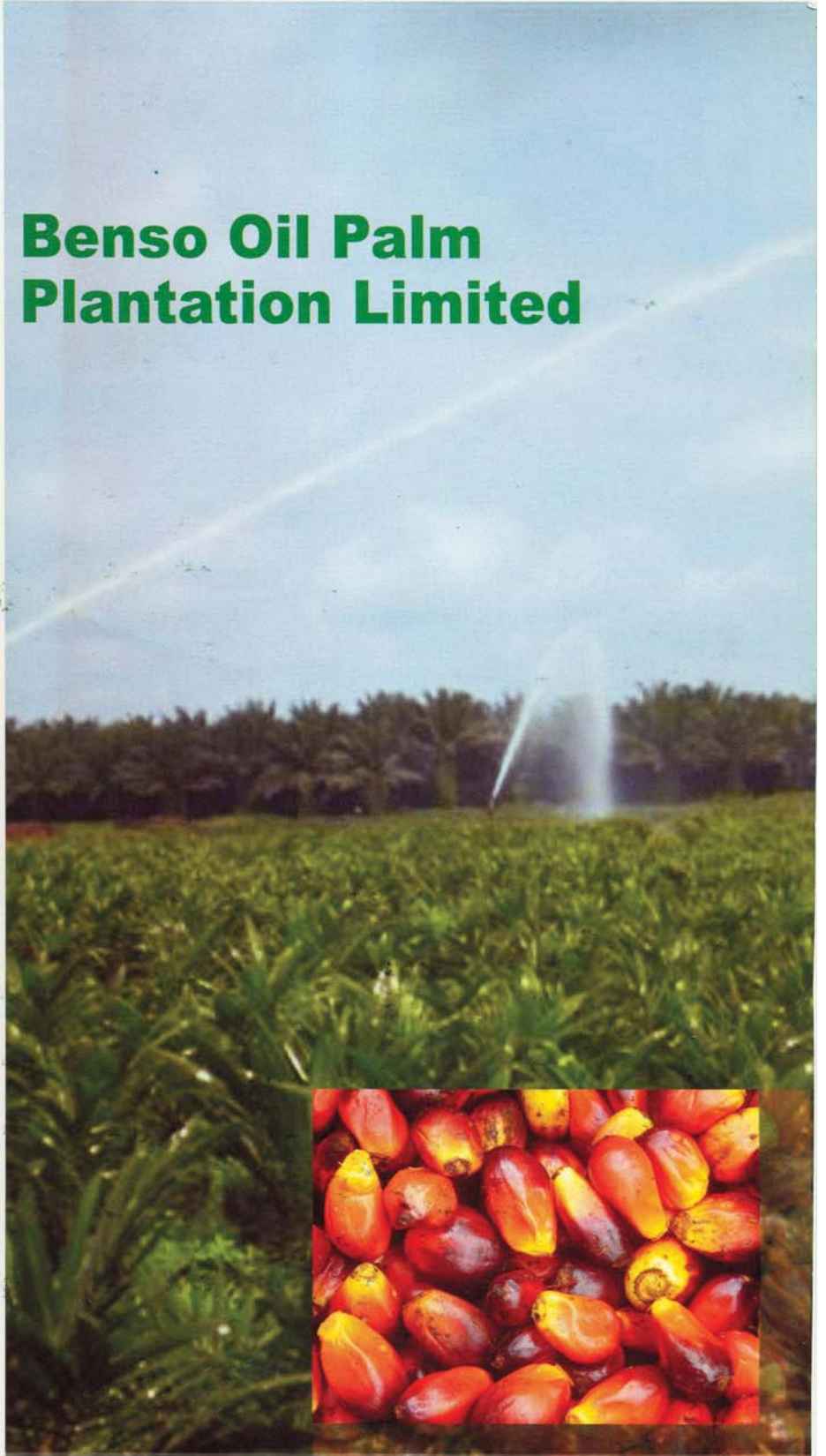


Benso Oil Palm Plantation Limited

Annual Report &
Financial
Statements

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**Setting Standards for Sustainable
Agriculture: Climate Change-Going Green**

BOARD OF DIRECTORS



From left to right

F. S. O. Koranteng(Non-Executive Director), **N.Mate-Kole**(Managing Director), **I. Adam**(Finance Director),
V. K. Kiggundu(Non-Executive Director), **I. E. Yamson**(Non-Executive Chairman), **C. A. Cofie**(Non-Executive Director),
K. Amoasi-Andoh(Non-Executive Director) **Juliana Ohenewaa Torpey**(Company secretary),
Dr. J. A. Poku(Non-Executive Director),

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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 MTU, Takoradi on Thursday, 12th May, 2011 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, 2010 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 fix directors' fees.
5. To fix the remuneration of the auditor

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 11th day of February, 2011.

By Order of the Board

Juliana Ohenewaa Torpey (Mrs)
Company 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 12th day of June, 2011 to the holders of shares whose names are registered in the Register of members at the close of day on the 5th day of May, 2011.

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, V. Kayaga Kiggundu (Mrs).
Juliana Ohenewaa Torpey (Mrs), Secretary.

Board Audit committee

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

Auditor

PricewaterhouseCoopers, Chartered Accountants, No 12 Airport City, Una Home 3rd Floor, 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 shareholders' 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 its 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 executives and six (6) non-executive directors. To ensure effective control and monitoring of the Company's business, the board has two main committees, the management committee and the audit committee which in turn work 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 to mitigate possible adverse impact on the business.

Audit committee

The audit committee is made up of four directors, three of whom 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 reports, 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 and risk management 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. Unilever's 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 unless otherwise stated)

	Year ended 31 December 2010	Year ended 31 December 2009	% Change
Revenue	19,366	15,603	24.1
Net profit before tax	2,668	1,593	67.5
Tax	-	59	-
Net profit after tax	2,668	1,652	61.5
Proposed dividend	1,868	1,156	61.6
Retained profit	12,184	10,671	14.2
Capital expenditure	833	881	(5.4)
Depreciation	523	528	(0.9)
Total equity	21,813	20,300	7.5
Earnings per share (GHC)	0.0767	0.0475	61.5
Net assets per share (GHC)	0.6268	0.5833	7.5
Dividend per share (GHC)	0.0537	0.0332	61.6

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



CHAIRMAN'S REVIEW

Political

Ghana's political environment remained peaceful and stable throughout 2010. Accordingly, the country enjoyed an enviable position as one of the most stable economies in Africa. However, with general elections fixed for 2012, it is expected that Ghana will begin to see a rise in its political temperature, although this should not undermine the stability so far established.

Economic environment

Ghana's macroeconomic environment in 2010 witnessed stronger improvements and stability over 2009. The year-on-year inflation rate dropped from a high of 15.9% in December 2009 to 8.6% in December 2010 with an average inflation of 10.75%. The decline was driven largely by the stability of the currency and also by the impact of prudent fiscal policies implemented during the year.

The Cedi appreciated against the US dollar by 1.5% but depreciated against the GBP and the Euro at 2.5% and 6.1% respectively, compared to depreciation of 13.2%, 29.4% and 20.2% respectively in 2009. This mirrored the downward adjustment of the Bank of Ghana policy rate to 13.5% from 18% at the end of December 2009. Also influenced by the decline in the policy rate were borrowing rates with the 91-Day Treasury bill rate falling from 21.28% in December 2009 to 12.3% in December 2010.

Generally, 2010 was a good year for business.

Overall business performance

Your Company delivered profit after tax of GH¢ 2.67 million compared with GH¢ 1.65 million the previous year, representing approximately an increase of 62%. The improved performance was largely driven by an upward trend in the world market price of crude palm oil (CPO) and the positive impact of cost savings initiatives embarked upon by the business.

CPO Price

During the year under review, world market price of crude palm oil increased from an average of \$661 in 2009 to \$861 in 2010. This increase represented 30% rise in dollar terms. The earnings of the business from CPO sales were favourably affected as your Company's palm oil prices are aligned to the world market prices. This positively resulted in a 24% increase in revenue compared with prior year.

Volumes

Total palm fruits production during the year under review was 63,072 metric tonnes, representing a 12% decline compared with 2009. Replanting (i.e. Plantation renewal), erratic rainfall pattern over the last couple of years and stiff competition in the area of Outside Purchase Fruits (OPF) contributed significantly to the low crop volumes. During the year under review, your Company purchased 28,398 metric tonnes of fresh fruit bunches at a total cost of GH¢ 3.7 million from smallholders and out grower farmers in the Western and Central Regions of Ghana.

Operating profit

Operating profit grew strongly by 203% from GH¢ 783,000 in 2009 to GH¢ 2,375,000 in 2010. In addition to the high prices of CPO, the Company continued with its cost savings and efficiency improvement measures to improve performance. Again, in compliance with IFRS, gains arising from changes in the fair value of Biological assets also contributed to the operating profit delivered this year.

Dividend

Dividend to shareholders has consistently been paid on an annual basis over the past ten years (2001 to 2010) except in 2005. In 2009 your company paid a total dividend of GH¢1.16million out of the profit after tax of GH¢1.65million. The directors of the company, therefore, propose to pay a total dividend of GH¢ 1.87million out of the profit after tax of GH¢ 2.67million for the 2010 financial year.



CHAIRMAN'S REVIEW

Board changes

Since our last Annual General Meeting, Mr Stephane Achio has resigned from the board.

Safety, Health, Environment and Quality Issues

Safety, health, environment and quality issues continue to be given the required attention by your Company. In 2010, the Total Recordable Frequency Rate (TRFR) in respect of industrial accidents was 0.00(zero) same as in 2009. This means that the Company did not record any lost time accident (LTA), restricted work case (RWC) or medical treated case (MTC) throughout the year under review.

The supply of quality and safe products remain paramount on our operations. Consequently, there was no consumer safety incident involving our products that were supplied to any of our customers in the year under review.

Your Company has received feedback from the RSPO board on the draft National Interpretation (NI) and is encouraging as only one out of the 41 general requirements was partially compliant and the rest fully compliant. The final approval of the NI is expected by March 2011 after which a mock audit will be done to test our preparedness for a certification audit by quarter three or latest quarter four of 2011. Meanwhile, a baseline audit for high conservation value items is planned for quarter one of 2011.

Social responsibility

Your Company's support for the brilliant but needy students within the community through educational Scholarship has now reached 18 scholarships to four (4) communities at the Senior High School level. Process to nominate for 2010/2011 academic year has started.

Your Company was selected and presented with Millennium Excellence Award (MEA): CLIMATE CHANGE – GOING GREEN! Category. This award was given as recognition of BOPP's care for the environment specifically in the area of tree planting and liquid waste control. This is a monumental achievement and recognition that our employees and stakeholders must feel proud about.

Offer from Wilmar Africa Limited to purchase the Issued Share Capital of Benso Oil Palm Plantations Limited

As you may have read in the National Dailies and a letter from the Board of Directors to all shareholders of the Company, Wilmar International Limited on behalf of its wholly owned subsidiary Wilmar Africa Limited has made an offer to purchase at least 58.45% of the issued Ordinary Share Capital of Benso Oil Palm Plantation Limited. As a result of the Undertaking and in accordance with the Securities and Exchange Commission's Code on Takeovers and Mergers in Ghana, Wilmar extended the offer to acquire the remaining issued shares of Benso Oil Palm Plantation Limited.

Outlook for 2011

The year has commenced with some good weather pattern compared with previous years and we expect this to deliver improved crop volumes over prior year. Should the current trend in the world market price of Crude Palm Oil continue, it is anticipated that your Company will deliver enhanced performance compared with 2010.



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 2010 and the balance sheet as at that date.

The profit for the year after tax is GH¢ 2,668,000 against a profit after tax of GH¢ 1,652,000 for 2009. The directors have decided to recommend to members the payment of a dividend of GH¢ 0.0537 per share.

The directors wish to inform members that Mr Stephane Achio has resigned from the Board of Directors.

The directors to retire by rotation in accordance with the regulations of the Company are Mr Issah Adam, Mr K Amoasi-Andoh and Mr F. S. O. Koranteng who 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 .

Auditor

In accordance with Section 134(8) of the Ghana Companies code, 1963, Act 179, PricewaterhouseCoopers continues 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: 11th February, 2011



REPORT OF THE AUDIT COMMITTEE

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, audit and general management. The Unilever audit manager is always in attendance and from time to time the external auditor is invited to make presentation 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 the Sarbannes Oxley Act on Operational Control Assessment.

Summary of the audit committee's activities in 2010

In 2010, Benso Oil Palm Plantation Limited audit committee met four (4) times on 12 February, 2010, 15 April, 2010, 15 July, 2010 and 15 October, 2010.

Review of the financial performance of the company

At the 12 February 2010 meeting, the committee reviewed the financial performance of the company for the financial year ended December 2009.

The committee was updated on the company's performance during all the four (4) committee meetings held in 2010.

Internal audit

At the February 12, 2010 meeting, the committee reviewed the internal audit plan for 2010. The committee was then updated at the April 15, 2010, July 15, 2010 and October 15, 2010 meetings on the activities of the internal audit team and the status of the Operational Control Assessment (OCA) exercise, the internal audit carried out by the team.

The main highlights are:

1. Operational Control Assessment (OCA) process was completed and involved identifying and challenging the company's processes as well as assessing the design adequacy and operational effectiveness of the controls in place.
2. The internal audit team carried out and completed the audits as per their 2010 audit plan.

External audit

At the February 12, 2010 meeting, the committee reviewed BOPP's draft accounts for the financial year ended 31 December, 2009 and the findings of the external auditor, PricewaterhouseCoopers.

At the October 15, 2010 meeting, the external auditor furnished the committee with a copy of their draft audit plan for the 2010 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 2010 year end audit.



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

Report on the financial statements

We have audited the accompanying financial statements of Benso Oil Palm Plantation Limited set out on pages 10 to 34. These financial statements comprise the statement of financial position as at 31 December 2010 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) and with the requirements of the Companies Code, 1963 (Act 179) and for such internal control, as the directors determine necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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 about 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 of financial statements that give a true and fair view 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, 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 Benso Oil Palm Plantation Limited as at 31 December 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in a manner required by the Companies Code, 1963 (Act 179).

Report on other legal requirements

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

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

Chartered Accountants

Accra

11 March 2011

Michael Asiedu-Antwi (101032)

pwc



FINANCIAL STATEMENTS

Statement of comprehensive income

(All amounts are expressed in thousands of Ghana Cedis)

	Notes	Year ended 31 December	
		2010	2009
Revenue	2	19,366	15,603
Cost of sales	3	(16,110)	(14,392)
Gains from revaluation of Biological assets	19	346	824
Gross profit		3,602	2,035
Administrative expenses	3b	(1,227)	(1,252)
Operating profit		2,375	783
Other income	5	293	810
Profit before income tax		2,668	1,593
Income tax	6	-	59
Profit for the year		2,668	1,652
Other comprehensive income		-	-
Total comprehensive income for the year		2,668	1,652
Profit attributable to:			
Owners of the parent		1,559	966
Non-controlling interest		1,109	686
		2,668	1,652
Basic and diluted earnings per share (GH¢)	21	0.0767	0.0475

The notes on pages 14 to 34 are an integral part of the financial statements.



FINANCIAL STATEMENTS

Statement of financial position

(All amounts are expressed in thousands of Ghana Cedis)

	Notes	At 31 December	
		2010	2009
Assets			
Non-current assets		16,351	15,695
Property, plant and equipment	10	4,651	4,944
Biological assets	19	11,700	10,751
Current assets		7,533	6,465
Inventories	11	1,701	2,610
Trade and other receivables	12	1,075	1,057
Amounts due from related companies	16	2,219	1,482
Current income tax	6	7	18
Cash and cash equivalents	15	2,531	1,298
Total assets		23,884	22,160
Liabilities			
Current liabilities		(2,071)	(1,860)
Trade and other payables	13	(1,099)	(908)
Amounts due to related companies	16	(716)	(765)
Dividend payable	7	(256)	(187)
Total liabilities		(2,071)	(1,860)
Net assets		21,813	20,300
Equity			
Stated capital	8	2,000	2,000
Capital surplus account	9	7,629	7,629
Income surplus account	17	12,184	10,671
Total equity		21,813	20,300

The notes on pages 14 to 34 are an integral part of the financial statements.

The financial statements on pages 10 to 34 were approved by the Board of directors on February 11, 2011 and were signed on its behalf by:

Director

Director



FINANCIAL STATEMENTS

Statement of changes in equity

(All amounts are expressed in thousands of Ghana Cedis)

	Attributable to the shareholders of the company			
	Stated capital	Capital surplus account	Income surplus account	Total
At 1 January 2010	2,000	7,629	10,671	20,300
Net profit for the year	-	-	2,668	2,668
Other comprehensive income	-	-	-	-
Total comprehensive income	2,000	7,629	13,339	22,968
Transactions with owners				
Dividend paid(Note 7)	-	-	(1,155)	(1,155)
At 31 December 2010	2,000	7,629	12,184	21,813
At 1 January 2009	2,000	7,629	10,355	19,984
Net profit for the year	-	-	1,652	1,652
Other comprehensive income	-	-	-	-
Total comprehensive income	2,000	7,629	12,007	21,636
Transactions with owners				
Dividend paid(Note 7)	-	-	(1,336)	(1,336)
At 31 December 2009	2,000	7,629	10,671	20,300

The notes on pages 14 to 34 are an integral part of the financial statements.



FINANCIAL STATEMENTS

Statement of cash flows

(All amounts are expressed in thousands of Ghana Cedis)

	Notes	Year ended 31 December	
		2010	2009
Cash flows from operating activities			
Cash generated from operations	14	2,887	1,317
Interest received		254	394
Tax paid	6	11	(1)
		-----	-----
Net cash generated from operating activities		3,152	1,710
		-----	-----
Cash flows from investing activities			
Purchase of plant and equipment	10	(230)	(443)
Purchase of biological assets	19	(603)	(438)
Proceeds from sale of property, plant and equipment	10	-	55
		-----	-----
Net cash (used in) investing activities		(833)	(826)
		-----	-----
Cash flows from financing activities			
Dividend paid to company's shareholders	7	(1,086)	(1,695)
		-----	-----
Net cash (used in) financing activities		(1,086)	(1,695)
		-----	-----
Increase / (decrease) in cash and cash equivalents		1,233	(811)
Cash and cash equivalents at beginning of year		1,298	2,109
		-----	-----
Cash and cash equivalents at end of year	15	2,531	1,298
		=====	=====

The notes on pages 14 to 34 are an integral part of the financial statements.



FINANCIAL STATEMENTS

General information

Benso Oil Palm Plantation Limited is incorporated in Ghana under the Companies Code 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 oil palm and produce palm oil and kernel oil.

1 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations. The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy below. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions change. Management believes that the underlying assumptions are appropriate and that the company's financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Company's financial statements are disclosed in Note (p).

(b) Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

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

Roads, bridges, buildings and houses,	2.5%
Vehicles – light passenger & lorries	25.0%
Vehicles – heavy roadmaking equipment, tractors and trailers	16.7%
Plant	7.0%
Computers	20.0%
Furniture and fittings and Office equipment	25.0%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

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.



FINANCIAL STATEMENTS

Notes (continued)

Accounting policies (continued)

(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 borrowing cost. 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.

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

Trade receivables are amounts due from customers, goods sold or services provided in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. A provision for impairment of trade 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 statement of comprehensive income.

(e) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate.

(f) Income tax

(i) 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.

(ii) Current income tax

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date and any adjustment to tax payable in respect of previous years.

(g) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three or less months.

(h) Revenue recognition

Revenue is recognised upon delivery of products and customer acceptance and also upon customer request to store the products. Turnover is shown at net of value added taxes and discounts. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and when specific criteria have been met for each of the Company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.



FINANCIAL STATEMENTS

Notes (continued)

Accounting policies (continued)

(i) Sales other than by auction are recognised in the period in which the Company delivers products to customers and the customer has accepted the products and collectability of the related receivables is reasonably assured;

(ii) Interest income is recognised on a time proportion basis that takes into account the effective yield on the asset.

(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 statement of comprehensive income in the year in which they arise.

(j) Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds. Where any group company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

(k) Foreign currency translation

(a) Functional and presentation currency

Transactions items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Ghana Cedis, which is the Company's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the Ghana Cedis using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.



FINANCIAL STATEMENTS

Notes (continued)

Accounting policies (continued)

- (l) **Employment benefits**
The Company contributes 13% of basic salary to Social Security and National Insurance Trust for all employees. The Trust is managed by the Government of Ghana. This cost is charged to the statement of comprehensive income.
- (m) **Accounting for lease**
Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.
- (n) **Provisions**
Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of economic resources will be required to settle the obligation; and the amount has been reliably estimated.
- (o) **Segment reporting**
Operating segments are reported in a manner consistent with the internal reporting provided by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the management committee members that makes strategic decisions.
- (p) **Significant accounting judgement and estimates**
The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

(i) Depreciation of plant and equipment

The cost of plant and equipment is depreciated on a straight line basis over their estimated useful lives. Management estimates the useful lives of these plant and equipment to be within 4 to 25 years. These are common life expectancies applied in the industry. Changes in the expected level of the usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. The carrying amount of the company's property, plant and equipment at 31 December 2010 was approximately GH¢ 4,651,000 (2009: GH¢ 4,944,000).

(ii) Biological assets

The Company's biological assets are stated at fair value less point-of-sale costs. Changes in the conditions of the biological assets could impact the fair value of the assets. The carrying amount of the Company's biological assets at 31 December 2010 was approximately GH¢ 11,700,000 (2009: GH¢ 10,751,000).



FINANCIAL STATEMENTS

Notes (continued)

Accounting policies (continued)

(q) New and amended standards

(a) New and amended standards, and interpretations mandatory for the first time for the financial year beginning 1 January 2010 but not currently relevant to the company's operations.

Standards/Interpretation	content	Applicable for financial years beginning on /after
IFRS 3 (Amendment)	Business combinations	1 July 2009
IAS 27 (Amendment)	Consolidated and separate financial statements	1 July 2009
IFRIC 17	Distribution of non-cash assets to owners	1 July 2009
IFRIC 18	Transfers of assets from customers	1 July 2009
IFRIC 9 & IAS 39	Reassessment of embedded derivatives and financial instruments	1 July 2009
IFRIC 16	Hedges of a net investment in a foreign operation	1 July 2009
IAS 38(Amendment)	Intangible assets	1 January 2010
IAS 1 (Amendment)	Presentation of financial statements	
IAS 36 (Amendment)	Impairment of assets	1 January 2010
IFRS 2 (Amendments)	Group cash-settled share-based payment transactions	1 January 2010
IFRS 5 (Amendments)	Non-current assets held for sale and discontinued operations	1 July 2009

IFRS 3 (Amendment) Business combinations

IFRS 3 (revised), 'Business combinations', and consequential amendments to IAS 27, 'Consolidated and separate financial statements', IAS 28, 'Investments in associates', and IAS 31, 'Interests in joint ventures', are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. The revised standard continues to apply the acquisition method to business combinations but with some significant changes compared with IFRS 3. For example, all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently remeasured through the statement of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed.

IAS 27 (Amendment) Consolidated and separate financial statements

IAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. IAS 27 (revised) has had no impact on the current period, as none of the non-controlling interests have a deficit balance; there have been no transactions whereby an interest in an entity is retained after the loss of control of that entity, and there have been no transactions with non-controlling interests.

IFRIC 17 Distribution of non-cash assets to owners

This interpretation provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. IFRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable.

IFRIC 18 Transfers of assets from customers

This interpretation clarifies the requirements of IFRS for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect the customer to a



FINANCIAL STATEMENTS

Notes (continued)

Accounting policies (continued)

(q) New and amended standards(continued)

network or to provide the customer with ongoing access to a supply of goods or services (such as a supply of electricity, gas or water). In some cases, the entity receives cash from a customer that must be used only to acquire or construct the item of property, plant, and equipment in order to connect the customer to a network or provide the customer with ongoing access to a supply of goods or services (or to do both).

IFRIC 9 Reassessment of embedded derivatives and IAS 39 financial instruments

IFRIC 9, 'Reassessment of embedded derivatives and IAS 39, Financial instruments: Recognition and measurement', effective 1 July 2009. This amendment to IFRIC 9 requires an entity to assess whether an embedded derivative should be separated from a host contract when the entity reclassifies a hybrid financial asset out of the 'fair value through profit or loss' category. This assessment is to be made based on circumstances that existed on the later of the date the entity first became a party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. If the entity is unable to make this assessment, the hybrid instrument must remain classified as at fair value through profit or loss in its entirety.

IFRIC 16 Hedges of a net investment in a foreign operation

This amendment states that, in a hedge of a net investment in a foreign operation, qualifying hedging instruments may be held by any entity or entities within the company, including the foreign operation itself, as long as the designation, documentation and effectiveness requirements of IAS 39 that relate to a net investment hedge are satisfied. In particular, the company should clearly document its hedging strategy because of the possibility of different designations at different levels of the Company.

IAS 38 (amendment), 'Intangible assets'

The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives.

IAS 1 (Amendment) Presentation of financial statements

IAS 1 (amendment), 'Presentation of financial statements'. The amendment clarifies that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non current. By amending the definition of current liability, the amendment permits a liability to be classified as non-current (provided that the entity has an unconditional right to defer settlement by transfer of cash or other assets for at least 12 months after the accounting period) notwithstanding the fact that the entity could be required by the counterparty to settle in shares at any time.

IAS 36 (Amendment) Impairment of assets

The amendment clarifies that the largest cash-generating unit (or company of units) to which goodwill should be allocated for the purposes of impairment testing is an operating segment, as defined by paragraph 5 of IFRS 8, 'Operating segments' (that is, before the aggregation of segments with similar economic characteristics).

IFRS 2 (Amendments) Group cash-settled share-based payment transactions

IFRS 2 (amendments), 'Company cash-settled share-based payment transactions', effective from 1 January 2010. In addition to incorporating IFRIC 8, 'Scope of IFRS 2', and IFRIC 11, 'IFRS 2 – Company and treasury share transactions', the amendments expand on the guidance in IFRIC 11 to address the classification of company arrangements that were not covered by that interpretation.

IFRS 5 (Amendments) Non-current assets held for sale and discontinued operations

IFRS 5 (amendment), 'Non-current assets held for sale and discontinued operations'. The amendment clarifies that IFRS 5 specifies the disclosures required in respect of non-current assets (or disposal companies) classified as held for sale or discontinued operations. It also clarifies that the general requirement of IAS 1 still



FINANCIAL STATEMENTS

Notes (continued)

Accounting policies (continued)

(q) New and amended standards(continued)

apply, in particular paragraph 15 (to achieve a fair presentation) and paragraph 125 (sources of estimation uncertainty) of IAS 1.

(b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2010 and not early adopted

Standards/Interpretation	content	Applicable for financial years beginning on /after
IFRS 9	Financial instruments part 1: Classification and measurement	1 January 2013
IAS 24 (Revised)	Related party disclosures	1 January 2011
IAS 32 (Amendment)	Classification of right issues	1 February 2010
IFRIC 19	Extinguishing financial liabilities with equity instrument	1 July 2010
IFRIC 14 (Amendments)	Prepayments of a minimum funding requirement	
IAS 12 (Amendments)	Income taxes on deferred tax	1 January 2012

The company's assessment of the impact of these new standards and interpretations is set out below.

IFRS 9 Financial instruments part 1: Classification and measurement

IFRS 9, 'Financial instruments', issued in November 2009. This standard is the first step in the process to replace IAS 39, 'Financial instruments: recognition and measurement'. IFRS 9 introduces new requirements for classifying and measuring financial assets and is likely to affect the company's accounting for its financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. However, the standard has not yet been endorsed by the EU. The company is yet to assess IFRS 9's full impact. IFRS 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in the statement of comprehensive income.

IAS 24 (Revised) Related party disclosures

Revised IAS 24 (revised), 'Related party disclosures', issued in November 2009. It supersedes IAS 24, 'Related party disclosures', issued in 2003. IAS 24 (revised) is mandatory for periods beginning on or after 1 January 2011. Earlier application, in whole or in part, is permitted. However, the standard has not yet been endorsed by the EU.

The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The company will apply the revised standard from 1 January 2011. When the revised standard is applied, the company and the parent will need to disclose any transactions between its subsidiaries and its associates. The company is currently putting systems in place to capture the necessary information. It is, therefore, not possible at this stage to disclose the impact, if any, of the revised standard on the related party disclosures.



FINANCIAL STATEMENTS

Notes (continued)

Accounting policies (continued)

(q) New and amended standards(continued)

IAS 32 (Amendment) Classification of right issues

Classification of rights issues' (amendment to IAS 32), issued in October 2009. The amendment applies to annual periods beginning on or after 1 February 2010. Earlier application is permitted. The amendment addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. Provided certain conditions are met, such rights issues are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities. The amendment applies retrospectively in accordance with IAS 8 'Accounting policies, changes in accounting estimates and errors'.

IFRIC 19 Extinguishing financial liabilities with equity instrument

IFRIC 19, 'Extinguishing financial liabilities with equity instruments', effective 1 July 2010. The interpretation clarifies the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability (debt for equity swap). It requires a gain or loss to be recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments should be measured to reflect the fair value of the financial liability extinguished. The company will apply the interpretation from 1 January 2011, subject to endorsement by the EU. It is not expected to have any impact on the company or the parent entity's financial statements.

IFRIC 14 (Amendments) Prepayments of a minimum funding requirement

'Prepayments of a minimum funding requirement' (amendments to IFRIC 14). The amendments correct an unintended consequence of IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction'. Without the amendments, entities are not permitted to recognise as an asset some voluntary prepayments for minimum funding contributions. This was not intended when IFRIC 14 was issued, and the amendments correct this. The amendments are effective for annual periods beginning 1 January 2011.

Earlier application is permitted. The amendments should be applied retrospectively to the earliest comparative period presented. The company will apply these amendments for the financial reporting period commencing on 1 January 2011.

IAS 12 (Amendment) 'Income taxes' on deferred tax

Currently IAS 12, 'Income taxes', requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. It can be difficult and subjective to assess whether recovery will be through use or through sale when the asset is measured using the fair value model in IAS 40 Investment Property. Hence this amendment introduces an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. As a result of the amendments, SIC 21, 'Income taxes- recovery of revalued non-depreciable assets', would no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC 21, which is accordingly withdrawn.

Improvements to IFRS – 2010

Improvements to IFRS' were issued in May 2010. Amendments to 7 standards. Effective from annual periods starting on 1 July 2010 or 1 January 2011, with earlier application permitted. Except for amendments to IFRS 7 Financial Instruments: Disclosures and IAS 1 Presentation of Financial Statements, no other material changes to accounting policies are expected as a result of these amendments. These are the improvements issued in May 2010 below:



FINANCIAL STATEMENTS

Notes (continued) Accounting policies (continued)

(q) New and amended standards(continued)

IFRS	Subject of amendment	Impact
IFRS 1 First-time Adoption of International Financial Reporting Standards	Accounting policy changes in the year of adoption	No impact
	Revaluation basis as deemed cost	No impact
	Use of deemed cost for operations subject to rate regulation	No impact
IFRS 3 Business Combinations	Transition requirements for contingent consideration from a business combination that occurred before the effective date of the	No impact
	Measurement of non-controlling interests	No impact
	Un-replaced and voluntarily replaced share-based payment awards	No impact
IFRS 7 Financial Instruments: Disclosures	Clarification of disclosures	No material impact
IAS 1 Presentation of Financial Statements	Clarification of statement of changes in equity	Impact noted
IAS 27 Consolidated and Separate Financial Statements	Transition requirements for amendments arising as a result of IAS 27 Consolidated and Separate Financial Statements	No impact
IAS 34 Interim Financial Reporting	Significant events and transactions	No impact
IFRIC 13 Customer Loyalty Programmes	Fair value of award credits	No impact

Improvements to IFRS - 2009

Improvements to IFRS[®] were issued in April 2009. Amendments to 12 standards. Most are effective from annual periods starting on 1 January 2010, with earlier application permitted. Except for amendments to IFRS 8 Operating Segments, no other material changes to accounting policies are expected as a result of these amendments.

IFRS	Subject of amendment	Impact
IFRS 2 Share-based Payment	Scope of IFRS 2 and revised IFRS 3	No impact
IFRS 5 Non-current Assets Held for Sale and Discontinued Operations	Disclosures of non-current assets (or disposal groups) classified as held for sale or discontinued operations	No impact
IFRS 8 Operating Segments	Disclosure of information about segment assets	No material impact
IAS 1 Presentation of Financial Statements	Current/non-current classification of convertible instruments	No impact
IAS 7 Statement of Cash Flows	Classification of expenditures on unrecognised assets	No impact
IAS 17 Leases	Classification of leases of land and buildings	No material impact
IAS 18 Revenue	Determining whether an entity is acting as a principal or as an agent	No material impact
IAS 36 Impairment of Assets	Unit of accounting for goodwill impairment test	No impact
IAS 38 Intangible Assets	Additional consequential amendments arising from revised IFRS 3	No impact
	Measuring the fair value of an intangible asset acquired in a	No impact
IAS 39 Financial Instruments: Recognition and Measurement	Treating loan prepayment penalties as closely related embedded	No impact
	Scope exemption for business combination contracts	No impact
	Cash flow hedge accounting	No impact
IFRIC 9 Reassessment of Embedded Derivatives	Scope of IFRIC 9 and revised IFRS 3	No impact
IFRIC 16 Hedges of a Net Investment in a Foreign Operation	Amendment to the restriction on the entity that can hold hedging instruments	No impact

Early adoption of standards

The Company did not early adopt any new or amended standards in 2010.

(r) Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.



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
Sale of palm nuts

	2010	2009
Sale of crude palm oil	15,494	13,154
Sale of palm kernel oil	3,872	2,431
Sale of palm nuts	-	18
	19,366	15,603
	=====	=====

By customer:

Third parties
Related parties (Note 16)

	2010	2009
Third parties	195	4,089
Related parties (Note 16)	19,171	11,514
	19,366	15,603
	=====	=====

3. Cost of sales

Cost of sales include:

Depreciation
Labour
Repairs and maintenance
Inventory expensed

	2010	2009
Depreciation	501	502
Labour	2,052	1,821
Repairs and maintenance	133	170
Inventory expensed	3,141	3,764

3(b). Administrative expenses

Administrative expenses include:

Depreciation
Labour
GSE fees
Auditors' remuneration

	2010	2009
Depreciation	22	26
Labour	715	451
GSE fees	12	11
Auditors' remuneration	36	36
	2,767	2,272
	=====	=====

4. Staff cost

Salaries, wages, bonuses & other allowances of employees
Provident fund
Social security cost

	2010	2009
Salaries, wages, bonuses & other allowances of employees	2,464	2,017
Provident fund	81	69
Social security cost	222	186
	2,767	2,272
	=====	=====

Contribution to Unilever pension scheme by staff on secondment for the year was **GHC32,000** (2009: GHC28,000).
The average number of persons employed by the company during the year was **333** (2009:327).



FINANCIAL STATEMENTS

Notes (continued)

5. Other income

	2010	2009
Profit on disposal of property, plant and equipment	-	48
Net Interest received	242	374
Sundry income	44	80
Exchange gains	-	168
Other miscellaneous	7	140
	-----	-----
	293	810
	=====	=====

6. Incomet tax

Current income tax	Balance at 1/1/10	Charge for the year	Payments during the year	Balance at 31/12/2010
2009	(18)	-	-	(18)
2010	-	-	11	11
	-----	-----	-----	-----
	(18)	-	11	(7)
	=====	=====	=====	=====

No provision has been made in the financial statements for deferred and current income tax liability/asset because profit from the Company's operations are taxed at zero percent, being an agro processing business operating outside a regional capital.

7. Dividend

	2010	2009
At 1 January	187	546
Dividend declared for 2009/2008	1,155	1,336
Payment during the year	(1,086)	(1,695)
	-----	-----
At 31 December	256	187
	=====	=====

Payment of dividend is subject to the deduction of withholding taxes at the rate of 8%. Dividend proposed for 2010 is **GH¢ 0.0537** per share (2009: 0.0332).



FINANCIAL STATEMENTS

Notes (continued)

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

8. Stated capital	2010		2009	
	No. of shares of no par value	Proceeds	No. of shares of no par value	Proceeds
Authorised shares	50,000,000		50,000,000	
Issued shares	34,800,000	2,000	34,800,000	2,000

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

9. Capital surplus account

At 1 January and 31 December

2010	2009
7,629	7,629

The capital surplus arose as a result of the revaluation of certain assets including land, buildings and plant and machinery by the Architectural and Engineering Services Ltd (AESL). The capital surplus is a non-distributable reserve. The capital surplus was recognised in the year of adopting IFRS.

10. Property, plant & equipment

	Land, Roads & Bridges	Buildings and Housing	Motor Vehicles Plant & Machinery	Computers, Furniture & Fittings and Equipment	Total
Cost					
At 1 January 2010	1,614	2,978	6,897	340	11,829
Additions	-	-	192	38	230
Disposals	-	-	-	(1)	(1)
At 31 December 2010	1,614	2,978	7,089	377	12,058
Accumulated depreciation					
At 1 January 2010	256	1,396	4,962	271	6,885
Charge for the year	40	74	388	21	523
Disposals	-	-	-	(1)	(1)
At 31 December 2010	296	1,470	5,350	291	7,407
Net book value at 31 December 2010	1,318	1,508	1,739	86	4,651



FINANCIAL STATEMENTS

Notes (continued)

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

10b. Property, plant & equipment

	Land, Roads & Bridges	Buildings and Housing	Motor Vehicles Plant & Machinery	Computers, Furniture & Fittings and Equipment	Total
Cost					
At 1 January 2009	1,614	2,978	6,569	339	11,500
Additions	-	-	441	2	443
Disposals	-	-	(113)	(1)	(114)
At 31 December 2009	1,614	2,978	6,897	340	11,829
Accumulated depreciation					
At 1 January	216	1,322	4,680	246	6,464
Charge for the year	40	74	388	26	528
Disposals	-	-	(106)	(1)	(107)
At 31 December 2009	256	1,396	4,962	271	6,885
Net book value at 31 December 2009	1,358	1,582	1,935	69	4,944

At December 31, there were no restrictions on any title, and property, plant and equipment pledged as security for liability. There was no expenditure recognised in the carrying amount of any property, plant and equipment in the course of its construction.

Capital commitment for the year was **GHC177,000** (2009: Nil)

There was no compensation from any third party for any property, plant and equipment that was impaired, lost or given up that is included in the profit or loss.

Profit on disposal of plant and equipment

	2010	2009
Gross book value	1	114
Accumulated depreciation	(1)	(107)
Net book value	-	7
Sales proceeds	-	55
Profit/ (Loss) on disposal of plant and equipment	-	48



FINANCIAL STATEMENTS

Notes (continued)

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

11. Inventories

Palm oil
Palm kernel
Palm kernel oil
Non-trade stock

2010	2009
49	2
17	4
90	36
1,545	2,568
-----	-----
1,701	2,610
=====	=====

The inventory recognised as expense during the year was **GHC3,141,000** (2009:GHC 3,764,000).

Inventories written down and recognised as expense during the year was **GHC670** (2009:GHC35,408)

No reversal of any written down inventory was made in the year.

There were no inventories pledged as security for liabilities as at 31 December 2010 (2009 : Nil)

12. Trade and other receivables within one year

Trade receivables
Amount due from officers
VAT receivables
Amounts due from smallholder farmers
Other receivables

2010	2009
1	7
39	54
61	30
603	742
371	224
-----	-----
1,075	1,057
=====	=====

None of the receivables are past due nor impaired. Trade receivables are non-interest bearing and the average is **20 days** (2009:25 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The maximum amount due from officers during the year was **GHC71,000** (2009:GHC 88,040).

13. Trade and other payables

Trade payables
Amount due to directors and officers
VAT payable
P. A. Y. E
Sundry payables and accrued liabilities

2010	2009
162	106
2	2
294	159
52	41
589	600
-----	-----
1,099	908
=====	=====

Trade payables are non-interest bearing and are normally settled within **25 days** (2009:23 days).

All trade payables and other payables are within one year.



FINANCIAL STATEMENTS

Notes (continued)

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

14. Cash generated from operations

Reconciliation of net profit before tax to cash generated from operations:

Profit before tax

Adjustments for:

Depreciation of PPE (Note 10)

Inventory written off (Note 11)

Changes in fair value of Biological asset

(Profit) on disposal of assets

Decrease/ (increase) in inventories

(Increase)/decrease in trade and other receivables

Increase in amounts due from related companies

Increase/(decrease) in trade and other payables

(Decrease) / increase in amount due to related companies

Interest received

Cash generated from operations

	2010	2009
Profit before tax	2,668	1,593
Depreciation of PPE (Note 10)	523	528
Inventory written off (Note 11)	1	35
Changes in fair value of Biological asset	(346)	(824)
(Profit) on disposal of assets	-	(48)
Decrease/ (increase) in inventories	908	(1,506)
(Increase)/decrease in trade and other receivables	(18)	1,901
Increase in amounts due from related companies	(737)	(315)
Increase/(decrease) in trade and other payables	191	(270)
(Decrease) / increase in amount due to related companies	(49)	617
Interest received	(254)	(394)
Cash generated from operations	2,887	1,317
	=====	=====

15. Cash and cash equivalents

For the purpose of the statement of cash flows, the cash and cash equivalents comprise the following:

Cash and bank balances

	2010	2009
Cash and bank balances	2,531	1,298
	=====	=====

16. Related party transactions

Unilever Ghana Limited, incorporated in Ghana owns 58.45% of the company's shares. The ultimate company of the group is Unilever Plc, incorporated in the United Kingdom. There are other companies that are related to BOPP through common shareholding or directorship. Approximately 98% of the company's sales are made to Unilever Ghana Limited. 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.

The following transactions were carried out with related parties:

Service fee

Service fee paid to Unilever Ghana Limited during the year

Sale of goods:

Unilever Ghana Limited

	2010	2009
Service fee paid to Unilever Ghana Limited during the year	336	292
	====	====
Sale of goods:		
Unilever Ghana Limited	19,171	11,514
	=====	=====



FINANCIAL STATEMENTS

Notes (continued)

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

Purchase of goods & services:	2010	2009
Unilever Ghana Limited	141 =====	79 =====
Twifo Oil Palm Plantations Limited	1,353 =====	1,340 =====
Neneyo Mate-Kole (Managing Director) sold fresh fruits bunches to BOPP	5 =====	- =====
Outstanding balances arising from sale/purchase of goods/services:		
Amounts due from related parties:		
Unilever Ghana Limited	2,310	1,482
Past due but not impaired	(91)	-
Net receivables	2,219 =====	1,482 =====
Amounts due to related parties:		
Unilever Ghana Limited	219	533
Twifo Oil Palm Plantations Limited	493	228
Unilever Tea Kenya Limited	4	4
	716 =====	765 =====

Purchases of goods and services are made upon approval of purchase requisition and official order and payment made by cheques based on the credit terms agreed with the supplier. Sales are made by issuing proforma invoice to the buyer and upon receiving confirm purchase order, invoice is issued and dispatch made. Payment from buyers are within 30 days from date of dispatch.

Key management personal compensation	2010	2009
Short term employee benefits	331 =====	310 =====
Of which:		
Executive directors	302	286
Non-executive directors	29	24
	331 =====	310 =====

17. Income surplus account	2010	2009
At 1 January	10,671	10,355
Profit for the year	2,668	1,652
Dividend paid	(1,155)	(1,336)
At 31 December	12,184 =====	10,671 =====



FINANCIAL STATEMENTS

Notes (continued)

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

18. Commitment and contingent liabilities

There were no contingent liabilities as at the balance sheet date. (2009: GH¢ 2,500).

Unilever Ghana Limited has communicated its intention to sell its equity stake in the company to Wilmar Africa Limited, a Company incorporated in Ghana.

19. Biological assets

	2010	2009
Opening balance	10,751	9,489
Additions	603	438
Fair value adjustments	346	824
	-----	-----
Closing balance	11,700	10,751
	=====	=====

(a) Analysis of oil palm production

During the financial year, the Company harvested **34,674 tonnes** (2009: 37,468 tonnes) of FFB, which had a fair value less estimated point-of-sale costs of approximately **GH¢ 2,464,000** (2009:GH¢2,662,000). The fair value of FFB was determined with reference to their market prices during the year.

(b) Analysis of biological assets

At the reporting date, the total planted area of mature and immature plantations were as follows:

Planted area:	2010	2009
Mature	10,585	9,971
Immature	1,115	780
	-----	-----
	11,700	10,751
	=====	=====
Planted area(Hectares):		
Mature	4,010	4,062
Immature	637	641
	-----	-----
	4,647	4,703
	=====	=====

(c) None of the biological assets have been used as collateral for bank facilities (2009: None).

(d) No commitments have been made for the development or acquisition of biological assets

(e) The fair value of biological assets has been determined using discounted cash flows of the underlying biological assets.



FINANCIAL STATEMENTS

Notes (continued)

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

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 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 22years
- * Climatic conditions will remain same and no anticipation of any disease attacking the trees
- * FFB selling price of \$142 per metric tone. The FFB price is highly dependant on CPO and PKO world market price.
- * A discount rate of 24% for Ghana Cedi denominated cost and 11% for dollar denominated revenue were used.
- * The exchange rates used is GH¢1.45:1\$.
- * Palm plantation covers a total of 4,647 hectares with an average of 135 palm trees per hectare.

Fair value disclosure

The fair value of biological assets have been determined based on valuation by the directors using discounted cashflows of the underlying biological assets. The expected cash flows from the whole life cycle of the oil palm plantation are determined using market price and the estimated yield of FFB net of maintenance and harvesting costs and any costs required to bring the oil palm trees to maturity. The estimated yield of oil palm plantation is dependent on the age of the oil palm trees, the location of the plantation, soil type and infrastructure. The market price of the FFB is largely dependent on the prevailing market prices of crude palm oil and palm kernel. Point of sale costs include all costs that would be necessary to sell the assets.

20. 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.

Market risk

Foreign exchange risk may arise from future commercial transactions, recognised assets and liabilities. All sales are denominated in the Company's functional currency.

(i) Price risk

The Company is not exposed to equity securities price risk because it has no investments in equity securities. The Company is not exposed to commodity price risk. This is because the Company does not have commodity purchase contracts that meet the definition of a financial instrument under IAS 39.

(ii) Foreign exchange risk

The Company has used sensitivity analysis technique to measure the estimated impact on profit and loss account from an instantaneous 10% strengthening or weakening of the 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 of the Ghana Cedi will result in an increase of **GH¢ 3,692** in profit after tax (2009: increase of GH¢ 13,951 in profit after tax).

Credit risk

The Company 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. Credit risk arises from cash at bank and short term deposit with banks, as well as trade and other receivables.



FINANCIAL STATEMENTS

Notes (continued)

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

The Company's maximum exposure to credit risk at 31 December 2010 and 2009 is the same as the balance of cash at bank and trade and other receivables in the statement of financial position. There is no off balance sheet credit risk exposure. No collateral is held for any of the above assets. None of the above assets are either past due or impaired except for the following amounts in trade receivables:

Neither past due nor impaired
Past due but not impaired

	2010	2009
Neither past due nor impaired	1,039	1,014
Past due but not impaired	36	43
	-----	-----
Carrying amount	1,075	1,057
	=====	=====

Carrying amount

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 2010	Carrying amount 2010	2009	Carrying amount 2009
Financial assets				
Trade and other receivables	1,046	1,046	1,057	1,057
Amounts due from related companies	2,219	2,219	1,482	1,482
Cash and cash equivalents	2,531	2,531	1,298	1,298
	-----	-----	-----	-----
	5,796	5,796	3,837	3,837
Financial liabilities				
Trade and other payables	(1,099)	(1,099)	(908)	(908)
Amounts due to related companies	(716)	(716)	(765)	(765)
	-----	-----	-----	-----
	(1,815)	(1,815)	(1,673)	(1,673)
	=====	=====	=====	=====

Maturity analysis of financial liabilities

Less than 1 year

Trade and other payables
Amounts due to related companies

	2010	2009
Trade and other payables	(1,099)	(908)
Amounts due to related companies	(716)	(765)
	-----	-----
	(1,815)	(1,673)
	=====	=====



FINANCIAL STATEMENTS

Notes (continued)

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

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 2010, total borrowing was nil. In order to maintain or adjust the capital structure, the Company may limit the amount of dividend paid to shareholders, issue new shares, or sell assets to reduce debt. Total capital as at 31 December 2010 and 2009 were as follows:

	2010	2009
Total borrowings	-	-
Less: Cash and cash equivalents	(2,531)	(1,298)
Net cash	(2,531)	(1,298)
Total equity	2,000	2,000
Total capital	(531)	702

Liquidity risk

The Company manages liquidity risk by maintaining adequate cash reserves and calling on short term borrowing and funding from related parties. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities. Management monitors rolling forecasts of the Company's liquidity reserve on the basis of expected cash flow.

The table below analyses the company's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Since discounting is not applied to any of these disclosed amounts, the amounts per the table can be reconciled to the amounts disclosed in the statement of financial position.

	2010	2009
At 31 December		
Trade and other payables	(1,815)	(1,673)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from fixed deposits with financial institutions.

At the balance sheet date, if the interest rates earned on fixed deposits had been 5% (2009: 5%) lower with all other variables held constant, the company's interest earned will be lower by approximately **GHC 98,000** (2009: GHC 81,000). The company's fixed deposits are short-term and hence a minimum interest rate exposure risk.

21. Basic and diluted earnings per share

	2010	2009
Profit, net of tax for the year attributable to ordinary equity holders (GHC'000)	2,668	1,652
Weighted average number of ordinary shares ('000)	34,800	34,800
Basic Earnings Per Share (Ghana Pesewas)	0.0767	0.0475



FINANCIAL STATEMENTS

Notes (continued)

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

22. Segmental reporting

There is only one business segment and only one geographical segment. Segmental reporting is therefore not adopted in presenting the financial statements. The main product of the company is crude palm oil (processing of fresh fruits bunches) and this forms the basis of the financial statements. The major customer of the Company is Unilever Ghana Limited (a parent company) and all transactions disclosed in Note 16).

23. Leases

At the reporting date the Company had an operating lease for a heavy duty equipment and leasehold land with the total future minimum payments are as follows:

	Backhoe	Land
Lease rental expensed for the year	37	40
(i) Not later than one year:	37	40
(ii) Later than one year and not later than five years:	22	160
(iii) Later than five years:	-	1,107

The lease payment for the backhoe is payable monthly and is for a period of four years and that for the land spans a period of fifty years. There are no restrictions imposed by the lease arrangements on dividend and additional debt.

24. Events after the balance sheet date

No events have occurred after the balance sheet date that requires adjustments or disclosures to the financial statements.

25. Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information.



SHAREHOLDERS' INFORMATION

Shareholding distribution as at 31st December, 2010.

Holding	No. of shareholders	Holders %	No. of shares	% of Holding
1 - 1,000	10,010	93.18	2,776,069	7.98
1,001- 5,000	557	5.18	1,072,935	3.08
5,001- 10,000	81	0.75	609,041	1.75
Over 10,000	95	0.89	30,341,955	87.19
	-----	-----	-----	-----
	10,743	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, 2010:

	Shares
Mr. Neneyo Asare Mate-Kole	11,040
Mr. Francis Solace Oduro Koranteng	520

20 Largest shareholders at 31 December, 2010

Shareholders	Number of shares	% Holding
1 Unilever Ghana Limited	20,340,600	58.45
2 SCBN/Barclays Mauritius RE Kura Africa Fund	1,561,688	4.49
3 SSNIT	1,300,000	3.74
4 SCBN/KURA Africa Fund	1,050,000	3.02
5 State Insurance Company (SIC) Life Business Portfolio	600,000	1.72
6 Barclays Bank (Gh.) Limited	539,400	1.55
7 STD NOMS (TVL) PTY/ Renaissance Securities(Cyprus) Limited	500,000	1.44
8 Adum Bansa Community Endowment Fund	419,746	1.21
9 State Insurance Company (SIC) Gen. Business Portfolio	400,000	1.15
10 Mega African Capital Limited	321,710	0.92
11 Twifo Oil Palm Plantation Prov. Fund	221,841	0.64
12 HFC Equity Trust	200,773	0.58
13 State Insurance Company (SIC) Staff Prov. Fund	200,000	0.57
14 SSNIT SOS Fund	200,000	0.57
15 EDC Stockbrokers Limited	183,049	0.53
16 NTHC Limited itf. Gov. of Ghana	149,254	0.43
17 Equity Focus Company Limited	149,000	0.43
18 Sterling Asset Management	144,125	0.41
19 Cal Bank Limited	114,730	0.33
20 SCBN/Barclays Mauritius RE Herisson Fund	113,500	0.33
	-----	-----
	28,709,416	82.51
	=====	=====



FIVE YEARS FINANCIAL SUMMARY

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

	2010	2009	2008	2007	2006
	IFRS	IFRS	IFRS	IFRS	GNAS
Results					
Revenue	19,366	15,603	20,589	13,115	9,079
	=====	=====	=====	=====	=====
Net profit before tax	2,668	1,593	4,993	745	1,305
Tax	-	59	(59)	-	(153)
Dividends	-	-	-	-	-
	-----	-----	-----	-----	-----
Net profit retained in the year	2,668	1,652	4,934	745	1,152
	=====	=====	=====	=====	=====
Balance Sheet as at 31/12					
Property, plant and equipment	4,651	4,944	5,036	5,465	5,729
Biological assets fair value	11,700	10,751	9,489	9,011	8,622
Cash and bank balances	2,531	1,298	2,109	717	362
Other current assets	5,002	5,167	5,264	2,601	2,373
Total assets	23,884	22,160	21,898	17,794	17,086
Total liabilities	(2,071)	(1,860)	(1,914)	(1,091)	(764)
	-----	-----	-----	-----	-----
Net assets	21,813	20,300	19,984	16,703	16,322
	=====	=====	=====	=====	=====
Stated capital	2,000	2,000	2,000	2,000	2,000
Capital surplus account	7,629	7,629	7,629	7,629	7,629
Income surplus account	12,184	10,671	10,355	7,074	6,693
	-----	-----	-----	-----	-----
Total equity	21,813	20,300	19,984	16,703	16,322
	=====	=====	=====	=====	=====

The 2010, 2009, 2008, 2007 and 2006 financial summaries, labelled as IFRS, have been adjusted accordingly to recognise fair value movements in biological assets.

IFRS - International Financial Reporting Standards

GNAS- Ghana National Accounting Standards

Proxy Form

ANNUAL GENERAL MEETING TO BE HELD at 11.00 a.m. on Thursday, 12th May, 2011 at Akroma Plaza, Police Reserve near MTTU, Takoradi

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

of.....
(Insert full address)

being a member(s) of Benso Oii 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 Thursday 12th May, 2011 and at any and every adjournment thereof.

Dated this day of May, 2011

<i>For Company's Use</i>	<i>Serial No.</i>	
	<i>No. of Shares</i>	
RESOLUTION	FOR	AGAINST
To declare a Dividend		
To re-elect Mr Issah Adam as a Director		
To re-elect Mr. K. Amoasi-Andoh as a Director		
To re-elect Mr F. S. O. Koranteng as a Director		
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 10th May, 2011.

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here

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

First fold here

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