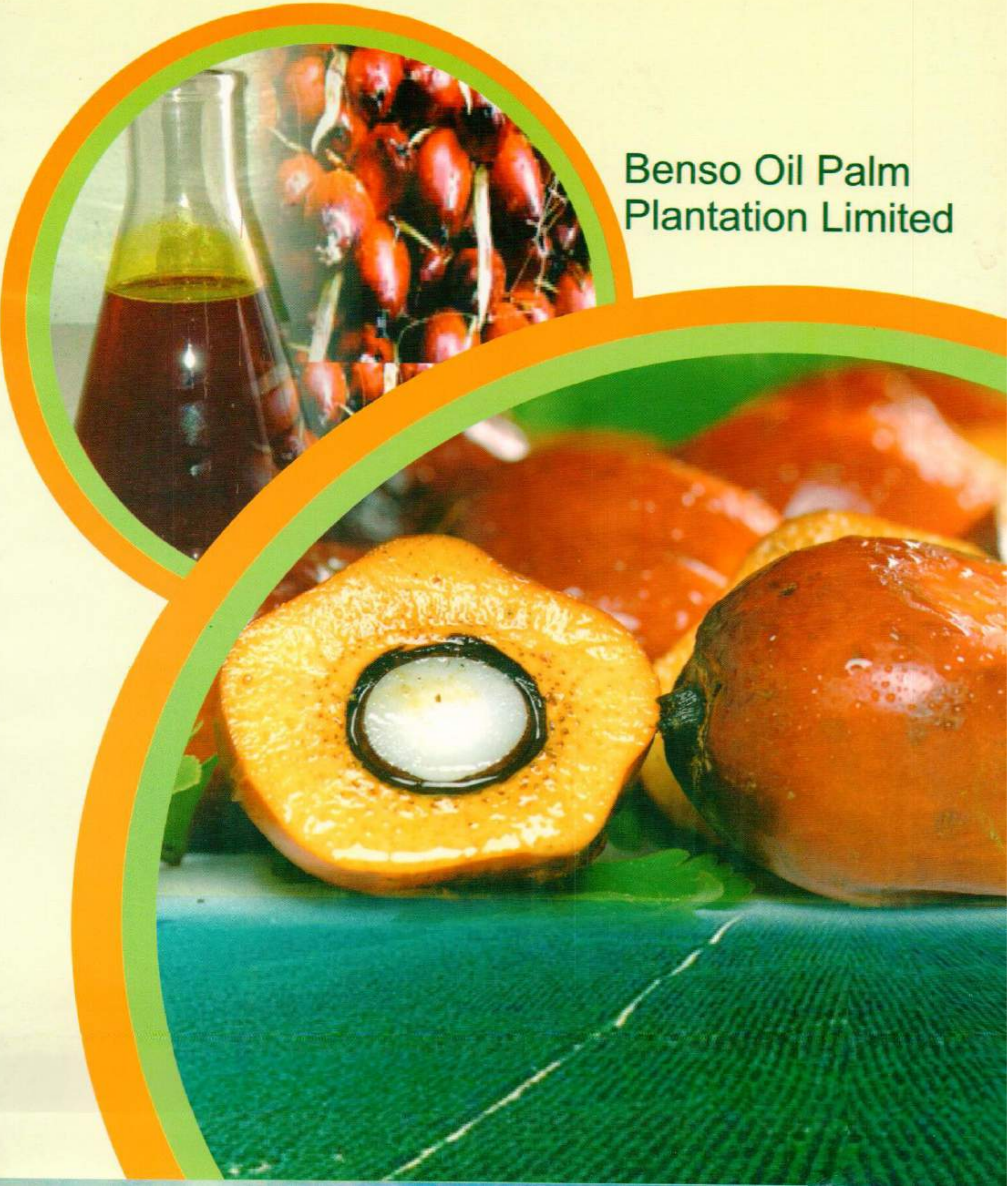
2014 ANNUAL REPORT & FINANCIAL STATEMENTS

RSPO

Roundtable on Sustainable Palm Oil

Benso Oil Palm Plantation Limited



BENSO OIL PALM PLANTATION
ADUM BANSO ESTATE

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Annual Report
For The Year Ended 31 December 2014

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, 8th May, 2015 at 11.00 a.m for the following purposes:

Agenda

1. To receive and consider the report of the directors, the audited financial statements for the year ended 31 December 2014 and the report of the auditors thereon.
2. To declare a dividend.
3. To re-elect directors.
4. To fix directors' fees.
5. To authorise the directors to fix the remuneration of the auditor for the ensuing year.

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.

This notice is effective the 8th day of April, 2015.

By Order of the Board

DEHANDS SERVICES LIMITED

Dehands Services Limited
Company Secretary

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CORPORATE INFORMATION

REGISTERED OFFICE
Adum Banso Estate, P.O. Box 470, Takoradi.

DIVIDEND WARRANTS
If the payment of dividend recommended is approved, the warrants will be posted on the 18th day of June, 2015 to the holders of shares whose names are registered in the Register of members at the close of day on the 8th day of May, 2015.

BOARD OF DIRECTORS
I.E. Yamson, Chairman, Santosh Pillai, Managing Director, N. A. Mate-Kole, Ramachandra Rao Kodey, Pierre Billon, Nene Ofoe Amegatcher, Suriyapperuma Arachchige Punnyasena Suriyapperuma.

COMPANY SECRETARY
Dehands Services Limited

BOARD AUDIT COMMITTEE
N. A. Mate-Kole, Suriyapperuma Arachchige Punnyasena Suriyapperuma and Nene Ofoe Amegatcher.

AUDITOR
Price water house Coopers, 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, Standard Chartered Bank Ghana Limited and Ghana Commercial Bank Limited.

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CORPORATE GOVERNANCE

INTRODUCTION

Benso Oil Palm Plantation Limited (BOPP), the "Company",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 recognizes excellence through its employee development programmes.

As indicated in the statement of responsibility of directors and notes to the financial statements, 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 responsibilty of good corporate governance is placed with the Board of directors and the management team. The Board comprises one (1) full time executive and five (6) non- executive directors. To ensure effective control and monitoring of the Companys' 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.

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 responsibilties 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 three non-executive directors, one of whom chairs the committee. 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

The Company 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 Company's Board of Directors have also established a clear organisational structure, including delegation of appropriate authorities. The internal audit function of the parent company,Wilmar International, plays a key role in providing an objective view and continuing assessment of the effectiveness of the internal control systems in the business.

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For The Year Ended 31 December 2014

CORPORATE GOVERNANCE (continued)

CODE OF BUSINESS PRINCIPLES

The Company 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.

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FINANCIAL HIGHLIGHTS

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

	Year ended 31 December		
	2014	2013	% Change
Revenue	52,164	35,458	47.2
Profit before income tax	12,421	6,130	102.6
Income tax expense	(130)	(324)	(59.9)
Profit for the year	12,291	5,806	111.7
Proposed dividend	2,458	1,161	111.7
Income surplus account	45,160	34,031	32.7
Capital expenditure	7,491	8,107	(7.6)
Depreciation	1,024	876	16.9
Total equity	54,789	43,660	25.5
Earnings per share (GH¢)	0.3532	0.1668	111.8
Total assets per share (GH¢)	1.6570	1.3197	25.6
Dividend per share (GH¢)	0.0706	0.0334	111.4

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CHAIRMAN'S REVIEW

Political Environment

Ghana has evolved into a stable and mature democracy throughout the last two decades. The country continues to show good performance on democratic governance, arising from strong multi-party political system, growing media pluralism and strong civil society activism.

Economic Environment

Economic growth in Sub-Saharan Africa moderated at 4.8% in 2014 from 5.2% in 2013. The pace of expansion was slow in some of the larger economies as a result of subdued global demand, soft commodity prices, weak foreign direct investments flows and infrastructure constraints.

Ghana's headline inflation drifted out of the target and peaked at 17% in December 2014. This was on the backdrop of the pass-through of the depreciation of the cedi which pushed up prices of fuel, transport and imported food items.

The Ghana cedi witnessed a significant depreciation from GH¢2.3078:$1 in December 2013 to close at GH¢3.2200:$1 in December 2014. Interest rates generally trended up on the money market during the year with the Bank of Ghana policy rate increasing from 16% in 2013 to 21% in December 2014. The 91-Day Treasury bill rate also closed at 25.80% in December 2014 from 19.22% in December 2013.

Overall Business Performance

2014 was a very challenging year for the company with the deteriorated macro indicators impacting significantly on the cost of doing business. Your company delivered a profit after tax of GH¢12.29 million compared with GH¢5.81 million the previous year, representing approximately an increase of 112%. The rise in performance was largely as a result of a depreciation of the Ghanaian Cedi against the United States Dollars of approximately 60% and a rise in the world market price of Palm Kernel Oil (PKO). The production volumes were comparatively low resulting from accelerated replanting programme in the prior years.

CPO and PKO Prices

During the year under review, world market price of crude palm oil (CPO) decreased from an average of US$853 in 2013 to US$831 in 2014, representing 3% drop in dollar terms. The Palm Kernel Oil (PKO) price also rose from an average of US$873 to US$1,139 in 2014, representing 31% increase.

Production Volumes

Total palm fruits processed during the year under review was 83,129 metric tonnes, representing a 7% decline compared with 2013. Replanting (i.e. Plantation renewal) and dilution form the young mature palms account for the low crop volumes. During the year under review, your company purchased 45,905 metric tonnes of fresh fruit bunches at a total cost of GH¢9.7 million from smallholders and outgrower farmers in the catchment areas in particular and the Western and Central Region of Ghana in general. In spite of the dip in the CPO prices and crop production volumes, the increase in PKO prices and effect of depreciation in the Ghana Cedi against the United States Dollars resulted in a 47% rise in turnover over the previous year.

Operating profit

Your company in 2014 witnessed an increase in operating profit of 146% as a result of increase in PKO prices and depreciation in the Ghanaian Cedi against the United States Dollars regardless of the reduction in the volumes of Fresh Fruit Bunches (FFB) as a result of the replanting programme. Turnover increased approximately by 47% to close at GHC52.1million. The high level of inflation, cedi depreciation and its concomitant effect on high input cost had an adverse impact on the cost of sales. In compliance with IFRS, gains arising from changes in the fair value of Biological assets contributed significantly to the operating profit delivered this year.

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CHAIRMAN'S REVIEW (continued)

Dividend
In 2013 your Company paid a total dividend of GH¢1.16 million (Basic and Diluted EPS GH¢0.1668) out of total profit of GH¢5.81 million. The directors of your Company proposed to pay a total dividend of GH¢2.45 million (Basic and Diluted EPS GH¢0.3532) out of a total profit of GH¢12.29 million for the 2014 financial year.

Board Changes
There was no resignation on the board and Mr Suriyapperuma Arachchige Punnyasena Suriyapperuma was appointed to the board in 25 February 2014.

Profile of New Director
Mr Suriyapperuma Arachchige Punnyasena Suriyapperuma joined Wilmar Group in 2005 as a Director and General Manager of the Pyramid Wilmar, Sri Lanka. He is an ex-banker and worked at the Bank of Ceylon and Selan Bank in Sri Lanka. Working for over 25years in both the government and private, he also consulted for Rural development Ministry Sri Lanka and also became the chairman of Lanka Cement Corporation. He graduated with a BSc in Business Administration from the Jayawardenapura University, Colombo, Sri Lanka.

Safety, health, environment and quality issues
Safety, health, environment and quality issues continued to engage the serious attention of your Company and our TRFR performance improved. In 2014, the Total Recordable Frequency Rate (TRFR) in respect of industrial accidents was 1.39 against 2.42 in 2013. The company recorded one (1) lost time accidents (LTA), zero (0) restricted work case (RWC) and one (1) medical treated case (MTC) throughout the year under review.
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's support for the brilliant but needy students within the community through educational scholarships now stands at 33 scholarships in four (4) communities at the Senior High School level and a total of 46 beneficiaries since the inception of the scheme in 2007.
The process to nominate recipients for 2014/2015 academic year has started. In the year under review the company paid out GH¢9.7 million to smallholder and out-grower farmers in the catchment area thus contributing to the socio-economic enhancement of these farmers. More than GH¢196,000 was spent on corporate social responsibility projects.

Awards
Your company was issued the Roundtable on Sustainable Palm Oil (RSPO) certificate in August 2014. This makes BOPP the first plantation to be certified in Ghana and the second in Africa. BOPP was honoured with a special Award in the First Western Regional Business and Financial Services Excellence Award which was organised under the auspices of the Regional Coordinating Council in December 2014.

2015 Outlook
2015 would continue to be challenging considering the trend of the global and operating macro indicators. This not withstanding, 2014 year experienced a high volume rainfall of 2,464mm over 115days, the highest over the past five years. This should impact positively on the volumes for 2015 though the accelerated replanting in the prior years may dilute the overall volume contribution from the young mature palms. Generally, while we expect Crude Palm Kernel Oil prices to be good, the world market forecasts a bearish price for CPO over the period. Overall performance is expected to be in line with that of 2014.

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REPORT OF THE DIRECTORS

In accordance with section 132 of the Companies Act, 1963 (Act 179), the directors have the pleasure in submitting to the members of the Company their report together with the audited financial statements for the year ended 31 December 2014.

PARENT COMPANY
The Company is a subsidiary of Wilmar Africa Limited, a company incorporated in Ghana. The ultimate controlling party is Wilmar International, a company incorporated in Singapore.

PRINCIPAL ACTIVITIES
The Company is engaged in the business of growing oil palm and the processing of palm fruits to produce palm oil and palm kernel. There was no change in the nature of the Company's business during the year under review.

BOARD CHANGES
The directors wish to inform members of the following Board changes: Mr. Suriyapperuma Arachchige Punnyasena Suriyapperuma has been appointed as member of the Board with effect from February 2014.

In accordance with regulations of the company and the stock exchange listing regulations, Mr. Suriyapperuma Arachchige Punnyasena Suriyapperuma will retire at the forthcoming annual general meeting and be eligible, offer himselve for re-election.

FINANCIAL RESULTS
The Company's profit for the year is GH¢12.29 million.

DIVIDEND
The directors recommend the payment of dividend per share of GH¢0.0706 for the year ended 31 December 2014 amounting to GH¢2.45 million.

DIRECTORS
The directors who held office during the year and to the date of this report were:

Ishmael Yamson	Chairman, non-executive
Santosh Pillai	Managing Director
Ramachandra Rao Kodey	Non-executive director
Pierre Billon	Non-executive director
Nene Ofoe Amegatcher	Non-executive director
Neneyo Mate-Kole	Non-executive director
Suriyapperuma Arachchige Punnyasena Suriyapperuma	Non-executive director

The directors to retire by rotation in accordance with the regulations of the Company are Mr. Ishmael E. Yamson, Ramachandra Rao Kodey, Pierre Billon and Suriyapperuma Arachchige Punnyasena Suriyapperuma who being eligible, offer themselves for re-election.

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REPORT OF THE DIRECTORS (continued)

DIRECTOR S' INTERESTS IN CONTRACTS
The directors have no interest in contracts entered into by the Company.

AUDITOR
In accordance with Section 134 (5) of the Companies Act, 1963 (Act 179), the auditor, Messrs PricewaterhouseCoopers, has expressed willingness to continue in office as auditor of the Company.

BY ORDER OF THE BOARD

....	....
Nene Ofoe Amegatcher	Santosh Pillai
Director	Managing Director
Date: 12 February 2015	Date: 12 February 2015

Annual Report
For The Year Ended 31 December 2014

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss and cash flows for that period. In preparing these financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards and complied with the requirements of the Companies Act, 1963 (Act 179).

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.

....	....
Nene Ofoe Amegatcher	Santosh Pillai
Director	Managing Director
Date: 12 February 2015	Date: 12 February 2015

Annual Report
For The Year Ended 31 December 2014

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. The committee is chaired by Nene Ofoe Amegatcher, a non-executive director. The Finance Manager sits in attendance at meetings of the committee and periodically, the external auditor may be 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; and
* The degree of compliance to laid down policies, laws, code of ethics and business practices of the Company.

SUMMARY OF THE AUDIT COMMITTEE'S ACTIVITIES IN 2014

In 2014, Benso Oil Palm Plantation Limited audit committee met four (4) times on 21 January, 15 April, 18 July and 7 October 2014.

REVIEW OF THE FINANCIAL PERFORMANCE OF THE COMPANY

At the 21 January 2014 meeting, the committee reviewed the financial performance of the Company for the financial year ended 31 December 2013 and considered the final internal audit report submitted by Wilmar International, which disclosed no major issues. The committee was updated on the Company's 2014 performance during its quarterly meetings held during the year, and reviewed the target implementation dates from the internal audit.

EXTERNAL AUDIT

At the 7 October 2014 meeting, the committee considered a presentation by the external auditor, Messrs PricewaterhouseCoopers Chartered Accountants on the audit plan for the Company for the 2014 financial year ending 31 December 2014.

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 15 to 37. These financial statements comprise the statement of financial position as at 31 December 2014 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 and with the requirements of the Companies Act,1963(Act 179) and for such internal control, as the directors determine is 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 2014, 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 Act, 1963 (Act 179).

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

The Companies Act, 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 Company's balance sheet (statement of financial position)and income statement (part of statement of comprehensive income) are in agreement with the books of account.

Pricewaterhousecoopers

Signed by: Oseini Amui (ICAG/P/1139)

For and on behalf of:

PricewaterhouseCoopers (ICAG/F/028)

Chartered Accountants

Accra, Ghana

02 March, 2015

pwc

Financial Statements
For The Year Ended 31 December 2014

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(All amounts are in thousands of Ghana cedis)

		Year ended 31 December	
	Notes	2014	2013
Revenue	4	52,164	35,438
Cost of sales	5	(35,458)	(29,610)
Net gains from changes in fair value of biological assets	23	2,126	1,234
Gross profit		18,832	7,062
Administrative expenses	6	(6,617)	(3,064)
Other income	8	(313)	812
Operating profit		11,902	4,810
Finance income	9	519	1,320
Profit before income tax		12,421	13,714
Income tax expense	10	(130)	(324)
Profit for the year		12,291	5,806
Other comprehensive income		-	-
Total comprehensive income for the year		12,291	5,806
Basic and diluted earnings per share (GH¢)	25	0.3532	0.1668

The notes on pages 19 to 37 are an integral part of these financial statements.

Financial Statements
For The Year Ended 31 December 2014

STATEMENT OF FINANCIAL POSITION

	Notes	At 31 December 2014	2013
Assets			
Non-current assets		38,956	30,507
Intangible Assets	14b	454	-
Property, plant and equipment	14a	11,020	10,751
Biological assets	23	27,482	19,756
Current assets		18,707	15,417
Inventories	15	4,886	4,460
Trade and other receivables	16	2,970	1,307
Amounts due from related companies	20	3,458	2,259
Cash and cash equivalents	19	7,393	7,391
Total assets		57,663	45,924
Liabilities			
Current liabilities		2,874	2,264
Trade and other payables	17	2,137	1,171
Amounts due to related companies	20	124	289
Current income tax	10	130	361
Dividend payable	11	483	443
Equity		54,789	43,660
Stated capital	12	2,000	2,000
Capital surplus account	13	7,629	7,629
Income surplus account	21	45,160	34,031
Total liabilities and equity		57,663	45,924

The notes on pages 19 to 37 are an integral part of these financial statements.

The financial statements on pages 15 to 37 were approved by the Board of directors on 12 February 2015 and were signed on its behalf by:

....
Nene Ofoe Amegatcher
Director

....
Santosh Pillai
Managing Director

Financial Statements
For The Year Ended 31 December 2014

STATEMENT OF CHANGES IN EQUITY

(All amounts are in thousands of Ghana cedis)

	Stated capital	Capital surplus account	Income surplus account	Total
Year ended 31 December 2014				
At 1 January 2014	2,000	7,629	34,031	43,660
Profit for the year	-	-	12,291	12,291
Total comprehensive income	2,000	7,629	46,322	55,951
Transactions with owners				
Dividend declared for 2013	-	-	(1,162)	(1,162)
At 31 December 2014	**2,000**	**7,629**	**45,160**	**54,789**
Year ended 31 December 2013				
At 1 January 2013	2,000	7,629	30,906	40,535
Profit for the year	-	-	5,806	5,806
Total comprehensive income	2,000	7,629	36,712	46,341
Transactions with owners				
Dividend declared for 2012	-	-	(2,681)	(2,681)
At 31 December 2013	**2,000**	**7,629**	**34,031**	**43,660**

The notes on pages 19 to 37 are an integral part of these financial statements.

Financial Statements
For The Year Ended 31 December 2014

STATEMENT OF CASH FLOWS

(All amounts are in thousands of Ghana cedis)

		Year ended 31 December	
Cash flows from operating activities	**Notes**	2014	2013
Cash generated from operations	18	9,109	3,436
Interest received	9	519	1,297
Tax paid	10	(361)	(267)
Net cash generated from operating activities		9,267	4,469
Cash flows from investing activities			
Purchase of property, plant and equipment	14a	(1,293)	(4,511)
Purchase of intangible assets	14b	(654)	-
Purchase of biological asset	23	(6,198)	(3596)
Proceeds from sale of property, plant and equipment	14	-	49
Proceeds from sale of biological assets	23	2	626
Net cash used in investing activities		(8,143)	(7,432))
Cash flows from financing activities			
Dividend paid to the shareholders	11	(1,122)	(2,654)
Net cash used in financing activities		(1,122)	(2,654)
Increase in cash and cash equivalents		2	(5,617)
Cash and cash equivalents at 1 January	19	7391	13,008
Cash and cash equivalents at 31 December	19	7,393	7,391

The notes on pages 19 to 37 are an integral part of these financial statements.

Financial Statements
For The Year Ended 31 December 2014

NOTES

1.General information
Benso Oil Palm Plantation Limited which is incorporated and domiciled in Ghana under the Companies Act, 1963 (Act 179) as a public limited liability company, and listed on the Ghana Stock Exchange. The address of its registered office is Adum Banso Estate, P. O. Box 470, Takoradi. The principal activities of the Company is to grow oil palm and produce palm oil and palm kernel oil.
For Companies Act reporting purposes the balance sheet is represented by the statement of financial position and the profit and loss account by the income statement.

2. 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.

2.1. Basis of preparation
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The measurement basis applied is 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 Company's accounting policies. 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 3.

2.1.1 Changes in accounting policy and disclosures

New and amended standards adopted by the Company
The following standards have been adopted by the Company for the first time for the financial year beginning on or after 1 January 2014 and have a material impact on the Company:

Amendments to IAS 32 and IFRS 7 Financial instruments on asset and liability offsetting (effective date – IFRS 7 amendments are for annual periods beginning on or after 1 January 2013 and the IAS 32 amendment is annual periods beginning on or after 1 January 2014). These amendments are to the application guidance in IAS 32, 'Financial instruments: Presentation', that clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet. The amendment did not have a significant effect on the company's financial statements.

Amendment to IAS 36, 'Impairment of assets' on recoverable amount disclosures (effective date – annual periods beginning on or after 1 January 2014). These narrow-scope amendments to IAS 36, 'Impairment of assets', address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendment did not have a significant effect on the company's financial statements.

Other standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2014 are not material to the company.

New standards and interpretations not yet adopted
A number of new standards and amendments to standards and interpretations have been issued and are not effective for periods starting on 1 January 2014 but will be effective for later periods. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

2. Summary of significant accounting policies (continued)

Amendments to IAS 16, 'Property, plant and equipment', and IAS 41, 'Agriculture', regarding bearer plants (effective date – annual periods beginning on or after 1 January 2016, early adoption is encouraged). These amendments change the financial reporting for bearer plants, such as grape vines, rubber trees and oil palms. The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment because their operation is similar to that of manufacturing. Consequently, the amendments include them within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. The company is assessing the full impact of IAS 16 and IAS 41.

IAS 16, 'Property, plant and equipment', and IAS 38, 'Intangible assets' (effective for annual periods beginning on or after 1 July 2014). Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

The carrying amount of the asset is restated to the revalued amount.

"The split between gross carrying amount and accumulated depreciation is treated in one of the following ways:either the gross carrying amount is restated in a manner consistent with the revaluation of the carrying amount, and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses; or the accumulated depreciation is eliminated against the gross carrying amount of the asset."

"IAS 24, 'Related party disclosures' (effective for annual periods beginning on or after 1 July 2014). The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity ('the management entity').The reporting entity is not required to disclose the compensation paid by the management entity to the management entity's employees or directors, but it is required to disclose the amounts charged to the reporting entity by the management entity for services provided."

IFRS 9, 'Financial instruments', on 'Classification and measurement' of financial assets (effective date – annual periods beginning on or after 1 January 2018). This is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39. IFRS 9 has two measurement categories: amortised cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

Amendment to IAS 16, 'Property, plant and equipment' and IAS 38,'Intangible assets', on depreciation and amortization (effective date – annual periods beginning on or after 1 January 2016). In this amendment the IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

IFRS 15, 'Revenue from contracts with customers' (effective date – annual periods beginning on or after 1 January 2017). This converged standard will improve the financial reporting of revenue and improve comparability of the top line in financial statements globally. Companies using IFRS will be required to apply the revenue standard for reporting periods beginning on or after 1 January 2017.

IFRS 9, 'Financial instruments'. (Effective date – Annual periods on or after 1 January 2018). This version of IFRS 9, 'Financial Instruments', replaces the guidance in IAS 39. This final version includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

2. Summary of significant accounting policies (continued)

IFRS 13, 'Fair value measurement' (effective for annual periods beginning on or after 1 July 2014). The IASB has amended the basis for conclusions of IFRS 13 to clarify that it did not intend to remove the ability to measure short-term receivables and payables at invoice amounts in such cases.

2.1 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 recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Land is not depreciated. 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 and lorries	25.0%
Vehicles – heavy roadmaking equipment, tractors and trailers	16.7%
Plant and machinery	7.0%
Computers	20.0%
Furniture, 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.

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.

2.2 Intangible assets

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets if; there is the technical feasibility to complete the software product for use; there is an ability to use the product; the software product will generate probable future economic benefits; and the expenditure attributable to the software development costs can be measured reliably.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Computer software development costs recognised as intangible assets are amortised over their estimated useful life not exceeding three years.

2.3 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. It excludes borrowing cost.
Net realisable value is the estimate of the selling price in the ordinary course of business, less 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.

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

2. Summary of significant accounting policies (continued)

2.4 Trade receivables
Trade receivables are amounts due from customers for merchandise sold or services performed 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 less provision for impairment.

2.5 Trade payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.6 Income tax
Tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.
Current income tax is the amount of tax payable on taxable profit for the year in accordance with the Income Tax Act, 2000 (Act 592) as amended.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.7 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 months or less.

2.8 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 contigencies 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.

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

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

2. Summary of significant accounting policies (continued)

2.9 Biological assets
Biological assets are measured at fair values less estimated cost to sell based on the net present value of estimated pre-tax net cash flows. Any gains or losses arising on subsequent changes in fair values less estimated cost to sell are recognised in profit or loss in the year in which they arise. All costs of upkeep and maintenance of matured biological assets are recognised in the profit and loss under cost of production in the period in which they are incurred.

2.10 Stated capital
Ordinary shares are classified as equity. All shares were issued at no par value.

2.11 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 functional 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 profit or loss.

2.12 Employment benefits

(a) Post employment benefits
A defined contribution is a pension plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

(b) Bonus
The Company recognises a liability and an expense for bonuses taking into consideration the profit attributable to the Company's shareholders. The Company recognises that there is sufficient historical experience to create a constructive obligation.

2.13 Leases
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 (net of incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

2.14 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. Provisions are not recognised for future operating profits.
Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

2. Summary of significant accounting policies (continued)

2.15 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.

3. Critical accounting estimates and judgements
The preparation of the Company's financial statements requires directors 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.

Critical accounting estimates, assumptions and judgements
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. "

(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. Estimates and judgements in determing the fair value of palm oil yield, the long term crude palm oil price, palm kernel oil price and the discount rates. Assumptions impacting biological assets are given in more detail in Note 23.

(iii) Income taxes
Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters are different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

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

4. Revenue

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

	2014	2013
By type:		
Sale of crude palm oil	41,401	29,903
Sale of palm kernel oil	10,763	5,535
	52,164	35,438
By customer:		
Third parties	103	83
Related parties (Note 20)	52,061	35,355
	52,164	35,438

5. Cost of sales

Cost of sales include:		
Material costs	17,798	14,752
Fertilizer	3,899	3,002
Depreciation	826	799
Staff costs (Note 7)	6,506	4,880
Harvesting Cost	2,885	2,313
Power and energy	1,360	1,491
Spared Inventory consumed	2,196	2,964

6. Administrative expenses

Administrative expenses include:		
Registrar and related expenses	79	88
Depreciation and amortisation	399	77
Staff costs (Note 7)	2,287	1,168
Listing fees	16	19
Directors remuneration	147	77
Auditors' remuneration	116	58
Service fees	730	709
Land rent	48	48
Bank charges	55	76

There has been reclassification of expense items in the current year between cost of sales and the administrative expenses because of the introduction of the new software (SAP)

7. Staff costs

Salaries, wages, bonuses and other allowances	7,848	5,354
Provident fund	350	241
Pension scheme contribution	595	453
	8,793	6,048

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

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

Staff costs are charged to cost of sales and administrative expenses as shown below:

	2014	2013
Cost of sales	6,506	4,880
Administrative expenses	2,287	1,168
	8,793	6,048

The average number of persons employed by the Company during the year was 574 (2013:592).

8. Other income

	2014	2013
Profit on disposal of property, plant and equipment	-	46
(Loss)/ profit on disposal of biological assets	(596)	359
Sundry income	283	407
	(313)	812

9. Finance income

	2014	2013
Interest income on fixed deposits	356	1,275
Other Interest income	163	22
Exchange gains	-	23
	519	1,320

10.Current income tax

	2014	2013
At 1 January	361	301
Charge for the year	130	324
Payment during the year	(361)	(264)
At 31 December	130	361

The current income tax charge is in respect of the returns from monies held in fixed deposits. No provision has been made in the financial statements for deferred and current income tax because profit from the Company's agro processing activities are taxed at zero percent, being an agro processing business operating outside a regional capital.

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

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

11. Dividend payable

	2014	2013
At 1 January	443	416
Dividend declared for 2012	-	2,681
Dividend declared for 2013	1,162	-
Payment during the year	(1,122)	(2,654)
At 31 December	483	443

Payment of dividend is subject to the deduction of withholding taxes at the rate of 8%. At the next Annual General Meeting, the directors will propose a dividend for the year ended 31 December 2014 of GH¢ 0.0706 per share (2013: GH¢0.0334) amounting to GH¢2,458,007 (2013: GH¢1,161,173)

12. Stated capital

	2014		2013	
	No.of shares of no par value	Proceeds	No.of shares of no par value	Proceeds
Authorised shares	50,000,000		50,000,000	
For cash consideration	322,000	3	322,000	3
Transfer from income surplus account in accordance withSection 66 (1c) and 74(1) of the Companies Act, 1963 (Act 179) by special resolution	34,478,000	1,997	34,478,000	1,997
Issued shares	34,800,000	2,000	34,800,000	2,000

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

13. Capital surplus account

	2014	2013
At 1 January and 31 December	7,629	7,629

The capital surplus arose as a result of the revaluation of certain assets including land, buildings and plant and machinery in 2003 by Architectural and Engineering Services Limited (AESL). In accordance with the requirements of the Companies Act, 1963 (Act 179), the capital surplus is a non-distributive reserve.

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

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

The revaluation amount of the said property, plant and equipment items were used as deemed cost in the first year of the adoption of International Financial Reporting Standards (IFRS).

14. Property, plant and equipment
For the Year ended 31 December 2014

	Land, Roads and Bridges	Buildings and Housing	Motor Vehicles Plant and Machinery	Computers, Furniture and Fittings and Equipment	Total
Cost					
At 1 January 2014	1,616	3,098	14,286	734	19,734
Additions	-	333	818	142	1,293
Disposals	-	-	-	-	-
At 31 December 2014	**1,616**	**3,431**	**15,104**	**876**	**21,027**
Accumulated depreciation					
At 1 January 2014	416	1,692	6,433	442	8,983
Charge for the year	-	55	865	104	1,024
Disposals	-	-	-	-	-
At 31 December 2014	**416**	**1,747**	**7,298**	**546**	**10,007**
Net book value					
At 31 December 2014	**1,200**	**1,684**	**7,806**	**330**	**11,020**

For the Year ended 31 December 2013

	Land, Roads and Bridges	Buildings and Housing	Motor Vehicles Plant and Machinery	Computers, Furniture and Fittings and Equipment	Total
Cost					
At 1 January 2013	1,616	3,035	10,089	619	15,359
Additions	-	63	4,333	115	4,511
Disposals	-	-	(136)	-	(136)
At 31 December 2013	1,616	3,098	14,286	734	19,734
Accumulated depreciation					
At 1 January 2013	376	1,618	5,882	364	8,240
Charge for the year	40	74	684	78	876
Disposals	-	-	(133)	-	(133)
At 31 December 2013	416	1,692	6,433	442	8,983
Net book value					
At 31 December 2013	1,200	1,406	7,853	292	10,751

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

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

14. Property, plant and equipment (continued)

At 31 December 2014, 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. 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	2014	2013
Gross book value	-	136
Accumulated depreciation	-	(133)
Net book value	-	3
Sales proceeds	[illegible]	(49)
Profit on disposal of plant and equipment	[illegible]	(46)

14b. Intangible Assets
For the Year ended 31 December 2014

	Computer Software	
Cost		
At 1 January 2014	-	-
Additions	654	-
Disposals	-	-
At 31 December 2014	654	-
Accumulated depreciation		
At 1 January 2014	-	-
Charge for the year	200	-
Disposals	-	-
At 31 December 2014	200	-
Net book value		
At 31 December 2014	454	-

Amortisation of computer software cost is included in general and administrative expenses.

15. Inventories

Palm oil	116	208
Palm kernel	33	25
Palm kernel oil	24	254
Non-trade stock	4,713	3,973
	4,886	4,460

The inventory recognised as expense in cost of sales during the year amounted to GH¢2,196,000 (2013:GH¢ 2,964,000).
Inventories written down and recognised as expense during the year was GH¢122,800 (2013:GH¢71,650).
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 2014 (2013 : Nil).

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

16. Trade and other receivables

	2014	2013
Trade receivables	1	3
Amount due from officers	64	99
VAT receivables	139	92
Amounts due from smallholder farmers	2,153	732
Amount due from other staff	128	152
Other receivables	485	229
	2,970	1,307

The maximum amount due from staff during the year did not exceed GH¢192,000 (2013:GH¢ 152,000).

17. Trade and other payables

	2014	2013
Trade payables	22	1
Amount due to directors and officers	-	7
VAT payable	514	295
Sundry payables and accrued liabilities	1,601	868
	2,137	1,171

Trade payables are non-interest bearing . All trade and other payables are due within one year.

18. Cash generated from operations

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

	2014	2013
Profit before income tax	12,421	6,130
Adjustments for:		
Depreciation and amortization (Note 14)	1,224	876
Changes in fair value of biological asset (Note 23)	(2,126)	(1,234)
Profit on disposal of property, plant and equipment (Note 14)	-	(46)
Loss on disposal of biological assets (Note 23)	596	(359)
(Increase) in inventories	(426)	(188)
(Increase)/ Decrease in trade and other receivables	(1,663)	166
(Increase) in amounts due from related companies	(1,199)	(63)
Increase/(Decrease) in trade and other payables	966	(278)
(Decrease) in amount due to related companies	(165)	(271)
Interest received	(519)	(1,297)
Cash generated from operations	9,109	3,436

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

The cash generated from operations was largely applied in improving the operation capacity of the Palm Oil Mill (POM) and the value of the biological asset.

19. Cash and cash equivalents

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

	2014	2013
Cash and bank balances	7,393	7,391

20. Related party transactions

Wilmar Africa Limited, incorporated in Ghana owns 76.63% of the Company's shares. The ultimate parent company is Wilmar International, incorporated in Singapore. There are other companies that are related to the Company through common shareholding or directorship. There is a cash pooling agreement between the Company and Wilmar Africa Limited where sales made to Wilmar are paid within thirty days, after which interest is accrued.
The following transactions were carried out with related parties:

	2014	2013
Service fee		
Service fee paid to Wilmar Africa Limited during the year	730	709
Sale of goods:		
Wilmar Africa Limited	52,061	35,355
Purchase of goods and services:		
Wilmar Africa Limited	58	20
Oustanding balances arising from sale/purchase of goods/services:		
Amounts due from related parties:		
Wilmar Africa Limited	3,458	2,252
Wilmar Consultancy Services	-	7
	3,458	2,259
Amounts due to related parties:		
Wilmar Africa Limited	1	156
Wilmar PGEO Edible Oil SDN BHD	74	91
PT AMP Plantation	49	-
Biase Plantations Ltd	-	4
Wilmar International Limited	-	27
P.T Mustika Sembuluh	-	11
	124	289

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

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

20. Related party transactions (continued)

Key management personnel compensation	2014	2013
Short term employee benefits	147	77
Of which:		
Executive directors	101	47
Non -executive directors	46	30
	147	77

21. Income surplus account

At 1 January	34,031	30,906
Profit for the year	12,291	5,806
Dividend approved for 2012	-	(2,681)
Dividend approved for 2013	(1,682)	
At 31 December	45,160	34,031

22. Commitment and contingent liabilities

There were no contingent liabilities as at the balance sheet date (2012: nil).

23. Biological assets

At 1 January	19,756	15,193
Additions	6,198	3,596
Disposals	(598)	(267)
Fair value adjustments	2,126	1,234
At 31 December	27,482	19,756

The following table presents the Company's biological assets that are measured at fair value at 31December 2014.

	Level 1	Level 2	Level 3	Total
Palm Oil Plantation				
Mature	-	-	17,511	17,511
Inmature	-	-	9,971	9,971

The company's biological assets are measured at fair value and all classified under level 3 of the fair value hierarchy (valuation not based on observable market data). The are no items in level 1 (valuation based on quoted prices) or level 2 (valuation based on observable market data) and there were no transfers between levels.

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

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

(a) Analysis of oil palm production

During the financial year, the Company harvested 37,224 tonnes (2013: 41,481 tonnes) of fresh fruit bunches (FFB), which had a fair value less estimated point-of-sale costs of GH¢ 10,382,000 (2013:GH¢8,597,000). The fair value of FFB was determined with reference to their market prices at the year end.

(b) Analysis of biological assets

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

	2014	2013
Planted area:		
Mature	17,511	13,393
Immature	9,971	6,363
	27,482	19,756
Planted area(Hectares):		
Mature	2,969	2,558
Immature	1,769	1,565
	4,738	4,123

As at the year end, no hectares cleared to be re-planted.

(c)None of the biological assets have been used as collateral for bank facilities (2013: 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.

(f) Profit / Loss on disposal of biological assets

	2014	2013
Net book value	598	267
Proceeds	(2)	(626)
Loss/(Profit) on disposal	596	(359)

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 22 years.
* Climatic conditions will remain same and no anticipation of any disease attacking the trees.
* FFB selling price of GH¢ 378 per metric tone.
* A discount rate of 31.28% was used.
* Inflation rate of 10.63% was used.
* Palm plantation covers a total of 4,738 hectares with an average of 135 palm trees per hectare.

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

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

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 determined by 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.

24. Financial instruments and treasury risk management
Financial risk management
The Company's activities expose 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. 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) Foreign exchange risk
The Company has used sensitivity analysis technique to measure the estimated impact on the profit and loss account from an instantaneous 10% strengthening or weakening of the Ghana cedi against the US Dollar. The company only trades in US Dollar. 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¢ 12,300 in profit after tax (2013: increase of GH¢ 76,000 in profit after tax).

(ii) 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.

(iii) 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.

The Company's interest earned will be lower by approximately GH¢ 95,400 (2013: GH¢ 320,000). The Company's fixed deposits are short-term and hence a minimum interest rate exposure risk.

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
For The Year Ended 31 December 2014

NOTES (continued)

The Company's maximum exposure to credit by class of financial assets is shown below:

	2014	2013
Trade and other receivables(excluding prepayments)	-	1,307
Amount due from related companies	3,458	2,259
Cash and cash equivalents (excluding cash in hand)	7,384	7,388
	10,842	10,954

There is no off balance sheet credit risk exposure. The Company's key customer is Wilmar Africa Limited which owns 76.63% of its shares. No collateral is held for any of the above assets. None of the above assets are impaired. An analysis of trade and other receivable balances is shown below:

	2014	2013
Neither past due nor impaired	2,906	1,237
Past due but not impaired	64	70
Carrying amount	2,970	1,307

Fair values of financial assets and financial liabilities
The following table summarize 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 2014	Carrying amount 2014	Fair Value 2013	Carrying amount 2013
Financial assets				
Trade and other receivables	2,970	2,970	1,307	1,307
Amounts due from related companies	3,458	3,458	2,259	2,259
Cash and cash equivalents	7,393	7,393	7,391	7,391
	13,821	13,821	10,957	10,957
Financial liabilities				
Trade and other payables	2,137	2,137	1,171	1,171
Amounts due to related companies	124	124	289	289
	2,261	2,261	1,460	1,460

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 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 that will be settled within one month.

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)
(All amounts in the notes are in thousands of Ghana cedis unless otherwise stated)

At 31 December	2014	2013
Trade and other payables	2,137	1,171
Amount due to related companies	124	289
	2,261	1,460

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. 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. Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as the net debt divided by the total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as "equity" as shown in statement of financial position plus net debt.

The Company's cash and cash equivalents exceed its borrowings:

	2014	2013
Cash and cash equivalents (Note 19)	7,393	7,391
Total equity	54,789	43,660

25. Basic and diluted earnings per share
Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2014	2013
Profit for the year attributable to ordinary equity holders (GH¢'000)	12,291	5,806
Weighted average number of ordinary shares ('000)	34,800	34,800
Basic earnings per share (Ghana pesewas)	0.3532	0.1668

There were no potentially dilutive shares outstanding at 31 December 2014 or 2013. Diluted earnings per share are therefore the same as basic earnings per share.

26. Segmental reporting
The directors consider that there is only one business segment and that all its trading is conducted in Ghana. The main product of the Company is crude palm oil and all its trading is conducted in Ghana. The major customer of the Company is Wilmar Africa Limited, a parent company.

Financial Statements
For The Year Ended 31 December 2014

NOTES (continued)

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

27.Leases
The company leases land under non-cancellable operating lease agreement. At the reporting date the Company had land with the total future minimum payments as follows:

	2014	2013
Lease rental expensed for the year	40	40
Not later than one year	40	40
Later than one year and not later than five years	160	160
Later than five years	947	987

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

28. Events after the reporting date
No events have occurred after the reporting date that requires adjustments or disclosures to the financial statements.

29. Provisions
As at 31st December 2014, there is a pending legal suit for which no provision has been made, as legal advice indicates that it is not probable that a significant liability will arise.

SHAREHOLDERS' INFORMATION

Shareholding distribution as at 31 December 2014.

Holding	No. of shareholders	Holders %	No. of shares	% of Holding
1 - 1,000	8,340	94.21	2,273,909	6.53
1,001- 5,000	397	4.48	739,126	2.12
5,001- 10,000	47	0.53	333,974	0.96
Over 10,000	69	0.78	31,452,991	90.38
	8,853	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 2014:

	Shares
Mr. Neneyo Asare Mate-Kole	8
Mr. Ishmael Yamson	36,000

Mr Ishmael Yamson owns the shares jointly with others.

20 Largest shareholders at 31 December 2014

	Shareholders	Number of shares	%Holding
1	WILMAR AFRICA LIMITED	26,665,507	76.63
2	SSNIT	1,300,000	3.74
3	MEGA AFRICAN CAPITAL LIMITED	472,470	1.36
4	ADUM BANSO COMMUNITY ENDOWMENT FUND	419,746	1.21
5	SCGN/EPACK INVESTMENT FUND LTD.- TRANSACTIONS A/C	349,400	1.00
6	SSNIT SOS FUND	200,000	0.57
7	NTHC LIMITED ITF. GOV. OF GHANA	149,254	0.43
8	SCGN/ GHANA MEDICAL ASSOCIATION PENSION FUND	136,000	0.39
9	ZIGMA INVESTMENT CLUB	105,800	0.30
10	GLICO GENERAL ASSURANCE CO LTD.	101,400	0.29
11	GOLD FUND UNIT TRUST SCHEME	86,630	0.25
12	SIC-FSL/SIC STAFF PROVIDENT FUND	86,096	0.25
13	SCGN / DATABANK BALANCED FUND LTD.	83,400	0.24
14	NTHC TRADING ACCOUNT	77,000	0.22
15	STAR ASURANCE COMPANY	70,180	0.20
16	ZHAO HAIJUN	65,900	0.19
17	DAMSEL/OTENG-GYASI ANTHONY	63,720	0.18
18	SCGN/SCB MAURITIUS RE IPRO FUNDS LIMITED	56,800	0.16
19	SCBN/MEGA AFRICA CAPITAL	51,200	0.15
20	HFCN/ EDC GHANA BALACED FUND	48,100	0.14
		30,588,603	87.90
	Others	4,211,397	12.10
		34,800,000	100.00

FIVE YEARS FINANCIAL SUMMARY
(All amounts are expressed in thousands of Ghana cedis)

	2014	2013	2012	2011	2010
Results					
Revenue	52,164	35,438	40,839	34,797	19,366
Profit before income tax	12,421	6,130	13,714	9,771	2,668
Income tax expense	(130)	(324)	(308)	(186)	-
Retained profit	12,291	5,806	13,406	9,585	2,668
Financial position					
Intangible Assets	454	-	-	-	-
Property, plant and equipment	11,020	10,751	7,119	5,395	4,651
Biological assets	27,482	19,756	15,193	12,907	11,700
Cash and cash equivalents	7,393	7,391	13,008	7,471	2,531
Other current assets	11,314	8,026	7,941	5,740	5,002
Total assets	57,663	45,924	43,261	31,513	23,884
Total liabilities	2,874	2,264	2,726	1,983	2,071
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	45,160	34,031	30,906	19,901	12,184
Total equity and liabilities	57,663	45,924	43,261	31,513	23,884

Proxy Form

ANNUAL GENERAL MEETING TO BE HELD at 11.00 a.m. on Friday, 8th May, 2015 at Akroma Plaza, Police Reserve near MTTU, 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 8th May, 2015 and at any and every adjourment thereof.

Dated this .... day of May, 2015

Serial No.

For Company's Use	*No. of Shares*	
RESOLUTION	**FOR**	**AGAINST**
To declare a Dividend		
To re-elect Mr Ishmael E. Yamson as Director		
To re-elect Mr. Ramachandra Rao Kodey as Director		
To re-elect Mr. Pierre Billon as a Director		
To re-elect Mr. Suriyapperuma Punnyasena as a Director		
To approve Directors' fees		
To fix the Remuneration of Auditors		
Please indicate with "X" 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 8th April, 2015.

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please fix
stamp

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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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THE FIRST RSPO CERTIFIED PLANTATION IN GHANA

DESIGN & PRINT OFFICE LINES LTD.
0302 939027, 0244538124