Adum Bansa Estate, P.O. Box 470, Takoradi.

### Dividend Warrants

If the payment of dividend recommended is approved, the warrants will be posted on the 9th day of June, 2008 to the holders of shares whose names are registered in the Register of members on the 30th day of April, 2008.

### Board of Directors & Secretary

I.E. Yamson, Chairman; N. A. Mate-Kole, Managing Director; K. Amoasi-Andoh; I. Adam; C.A. Cofie;  
F.S.O. Koranteng; Dr. J.A. Poku;

A. Oduro Asante(Ms) Secretary

### Board Audit Committee

F.S.O. Koranteng; K. Amoasi-Andoh, I Adam, Dr. J.A. Poku,

### Auditor

PricewaterhouseCoopers, Chartered Accountants, No 12 Aviation Road, Una Home 3rd Floor, Airport City, PMB CT 42, Cantonments, Accra, Ghana.

**Registrars Office:** NTHC Limited, Martco House, D542/4, Okai-Mensah Link, Adabraka P.O. Box KIA 9563, Accra

### Bankers

Agricultural Development Bank Limited, Barclays Bank of Ghana Limited, Ecobank Ghana Limited and Standard Chartered Bank Ghana Limited.



## CORPORATE GOVERNANCE

### Introduction

Benso Oil Palm Plantation Limited (BOPP) recognises the importance of good corporate governance as a means of sustaining long term viability of the business and therefore always seeks to align the attainment of the business objectives with good corporate behaviour. In line with this, the company strives to meet the expectations of the community in which it operates as well as its responsibility to its shareholders and other stakeholders.

In the conduct of its business, BOPP seeks to comply with all statutory requirements, adopt best practices to protect the environment and its employees, invests in the community in which it operates, and enhances share-holders' value through cost effective means of doing business. BOPP adopts medium and long term growth strategies and resource allocations that guarantee the creation of wealth. It utilises current technology and continuously innovates in order to stay ahead of the competition. BOPP promotes and recognises excellence through employee development programmes.

As indicated in the statement of responsibility of directors and notes to the accounts, the business adopts standard accounting practices and ensures sound internal controls to facilitate transparency in the disclosure of information and to give assurance to the reliability of the financial statements.

### Board of Directors

The responsibility of good corporate governance is placed with the Board of directors and the management team. The Board comprises two (2) full time executive and five (5) non-executive directors. To ensure effective control and monitoring of the company's business, the board has two (2) main committees, the management committee and the audit committee which in turn works through other sub-committees to oversee specific important functions.

### The Management Committee

The management committee meets monthly to review the performance of the company and assesses progress against the annual plan.

It reviews programmes, strategies, key issues and assigns responsibilities for achievement of goals. The committee has oversight responsibility for world class agronomic practices, financing strategies and human resource development programmes to ensure excellence in performance. The committee also identifies, assesses the risk profile of the company and assigns responsibilities to various functions to put in measures in order to mitigate possible impact on the business.

### Audit Committee

The audit committee is made up of four directors of whom three are non-executive and it is chaired by a non-executive director with a strong background in business, finance, audit and general management. The committee meets to review the financial performance of the company, the adequacy of the plan of the internal audit, current audit report, the adequacy of systems of internal controls and the degree of compliance to laid down policies, laws, code of ethics and business practices of the company.

### Internal controls

Benso Oil Palm Plantation Limited has a well-established internal control system, which is well documented and regularly reviewed. This incorporates internal control procedures, which are designed to provide reasonable assurance that the assets are safeguarded and that the risks facing the business are being controlled. The Board of Benso Oil Palm Plantation Limited has also established a clear organisational structure, including delegation of appropriate authorities. BOPP's corporate internal audit function plays a key role in providing an objective view and continuing assessment of the effectiveness of the internal control systems in the business.

### Code of Business Principles

Benso Oil Palm Plantation Limited has a documented code of business principles to guide all employees in the discharge of their duties. This code sets the professionalism and integrity required for business operations which among other things cover the following areas: compliance with the law, conflicts of interest, public activities, product assurance, environmental issues, reliability of financial reporting, bribery and strict adherence to the principles.



## FINANCIAL HIGHLIGHTS

(All amounts are expressed in thousands of Ghana Cedis)

	Year ended 31 December 2007	Year ended 31 December 2006	% Change
Revenue	13,115	9,079	44.5
Profit before tax	745	1,305	(42.9)
Restructuring expense	1,178	-	-
Tax	-	(153)	-
Profit after tax	745	1,152	(35.3)
Dividend proposed	522	364	43.4
Retained profits	7,074	6,693	5.7
Capital expenditure	592	810	(26.9)
Depreciation	509	489	4.1
Shareholders' funds	16,703	16,322	2.3
Earnings per share (GH¢)	0.0214	0.0331	(35.3)
Net assets per share (GH¢)	0.4800	0.4690	2.3
Dividend per share (GH¢)	0.0150	0.0105	42.9

Number of shares used in calculating the above indicators are 34,800,000 as shown in note 8 (Stated Capital).



## CHAIRMAN'S REVIEW

### The Economic Environment

Ghana's macroeconomic environment showed considerable resilience throughout 2007 in spite of rising prices of crude oil and the resultant increases of domestic prices, the energy crisis and its accompanying load-shedding programme and increases in utility tariffs. Inflation rate at the close of 2007 was 12.7% against 10.5% for 2006.

The foreign exchange market was relatively stable. However, Ghana cedi depreciated much higher against the US dollar due to speculation and the high demand for the settlement of large crude oil bills. It also declined more aggressively against the euro and the British pound.

The 91 Day Treasury Bill rate which was at 9.64% at the beginning of the year went up to 10.62% at the end of December 2007 compared to a drop from 11.45% to 9.64% during same period in 2006. Bank of Ghana Prime rate went up from 12.5% at the beginning of 2007 to 13.5% at the end of the year.

### Business Performance

The company had a good year, largely due to improvement in the world market price of crude palm oil, and the benefit from productivity programmes embarked upon by the company.

### Price

The world market price of crude palm oil went up from an average of \$459 in 2006 to average \$754 in 2007. This represented 64% increase in dollar terms over 2006. This increase has been driven by the search for other sustainable sources of energy as fossil fuel prices edged up to the \$100 mark in December 2007.

### Volumes

The year 2007 closed with total palm fruits production of 84,409 metric tonnes, representing a 3% decrease compared with 2006. The marginal decline was due to adverse weather conditions and intensified competition for Outside Purchased Fruits (OPF). Consequently, crude palm oil production also declined by 6.5% to 15,406 metric tonnes during the year under review compared with prior year.

### Operating Profit

Notwithstanding a 4.6% decline in sales volume, revenue grew significantly by 44% in 2007 as a result of the high palm oil prices. Operating profit registered a healthy GH¢1.8m compared with GH¢1.23m for 2006 (as restated) - a growth of 46%. This was partly due to the cost saving measures adopted in the year and significant improvements in world market price for crude palm oil. Management embarked on a programme to reshape the business in line with seasonal nature of operations to reap productivity efficiencies and also to manage pressures of rising cost of energy and the effect of replanting (renewal of plantations) on yields.

Profit after tax declined by 35% on account of restatement of 2006 accounts in accordance with IFRS and restructuring cost. However, underlying profit after tax (i.e removing the impact of restructuring and restatement) increased by 223% in 2007. (i.e GH¢ 1,678,000 vrs GH¢520,000 reported in 2006).



## CHAIRMAN'S REVIEW *contd.*

### **Dividend**

With the exception of 2005, dividend to shareholders has consistently been paid on an annual basis. Distribution to shareholders was based on the level of performance and profitability. For the past five years (2001 to 2006), your company paid dividend at an average pay-out rate of 70% of profit. In 2007, your company made an underlying profit of GH¢745,000. The dividend proposed (GH¢521,500) therefore represents approximately 70% of the total profit.

### **Safety, Health, Environment and Quality Issues**

Safety, health, environment and quality issues continue to be given the required attention by your Company. In 2007, the Total Recordable Frequency Rate (TRFR) in respect of industrial accidents was 0.51 as compared to 0.42 in 2006. The increase in TRFR was due to 4 lost time accidents recorded in the factory and the field during the year. Lessons learnt from these accidents were shared and recommendations to avoid future occurrence are being implemented. Similarly, the total number of off-the job accidents among your company's employees and dependents dropped to 153 from 165 in 2006. Through greater vigilance at workers' homes as observed at the work place, your Company can reduce these high numbers further. Your Company continued to supply quality and safe products to all its customers. There was no consumer safety incident involving our products that were supplied to any of our customers in the year under review.

### **Social Responsibility**

Your Company has focused on assisting communities within its operating axis in the areas of education, health and sanitation. The company made donation of building materials to Adum Bansa community. Donation was also made to National Health Insurance Scheme directorate, Daboase. A total of 6 six scholarships were awarded to children from Adum Bansa, Benso and Dominase.

### **Board Changes**

Since our last Annual Board Meeting, Mr Alfred Braimah (Finance Director) and Mr Emmanuel Idun have retired from the Board. We wish to record our appreciation to Mr Braimah and Mr Idun for their contribution to the business. We welcome to the Board Mr Issah Adam as the new Finance Director.

### **Profile of the New Finance Director**

Issah Adam is a chartered accountant with associate membership of the Institutes of Chartered Accountants of Ghana (ICAG) and Nigeria (ICAN). He was educated at the University of Ghana Business School, Legon where he obtained Bsc Admin (Accounting Option) degree in 1981. Before joining Unilever, he had worked with various organisations in both Ghana and Nigeria including Mobil Oil Ghana Limited, Impact Marketing Services Limited as Consultant, Okwusogu & Co (Chartered Accountants and Management Consultants) as senior manager, State Enterprise Commission as senior consultant, KPMG (Chartered Accountants & Management Consultants) as corporate recovery and tax consultant and Ghana Agro Food Company Limited as chief accountant.

He joined Unilever Ghana Limited in 2000 as Group Audit Manager and then moved on to become Commercial Manager, Personal Care in 2002. Thereafter, he was appointed Commercial Manager, Foods in 2004 until 2006 when he moved to become the company's Finance Manager responsible for group financial reporting, statutory reporting, financial accounting, taxation, pensions, sales accounting and insurance. He was appointed to his current position as Finance Director, BOPP in January 2008.

### **Future Prospects**

With the national energy crisis experienced in 2007 which adversely affected your company's energy cost, the company has initiated work to acquire and install a 1,300 KVA steam turbine and boiler to make the company self reliant in energy. Your Company started a compost project in 2007. The project utilises waste-products from the palm oil mill namely empty fruit bunches, palm oil mill effluent, boiler ash and decanter solids, to produce bio-organic fertiliser for use in our plantation. The aim is to lift yield per ha to a minimum of 14 tonnes per ha. Consistent application of this organic material should, in the future, lead to significant reduction in the use of imported fertilizers and save on cost. To address the declining trend in rainfall amounts over the past years, a total of 75,000 cubic meters of closed ended trenches and 1,970 cubic meters of moisture conservation pits have been constructed in the field.

Given the above and having re-aligned labour cost to the seasonal nature of the business, and given the continued upward trend in CPO and PKO prices, we expect to deliver improved performance in 2008.



## REPORT OF THE DIRECTORS

In accordance with the requirements of Section 132 of the Ghana Companies Code, 1963 ( Act 179) we, the directors of Benso Oil Palm Plantation Limited, submit to the members the profit and loss and income surplus accounts of the company for the year ended 31 December 2007 and the balance sheet as at that date.

The profit for the year after tax is GH¢745,000 against a profit after tax of GH¢1,152,000 for 2006(as restated). The directors have decided to recommend to members the payment of a dividend of GH¢0.0150 per share.

The directors wish to inform members of the following changes:Mr A. M Braimah and Mr. E. K Idun have resigned from the Board. Mr Issah Adam, the Finance Director, has been appointed as a member of the Board. These changes, it is believed, will enhance and ensure the smooth running of your company.

In accordance with the regulations of the the company and the stock exchange listing regulations, Mr Issah Adam will retire at the forthcoming annual general meeting and being eligible, offers himself for re-election.

The directors to retire by rotation in accordance with the regulations of the company are Mr. C.Cofie and Dr. J. A. Poku both of whom, being eligible, offer themselves for re-election.

The principal activities of the company continue to be the growing of oil palm and the processing of palm fruits to produce palm oil and palm kernel. The company is a subsidiary of Unilever Ghana Limited and listed on Ghana Stock Exchange.

### Auditor

In accordance with Section 134(8) of the Ghana Companies Code, 1963, Act 179, PricewaterhouseCoopers continue in office as Auditor of the company.

### Statement of Directors Responsibilities

The directors are responsible for the preparation of financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss and cashflows for that period. In preparing these financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are reasonable and prudent and followed International Financial Reporting Standards(IFRS).

The directors are responsible for ensuring that the company keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the company. The directors are also responsible for safeguarding the assets of the company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

### BY ORDER OF THE BOARD

Director

Director

Date: 1 February, 2008





## SUMMARY OF THE AUDIT COMMITTEE REPORT FOR THE YEAR 2007

### Membership of the Audit Committee of the Board

The Benso Oil Palm Plantation audit committee comprises of three non-executive Directors and the Finance Director for Benso Oil Palm Plantation Limited. The committee is chaired by Mr. F. S. O. Koranteng a non-executive Director with a background in accounting, finance and audit and general management. The Unilever audit manager is always in attendance and from time to time the external auditors are also invited to make presentations to the committee.

### Role of the Audit Committee

The Audit Committee meets to review:

- \* The financial performance of the company;
- \* The adequacy of the plan of internal audit;
- \* Current statutory and internal audit reports;
- \* The adequacy of internal controls;
- \* The degree of compliance to laid down policies, laws, code of ethics and business practices of the company; and
- \* Compliance with and status of deficiencies under section 404 of the Sarbanes Oxley Act

### Summary of the Audit Committee's Activities in 2007

In 2007, Benso Oil Palm Plantation Limited audit committee met four(4) times on 24 January, 2007, 19 April, 2007, 16 July, 2007 and 18 October, 2007.

### Review of the Financial Performance of the Company

At the 24 January 2007 meeting, the committee reviewed the financial performance of the company for the financial year ended 2006 and the draft accounts for the said year. The committee also reviewed the the company's performance during all the four(4) Committee meetings held in 2007.

### Internal Audit

The audit committee reviewed the internal audit plan for 2007 at the beginning of the year and was updated at all subsequent meetings on the activities of the internal audit team including the results of completion of the Operational Control Assessment (OCA) exercise, the internal audits carried out by the audit team and the corporate risk matrix. The main internal audit highlights were that:

1. The company's risk profile assessment for 2007/2008 was completed and the remedial/preventive actions taken were presented to the audit committee.
2. Operational Control Assessment (OCA) for key company processes was completed. The OCA involved three key stages namely:
  - i) The identification of the key risks that the company is exposed to;
  - ii) The assessment of the design adequacy and operational effectiveness of internal controls which have been put in place to mitigate the risks, and formulating action plans to remedy situations where gaps have been identified;
  - iii) The independent challenge of the quality of the process used in the risk control assessment.
3. The Internal Audit team completed the audits as per their 2007 audit plan.

### External Audit

At the 24 January, 2007 meeting, the committee reviewed BOPP's draft accounts for the financial year ended 31 December, 2006 and the findings of the external auditor, PricewaterhouseCoopers.

At the 18 October, 2007 meeting, the external auditor furnished the committee with a copy of their draft audit plan for the 2007 financial year. They took the committee through the details of the plan which included the objectives of the audit, fraud risk, the audit approach, risk analysis and audit scope and the reporting timetable for the 2007 year end audit.



## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BENSO OIL PALM PLANTATION LIMITED

### REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Benso Oil Palm Plantation Limited set out on pages 10 to 23. These financial statements comprise the balance sheet as at 31 December 2007 and the profit and loss account, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

### Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and within the regulations of the Ghana Companies Code, 1963 (Act 179). This responsibility includes: designing, implementing and maintaining internal control relevant to the presentation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 of 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 judgement, 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 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 opinion.

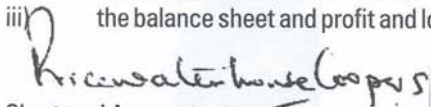
### Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as of 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Ghana Companies Code, 1963 (Act 179).

### Report on other legal requirements

The Ghana Companies Code, 1963 (Act 179) requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii) the balance sheet and profit and loss account of the company are in agreement with the books of account.

  
Chartered Accountants  
Accra

Date: 19 March, 2008

PRICEWATERHOUSECOOPERS 



## Financial Statements

### Profit and Loss and Income Surplus Accounts for the year ended 31 December, 2007

(All amounts are expressed in thousands of Ghana Cedis)

	<i>Notes</i>	2007	2006
<b>Revenue</b>	2	13,115	9,079
<b>Cost of sales</b>	3 & 4	(10,554)	(7,733)
Gains from revaluation of Biological assets	21	44	650
<b>Gross Profit</b>		2,605	1,996
Distribution costs		(34)	(80)
Administrative expenses		(773)	(683)
<b>Operating profit</b>		1,798	1,233
Restructuring expense	13	(1,178)	-
Other income	5	125	72
<b>Net profit before tax</b>		745	1,305
Current tax	6	-	(153)
<b>Net profit after tax transferred to income surplus account</b>		745	1,152
Basic and diluted earnings per share (GH¢)	24	0.0214	0.0331


### Income Surplus Account

Balance at 1 January	6,693	5,541
Net profit for the year	745	1,152
Dividend paid for year ended 31 December 2006	(364)	-
<b>Balance at 31 December</b>	7,074	6,693

**Financial Statements****Balance Sheet as at 31 December, 2007***(All amounts are expressed in thousands of Ghana Cedis)*

	<b>Notes</b>	<b>2007</b>	<b>2006</b>
<b>Non current assets</b>		14,476	14,351
Property, plant and equipment	10	5,465	5,729
Biological assets	21	9,011	8,622
<b>Current assets</b>		3,318	2,735
Inventories	11	721	686
Trade and other receivables	12	557	714
Amounts due from related companies	18	1,310	169
Current tax	6	13	804
Cash and bank balances		717	362
<b>Total assets</b>		17,794	17,086
<b>Current liabilities</b>		(1,091)	(764)
Trade and other payables	14	(445)	(294)
Provisions	13	(566)	(110)
Amounts due to related companies	18	(29)	(204)
Dividends payable	7	(51)	(29)
Bank overdraft		-	(127)
<b>Net assets</b>		16,703	16,322
<b>Funds employed</b>			
Stated capital	8	2,000	2,000
Capital surplus	9	7,629	7,629
Income surplus		7,074	6,693
<b>Shareholders' funds</b>		16,703	16,322

The financial statements on pages 10 to 23 were approved by the Board of Directors on 1 February, 2008 and were signed on its behalf by:

  
.....  
Director

  
.....  
Director

**Financial Statements****Cash Flow Statement****For the year ended 31 December, 2007***(All amounts are expressed in thousands of Ghana Cedis)*

<b>Cash flows from operating activities</b>	<b>Notes</b>	<b>2007</b>	<b>2006</b>
Cash generated from operations	16	535	774
Interest received		73	30
Interest paid		(4)	(10)
Tax refund/(tax paid)	6	791	(2)
		-----	-----
<b>Net cash generated from operating activities</b>		<b>1,395</b>	<b>792</b>
		-----	-----
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment	10&21	(592)	(810)
Proceeds from sale of plant and equipment	10	21	168
		-----	-----
<b>Net cash used in investing activities</b>		<b>(571)</b>	<b>(642)</b>
		-----	-----
<b>Cash flows from financing activities</b>			
Dividends paid to shareholders	7	(342)	(11)
		-----	-----
<b>Net cash used in financing activities</b>		<b>(342)</b>	<b>(11)</b>
		-----	-----
Increase in cash and cash equivalents		482	139
Cash and cash equivalents at beginning of year		235	96
		-----	-----
<b>Cash and cash equivalents at end of year</b>	17	<b>717</b>	<b>235</b>
		==	==

**Financial Statements****Statement of Changes in Equity  
For the year ended 31 December, 2007**

(All amounts are expressed in thousands of Ghana Cedis)

	Stated capital	Capital surplus	Income surplus	Total
<b>Year ended 31 December 2007</b>				
Balance at 1 January 2007	2,000	7,629	6,693	16,322
Net profit for the year	-	-	745	745
Dividend paid for prior year	-	-	(364)	(364)
	-----	-----	-----	-----
<b>Balance at 31 December 2007</b>	<b>2,000</b>	<b>7,629</b>	<b>7,074</b>	<b>16,703</b>
	====	====	====	====
<b>Year ended 31 December 2006</b>				
Balance at 1 January 2006	2,000	7,848	5,322	15,170
Released from capital surplus	-	(219)	219	-
Net profit for the year	-	-	1,152	1,152
	-----	-----	-----	-----
<b>Balance at 31 December 2006</b>	<b>2,000</b>	<b>7,629</b>	<b>6,693</b>	<b>16,322</b>
	====	====	====	====



## Financial Statements

### Notes

#### General Information

Benso Oil Palm Plantation Limited is incorporated in Ghana under the Companies Act as a Public Limited Liability Company, and is domiciled in Ghana. The address of its registered office is Adum Bansa Estate, P. O. Box 470, Takoradi. The principal activities of the company is to grow palm trees, produce palm oil and palm kernel oil.

#### 1 ACCOUNTING POLICIES

The following are a summary of the significant accounting policies adopted by the company in the preparation of these financial statements.

##### (a) Basis of accounting

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) under the historical cost convention except as disclosed in the accounting policy below. The preparation of financial statement under IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies.

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

Property, plant and equipment are stated at cost or valuation less depreciation. Buildings and freehold land are subsequently shown at market value, less subsequent depreciation for buildings.

Depreciation on property, plant and equipment is calculated to write off assets value on a straight line basis over the expected useful lives of the assets concerned. The principal annual rates used are:

Buildings	2.5%
Plant, fixtures and fittings	7.0%
Office equipments	7.5%
Vehicles – light passenger & lorries	25.0%
Vehicles – heavy roadmaking equipment, tractors and trailers	16.7%
Computers	20.0%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Increases in the carrying amount arising on revaluation are credited to a revaluation surplus reserve in equity. Decreases that offset previous increases of the same asset are charged against the revaluation surplus; all other decreases are charged to the profit and loss account.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Depreciated replacement cost valuation method is used for the valuation.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit. On disposal of revalued assets, amounts in the revaluation surplus relating to that asset are transferred to retained earnings.

##### (c) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of finished goods and work in progress comprises the fair value less estimated point-of-sale costs of agricultural produce at the point of harvest, the cost of raw materials and direct labour, and other direct costs and related production overheads, but excludes interest expense. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.



## Financial Statements

### Notes (continued)

The fair value less estimated point-of-sale costs of harvested fresh palm fruits is determined based on the market prices of the final product, taking into account conversion costs.

(d) **Trade receivables**

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. A provision for impairment of receivables is established when there is objective evidence that the company will not be able to collect all the amounts due according to the original terms of receivables. The amount of provision is the difference between the carrying amount and the present value of expected cash flows, discounted at the effective interest rate. The amount of provision is recognised in the profit and loss account.

(e) **Foreign currencies**

Transactions in foreign currencies during the year are converted into Ghana cedis at prevailing rates at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Ghana cedis at the rate of exchange ruling at that date. The resulting gains and losses are dealt with in the profit and loss account.

(f) **Deferred income tax**

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax.

Deferred income tax assets are recognised only to the extent that realisation of the related tax benefit is probable.

(g) **Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalent comprise cash on hand, deposit held at call with banks and bank overdrafts.

(h) **Revenue recognition**

Sales are recognised upon delivery of products and customer acceptance. Sales are shown at net of value added taxes and discounts.

(i) **Biological assets**

Biological Assets are stated at fair values less estimated cost to point of sale. Any gains or losses arising on subsequent changes in fair values less estimated point of sales cost are recognised in the profit and loss accounts in the year in which they arise.

(j) **Critical accounting estimates and assumptions**

**Biological assets**

Critical assumptions have been made by directors in determining the fair value of biological assets. The key assumptions are set out in note 21.

**Property, plant and equipment**

Critical estimates are made by directors in determining depreciation rates for property, plant and equipment. The rates used are set out in b above.





## Financial Statements

### Notes (continued)

#### (k) Provisions

Provisions are recognised when a legal or constructive obligation as a result of past transaction exist at the balance sheet date and when the amount of obligation can be reliably estimated.

#### (l) Adoption of International Financial Reporting Standards

The Institute of Chartered Accountant's ( Ghana) in conjunction with the Ghana Stock Exchange and the Securities Commission has mandated that listed companies prepare their Financial Statements for 2007 and beyond based on the International Financial Reporting Standard. However, this has been extended to 1 January 2008. The following standards impacted the financial statement for the year ended 2007.

IFRS	1-	First Time Adoption
IAS	1-	Presentation of Financial Statement
IFRS	7-	Financial Instruments
IAS	2-	Inventories
IAS	7-	Statement of Cash Flows
IAS	8 -	Accounting Policies, Changes in Accounting Estimates and Errors
IAS	10-	Events After Balance Sheet Date
IAS	12-	Income Tax
IAS	16-	Property, Plant and Equipment
IAS	18-	Revenue
IAS	21-	The Effect of Changes in Foreign Exchange Rates
IAS	24-	Related Party Disclosures
IAS	33-	Earnings per share
IAS	36-	Impairment
IAS	41-	Agriculture

Comparative figures for 2006 have been restated to conform to the requirement of the International Financial Reporting Standards (IFRS).

#### (m) Employment benefits

The company contributes 12.5% to Social Security and National Insurance Trust for all employees. The Trust is managed by the government. This cost is charged to the profit and loss account.



## Financial Statements

### Notes (continued)

(All amounts in the notes are shown in thousands of Ghana Cedis unless otherwise stated)

#### 2. Revenue

Sales are recognised upon delivery of products and customer acceptance. Sales are shown at net of value added taxes and discounts.

##### By type:

Sale of crude palm oil  
Sale of palm kernel oil

2007 2006

10,684	7,347
2,431	1,732
-----	-----
13,115	9,079
=====	=====

##### By customer:

Third parties  
Related parties (note 19)

2007 2006

575	1,123
12,540	7,956
-----	-----
13,115	9,079
=====	=====

#### 3. Cost of sales

Operating Cost include:  
Depreciation  
Auditor's remuneration  
Inventory expensed

2007 2006

509	489
18	18
1,280	814
-----	-----
1,807	1,321
=====	=====

#### 4. Staff Cost

Remuneration of Employees  
Social Security Cost

2007 2006

1,629	1,379
166	139
-----	-----
1,795	1,518
=====	=====

Contribution to Unilever pension scheme by staff on secondment for the year was GHe85,000 (2006:GHe69,000)

#### 4b. Key Management personal compensation

Short term employee benefits

2007 2006

137	122
-----	-----
121	107
16	15
-----	-----
137	122
=====	=====

Of which:

Executive directors  
Non-executive directors

The average number of persons employed by the company during the year was 340 (2006:478).

#### 5. Other income

Profit/(loss) on disposal of property, plant and equipment  
Net interest  
Sundry income

2007 2006

19	(24)
69	20
37	76
-----	-----
125	72
=====	=====

#### 6. Current Tax

Income tax

2006

2007

	Balance at 01/01/07	Charge to profit and loss	Payments/refund during the year	Balance at 31/12/07
2006	(804)	-	-	(804)
2007	-	-	791	791
	-----	-----	-----	-----
	(804)	0	791	(13)
	=====	=====	=====	=====

No provision has been made in the financial statements for corporate income tax liability following the introduction of a new tax regime effective January 2004 in the Budget statement and Economic Policy of the Government of Ghana, stating a zero tax rate for agro-processing businesses operating outside regional capitals. Tax refund of GHe795,000 was received from Internal Revenue Service. The tax asset of GHe13,000 is made up of 10% withholding tax by direct deductions from the company's interest income from operating call accounts with the banks and the difference in the expected tax refund. During the year, 10% withholding tax by direct deduction amounted to GHe4,000.

#### Deferred Tax

Deferred income taxes are calculated on temporary differences under the liability method using a principal tax rate of 0%.

#### 7. Dividend

Unpaid at 1 January  
Dividend declared for 2006  
Payments during the year

2007 2006

29	40
364	-
(342)	(11)
-----	-----
51	29
=====	=====

Unpaid at 31 December

Payment of dividend is subject to the deduction of withholding taxes at the rate of 8%.  
Dividend declared for 2006 is GHe0.0105 per share (2005: nil).



## Financial Statements Notes (continued)

### 8. Stated capital

#### Authorised shares

#### Issued shares

2007		2006	
No. of shares of no par value	GH¢ '000	No. of shares of no par value	GH¢ '000
50,000,000		50,000,000	
34,800,000	2,000	34,800,000	2,000

There is no unpaid liability on any shares, there are no calls or installments unpaid, and there are no treasury shares held.

### 9. Capital surplus

Balance at 1 January  
Surplus on revaluation  
Released on disposal of assets

Balance at 31 December

2007	2006
7,629	7,848
-	-
-	(219)
7,629	7,629

The capital surplus arose as a result of the revaluation of certain leasehold land, buildings, plantation and plant and machinery in 1998 by Architectural and Engineering Services Ltd (AESL).

### 10. Property, plant & equipment

					2007
	Land, Road & Bridges	Building and Housing	Motor Vehicles Plant & Machinery	Computers, Furniture & Fittings and Equipment	Total
<b>Cost/valuation</b>					
<b>Balance at 1 January</b>	1,617	2,982	6,391	293	11,283
Additions	-	-	218	29	247
Disposals	-	-	(23)	(1)	(24)
<b>Balance at 31 December</b>	1,617	2,982	6,586	321	11,506
<b>Accumulated depreciation</b>					
<b>Balance at 1 January</b>	139	1,175	4,033	207	5,554
Charge for the year	40	73	376	20	509
Disposals	-	-	(21)	(1)	(22)
<b>Balance at 31 December</b>	179	1,248	4,388	226	6,041
<b>Net book value at 31 December</b>	1,438	1,734	2,198	95	5,465

### 10b. Property, plant & equipment

					2006
	Land, Road & Bridges	Building and Housing	Motor Vehicles Plant & Machinery	Computers, Furniture & Fittings and Equipment	Total
<b>Cost/valuation</b>					
<b>Balance at 1 January</b>	1,615	2,972	6,264	285	11,136
Additions	2	10	227	9	248
Disposals	-	-	(100)	(1)	(101)
<b>Balance at 31 December</b>	1,617	2,982	6,391	293	11,283
<b>Accumulated depreciation</b>					
<b>Balance at 1 January</b>	99	1,103	3,784	179	5,165
Charge for the year	40	72	348	29	489
Disposals	-	-	(99)	(1)	(100)
<b>Balance at 31 December</b>	139	1,175	4,033	207	5,554
<b>Net book value at 31 December</b>	1,478	1,807	2,358	86	5,729

In 1998, buildings, plantation, plant and machinery and vehicles were revalued at open market value by Architectural and Engineering Services Limited. Land, buildings, plant and machinery were revalued in September 2003 by Architectural and Engineering Services Limited, independent professional valuers using the open market value approach for land and the depreciated replacement cost valuation method for the buildings, plant and machinery. The plantation was revalued by William Ofori & Co., independent professional valuers in September 2003 using the cost and market valuation methods.



## Financial Statements Notes (continued)

(All amounts in the notes are shown in thousands of Ghana Cedis unless otherwise stated)

### 10c. Property, plant and equipment (continued)

If the company's property, plant and equipment were stated on historical cost basis, the amount would be as follows:

	Land, Roads & Bridges	Building and Housing	Motor vehicles Plant & Machinery	Computers, Furniture & Fittings and Equipment	Total
<b>31 December 2007</b>					
Cost	20	1,073	3,270	305	4,668
Accumulated depreciation	(11)	(359)	(2,054)	(222)	(2,646)
<b>Net book value</b>	<b>9</b>	<b>714</b>	<b>1,216</b>	<b>83</b>	<b>2,022</b>
<b>31 December 2006</b>					
Cost	20	1,073	3,164	277	4,534
Accumulated depreciation	(10)	(332)	(1,917)	(203)	(2,462)
<b>Net book value</b>	<b>10</b>	<b>741</b>	<b>1,247</b>	<b>74</b>	<b>2,072</b>

### Profit on disposal of property, plant and equipment

	2007	2006
Gross book value	24	330
Accumulated depreciation	(22)	(138)
Net book value	2	192
Sales proceeds	(21)	(168)
<b>Profit on disposal of property, plant and equipment</b>	<b>(19)</b>	<b>24</b>

### 11. Inventories

	2007	2006
Palm oil	33	59
Palm kernel	9	21
Palm kernel oil	38	53
Non-trade stock	641	553
	<b>721</b>	<b>686</b>

Inventories expensed within the year amounted to GH¢1,280,000 (2006:GH¢ 814,000)

### 12. Trade and other receivables within one year

	2007	2006
Trade receivables(third parties)	53	195
Amount due from officers	87	57
Other receivables and prepayments(third parties)	417	462
	<b>557</b>	<b>714</b>

The maximum amount due from officers during the year was GH ¢ 96,758 (2006:GH¢ 71,630).

### 13. Provisions

	Restructuring	Others	Total
Balance 1 January, 2007	-	110	110
Charge during the year	1,178	1,091	2,269
Payment	(984)	(829)	(1,813)
<b>Balance 31 December, 2007</b>	<b>194</b>	<b>372</b>	<b>566</b>

Restructuring provision primarily relates to the cost of redundancies and early retirements as a result of positioning the business to deliver future profit. Other provisions relate to provision for law suit, and other liabilities. No individual item within the other provisions is significant.



## Financial Statements Notes (continued)

(All amounts in the notes are shown in thousands of Ghana Cedis unless otherwise stated)

	2007	2006
<b>14. Trade payables and accrued liabilities</b>		
Trade payables	7	30
Amount due to directors and officers	2	1
Sundry Payables and accrued liabilities	436	263
	<u>445</u>	<u>294</u>
	===	===
<b>15. Bank overdrafts</b>		
At the balance sheet date the company had an approved unsecured overdraft facility with local banks not exceeding the Ghana Cedi equivalent of:	2007	2006
	400	400
	<u>400</u>	<u>400</u>
	===	===
<b>16. Cash generated from operations</b>		
Reconciliation of net profit before tax to cash generated from operations:	2007	2006
Profit before tax	745	1,305
Adjustments for:		
Depreciation	509	489
Biological Asset Rev. surplus	(44)	(650)
Profit/(loss) on disposal of assets	(19)	24
(Increase) in inventories	(35)	(49)
Decrease(increase) in trade and other receivables	157	(374)
(Increase)/decrease in amounts due from related companies	(1,141)	58
Decrease in amounts due from related companies	607	36
Increase in trade and other payables	(175)	(45)
Decrease in amount due to related companies	4	10
Interest paid	(73)	(30)
Interest received	-----	-----
Cash generated from operations	<u>535</u>	<u>774</u>
	===	==
<b>17. Cash and cash equivalents</b>		
For the purpose of the cash flow statement, the cash and cash equivalents comprise the following:		
	2007	2006
Cash and bank balances	717	362
Bank overdrafts	-	(127)
	<u>717</u>	<u>235</u>
	===	===
<b>18. Related party transactions</b>		
Unilever Ghana Limited, incorporated in Ghana owns 58.45% of the company's shares. Unilever Ghana Limited also owns 40% of Twifo Oil Palm Plantations Limited and exercises management control. Palm oil prices paid to the company are aligned to the world market prices. There is a cash pooling agreement between BOPP and Unilever where sales made to Unilever are paid within thirty days, after which interest is accrued. Unilever Plc is the ultimate parent company. The following transactions were carried out with related parties:		
<b>Service fee</b>		
Service fee paid to Unilever Ghana Limited during the year	260	176
	<u>260</u>	<u>176</u>
<b>Sale of goods:</b>		
Unilever Ghana Limited	12,540	7,956
	<u>12,540</u>	<u>7,956</u>
<b>Purchase of goods &amp; services:</b>		
Twifo Oil Palm Plantations Limited	733	284
	<u>733</u>	<u>284</u>
<b>Year end balances arising from sale/purchase of goods/services:</b>		
<b>Receivables from related parties:</b>		
Unilever Ghana Limited	1,310	134
Unilever UK Central Resources Limited	-	35
	<u>1,310</u>	<u>169</u>
	===	==
<b>Payables to related parties:</b>		
Unilever Ghana Limited	7	113
Twifo Oil Palm Plantations Limited	18	87
Unilever Tea Kenya Limited	4	4
	<u>29</u>	<u>204</u>
	===	==
The above transactions were carried out on commercial terms and conditions.		
<b>19. Capital commitments</b>		
Capital expenditure contracted as at the balance sheet date amounted to GHc73,000 (2006: GHc44,400).		
<b>20. Contingent liabilities</b>		
There were contingent liabilities as at the balance sheet date amounting to GHc28,500 (2006: GHc15,500). This relates to court cases for which judgements are yet to be passed and the company may be obliged to incur such costs.		



## Financial Statements

### Notes (continued)

(All amounts in the notes are shown in thousands of Ghana Cedis unless otherwise stated)

#### 21. Biological assets- fair value

	2007	2006
Balance at 1 January	8,622	7,410
Current work in progress	345	562
Fair value adjustments	44	650
<b>Balance at 31 December</b>	<b>9,011</b>	<b>8,622</b>
	===	===

Palm trees are carried at fair value less estimated point-of-sale costs. The fair value of the palm trees were determined based on the discounted net present values of expected cash flows from those assets, discounted at a market-determined pre-tax rate. The following assumptions were made in determining the fair values of the palm trees:

- \* Average yielding life of Palm Tree is 21 years
- \* Climatic conditions will remain same and no anticipation of any disease/pest attacking the trees
- \* The 21 year average market price of CPO will remain constant at \$441 per tonne.
- \* A discount rate of 12.9% for cedi denominated cost and Libor+2% yielding 7% for dollar denominated revenue were used.
- \* The average discount, inflation and exchange rates used are 12.75%, 10% and GHe0.9330:1\$ respectively.
- \* Palm plantation covers a total of 4,666 hectares with an average of 135 palm trees per hectare.

#### 22. Comparatives

During 2007, the Bank of Ghana redenominated the country's currency by setting ten thousand cedis;€10,000(old currency) to one Ghana Cedi (GHe1, new currency). The comparative figures have therefore been converted to Ghana Cedis.

#### 23. Financial instruments and treasury risk management

##### Financial risk management

The company's activities exposes it to financial risks, including credit risk and the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. Risk management is carried out by the treasury department under Unilever group policies approved by the board of directors. Treasury identifies, evaluates and hedges financial risks. The board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rates risk, credit risk, use of derivative and non-derivative financial instruments and investing excess liquidity.

##### Market risk

Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities in foreign operations. The company manages foreign exchange risk arising from future commercial transactions and recognised assets and liabilities using forward contracts, but has not designated any derivative instruments as hedging instruments.

##### Credit risk

The company has no significant concentrations of credit risk. It has policies in place to ensure that sales are made to customers with an appropriate credit history. The company also has policies that limit the amount of credit exposure to any financial institution.

##### Fair values of financial assets and financial liabilities

The following table summarises the fair values and carrying amounts of the various financial assets and financial liabilities. The carrying amounts of the following financial assets and liabilities are a reasonable approximation of their fair value, because of their short term nature.

	Fair value 2007	Fair value 2006	Carrying amount 2007	Carrying amount 2006
<b>Financial assets</b>				
Trade and other receivables	557	714	557	714
Amounts due from related companies	1,310	169	1,310	169
Cash and cash equivalents	717	235	717	235
	2,584	1,118	2,584	1,118
<b>Financial liabilities</b>				
Trade and other payables	(445)	(294)	(445)	(294)
Amounts due to related companies	(29)	(204)	(29)	(204)
Overdrafts	-	(127)	-	(127)
	(474)	(625)	(474)	(625)
	===	===	===	===

Cash and cash equivalents and overdrafts and all the receivables and payables have fair values that approximate to their carrying amounts because of their short-term nature.

##### Maturity analysis of financial liabilities

###### Less than 1 year

	2007	2006
Trade and other payables	(445)	(294)
Amounts due to related companies	(29)	(204)
Overdrafts	-	(127)
	(474)	(625)
	===	===

##### Sensitivity Analysis

The company has used sensitivity analysis technique to measure the estimated impact to profit and loss account from an instantaneous 10% strengthening or weakening in Ghana cedi against major trading currencies.

The fair value of cash and cash equivalents is affected by movement in exchange rates. A hypothetical 10% weakening in the Cedi will result in reduction of GHe7,800 in profit after tax(2006:reduction of GHe4,400 in profit after tax).

##### Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce cost of capital. The company monitors capital on the basis of nil net debt. In the year 2007, total borrowing was nil.

##### Credit risk

The company sells at least 95% of its goods to Unilever and the remaining to third parties on cash basis, and hence no credit risk.

##### 24. Basic and diluted earnings per share

The number of shares as at 31 December 2007 used for the computation of the basic and diluted earnings per share was 34,800,000 as denominator for year 2007 and 2006. The numerator used for the computation was net profit after tax, GHe745,000 (2006:GHe1,152,000). The basic and diluted earnings per share remained the same for both years.

##### 25. Segmental reporting

There is only one business segment and only one geographical segment. Segmental reporting is therefore not adopted in presenting the financial statements.

**Financial Statements****Notes (continued)****26. Profit and Loss and Income Surplus Accounts  
for the year ended 31 December from GNAS to IFRS***(All amounts are expressed in thousands of Ghana Cedis)*

		<b>GNAS</b>	<b>Adjustments</b>	<b>IFRS</b>
	<i>Notes</i>	2006		2006
<b>Revenue</b>		<b>9,079</b>		<b>9,079</b>
<b>Cost of sales</b>				
Production Cost		(7,934)	201	(7,733)
Gains form fair valuation of biological assets		-	650	650
		-----	-----	-----
<b>Gross profit</b>		<b>1,145</b>	<b>851</b>	<b>1,996</b>
Selling, general and administrative expenses		(763)		(763)
<b>Operating profit</b>		<b>382</b>		<b>1,233</b>
Other income	1	291	(219)	72
		-----	-----	-----
<b>Net profit before tax</b>		<b>673</b>		<b>1,305</b>
Taxation		(153)		(153)
		-----	-----	-----
<b>Net profit</b>		<b>520</b>	<b>632</b>	<b>1,152</b>
		====	====	====
<b>Income surplus account for the year ended 31 December, 2006</b>				
<b>Balance at 1 January</b>	2	<b>1,311</b>	<b>4,011</b>	<b>5,322</b>
Released from capital surplus			219	219
Net profit for the year		520	632	1,152
Proposed dividend for the year		(364)	364	-
		-----	-----	-----
<b>Balance at 31 December</b>		<b>1,467</b>	<b>5,226</b>	<b>6,693</b>
		====	====	====

**Note 1**

IFRS adoption (IAS 16) states that revaluation surplus released on disposal should be transferred directly to income surplus and not treated in the profit and loss account.

**Note 2**

IFRS adoption (IAS 41) requires that biological assets be assessed and reported at fair value and not depreciated. The amount GH¢4,011,000 relates to the fair value adjustment of biological assets adjusted through income surplus.



**Financial Statements**

**Notes (continued)**

**Balance Sheet as at December 2006 from GNAS to IFRS**

*(All amounts are expressed in thousands of Ghana Cedis)*

		GNAS	Adjustments	IFRS
	<i>Notes</i>	2006		2006
<b>Non current assets</b>		<b>9,489</b>		<b>14,351</b>
Property, plant and equipment		5,729		5,729
Biological assets	1	3,760	4,862	8,622
<b>Current assets</b>		<b>2,735</b>		<b>2,735</b>
Inventories		686		686
Trade and other receivables		714		714
Amounts due from associated companies		169		169
Tax		804		804
Cash and bank balances		362		362
<b>Total assets</b>		<b>12,224</b>		<b>17,086</b>
<b>Current liabilities</b>		<b>(1,128)</b>	<b>(364)</b>	<b>(764)</b>
Trade and other payables		(404)	110	(294)
Provisions	2		(110)	(110)
Amounts due to associated companies		(204)		(204)
Dividends payable	3	(393)	(364)	(29)
Bank overdraft		(127)		(127)
<b>Net assets</b>		<b>11,096</b>		<b>16,322</b>
<b>Funds employed</b>				
Stated capital		2,000		2,000
Capital surplus		7,629		7,629
Income surplus account	1&3	1,467	5,226	6,693
<b>Shareholders' funds</b>		<b>11,096</b>		<b>16,322</b>

**Note 1**

IFRS requires that biological assets are distinctly shown on the face of the balance sheet. The amount relates to biological assets fair value for 2006

**Note 2**

IFRS requires that provisions be shown separately on the balance sheet. Under GNAS, provisions were shown as part of trade and other payables. The split has been effected with IFRS adoption.

**Note 3**

IFRS requires that dividend proposed be treated as a non-adjusting post balance sheet event. We have as a result reflected this on the income surplus account in line with IFRS.





## Shareholders Information

### Shareholding Distribution as at 31st December, 2007.

Holding	No. of shareholders	Holders %	No. of shares	% of Holding
1 - 1,000	11,001	92.94	3,198,624	9.19
1,001 - 5,000	645	5.45	1,236,038	3.55
5,001 - 10,000	87	0.73	663,780	1.91
Over 10,000	104	0.88	29,701,558	85.35
	-----	-----	-----	-----
	11,837	100.00	34,800,000	100.00
	=====	=====	=====	=====

### Directors' Shareholding

The directors named below held the following number of shares in the company as at 31 December, 2007:

Mr. Ishmael Evans Yamson	-	10,000
Mr. Neneyo Asare Mate-Kole	-	10,000
Mr. Francis Solace Oduro Koranteng	-	520

### 20 Largest Shareholders at 31 December, 2007

Shareholders	Number of shares	% Holding
1 Unilever Ghana Limited	20,340,600	58.45
2 SSNIT	1,300,000	3.74
3 BBG/NTHC Horizon Fund	654,506	1.88
4 BBG/Epack Investment Fund Limited	611,340	1.76
5 Galtere International Fund	600,000	1.72
6 State Insurance Company (SIC) Life Business Portfolio	600,000	1.72
7 Barclays Bank (Gh.) Limited	539,400	1.55
8 Adum Bansa Community Endowment Fund	419,746	1.21
9 State Insurance Company (SIC) Gen. Business Portfolio	400,000	1.15
10 Twifo Oil Palm Plantation Prov. Fund	221,841	0.64
11 EDC Stockbrokers Limited	204,911	0.59
12 SSNIT SOS Fund	200,000	0.57
13 State Insurance Company (SIC) Prov. Fund Portfolio	200,000	0.57
14 ACRE Consolidated Limited	150,000	0.43
15 NTHC Limited itf. Gov. of Ghana	149,254	0.43
16 Sterling Asset Management	144,125	0.41
17 Cal Bank Limited	121,233	0.35
18 NTHC Securities	111,100	0.32
19 State Insurance Co. (SIC) Sika Plan Business Portfolio	100,000	0.29
20 Akoto-Bamfo Edmund Mr	100,000	0.29
	-----	-----
	27,168,056	78.07
	=====	=====



## FIVE YEARS FINANCIAL SUMMARY

(All amounts are expressed in thousands of Ghana Cedis)

	2007	2006	2005	2004	2003
	IFRS	IFRS	GNAS	GNAS	GNAS
<b>Results</b>					
Revenue	13,115 =====	9,079 =====	7,323 =====	8,184 =====	7,433 =====
Profit before tax	745	1,305	15	513	1,726
Tax	-	(153)	-	(2)	(259)
Dividends	-	-	-	(256)	(729)
<b>Profit retained in the year</b>	745 =====	1,152 =====	15 =====	255 =====	738 =====
<b>Balance Sheet as at 31 December</b>					
Property, plant and equipment	5,465	5,729	9,561	9,514	9,886
Biological asset fair value	9,011	8,622	-	-	-
Cash and bank balances	717	362	321	149	1,060
Other current assets	2,601	2,373	2,159	3,029	2,478
Total assets	17,794	17,086	12,041	12,692	13,424
Total liabilities	(1,091)	(764)	(882)	(1,339)	(1,892)
<b>Net assets</b>	16,703 =====	16,322 =====	11,159 =====	11,353 =====	11,532 =====
Stated Capital	2,000	2,000	2,000	2,000	1,000
Capital Surplus	7,629	7,629	7,848	8,057	8,491
Income Surplus	7,074	6,693	1,311	1,296	2,041
Shareholders' funds	16,703 =====	16,322 =====	11,159 =====	11,353 =====	11,532 =====

The 2006 and 2007 financial summaries, labelled as IFRS, have been adjusted accordingly to recognise fair value movements in our biological assets.

**GNAS** - Ghana National Accounting Standards  
**IFRS** - International Financial Reporting Standards



THE YEAR FINANCIAL SUMMARY

	2014	2013	2012	2011	2010
Revenue	1,100,000	1,050,000	1,000,000	950,000	900,000
Cost of Sales	(600,000)	(580,000)	(560,000)	(540,000)	(520,000)
Gross Profit	500,000	470,000	440,000	410,000	380,000
Operating Expenses	(300,000)	(280,000)	(260,000)	(240,000)	(220,000)
Operating Profit	200,000	190,000	180,000	170,000	160,000
Finance Income	50,000	40,000	30,000	20,000	10,000
Finance Expenses	(20,000)	(15,000)	(10,000)	(5,000)	(5,000)
Profit Before Tax	230,000	215,000	200,000	185,000	175,000
Income Tax	(30,000)	(25,000)	(20,000)	(15,000)	(10,000)
Profit After Tax	200,000	190,000	180,000	170,000	165,000
Dividend	100,000	100,000	100,000	100,000	100,000
Retained Profit	100,000	90,000	80,000	70,000	65,000



**Proxy Form**

ANNUAL GENERAL MEETING TO BE HELD at 11.00 a.m. on Friday, 9th May, 2008 at Akroma Plaza, Police Reserve near MTU, Takoradi

I/We.....  
(Insert full name)

of.....  
(Insert full address)

Being a member(s) of Benso Oil Palm Plantation, hereby appoint

.....  
(Insert full name)

or failing him the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf as the Annual General Meeting of that Company to be held on Friday 9th May 2008 and at any and every adjournment thereof.

Dated this ..... day of May, 2008

For Company's Use	Serial No.	
	No. of Shares	
RESOLUTION	FOR	AGAINST
To declare a Dividend		
To re-elect Mr. I Adam as a Director		
To re-elect Mr. C. Cofie as a Director		
To re-elect Dr. J. Poku as a Director		
To approve the terms of appointment of Mr. I. Adam as a Manager		
To approve Directors' fees		
To fix the Remuneration of Auditors		
Please indicate with "X" in the appropriate square how you wish your votes to be cast on the resolution referred to above. Unless otherwise instructed the proxy will vote or abstain from voting at his discretion.		

Shareholder's signature:.....(Before posting the above form, please tear off this part and retain it)

THIS PROXY FORM SHOULD NOT BE COMPLETED AND SENT TO THE REGISTRARS IF THE MEMBER WILL BE ATTENDING THE MEETING

- NOTES (1) In the case of joint holders, each should sign.  
 (2) If executed by a Corporation, the Proxy Form should bear its Common Seal or be signed on its behalf by a Director.  
 (3) Please sign the above Proxy Form and post it so as to reach the address shown over leaf not later than 11.00.a.m on 7th May, 2008.



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please fix  
stamp

Fourth fold here

The Registrar  
NTHC Limited  
Martco House, D542/4,  
Okai-Mensah Link  
P. O. Box KIA 9563  
Adabraka, Accra,

Third fold  
here

First fold here

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