



PRESS RELEASE

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**BENSO OIL PALM PLANTATION LIMITED (BOPP) –
2012 ANNUAL REPORT AND FINANCIAL STATEMENTS**

BOPP has released its Annual Report and Financial Statements for the year ended December 31, 2012 as per the extracts attached.

Issued at Accra, this 25th
day of March, 2013.

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, BOPP
4. NTHC Registrars, (Registrars for BOPP shares)
5. GSE Securities Depository
6. SEC
7. GSE Council Members
8. GSE Notice Board

For enquiries, contact:

General Manager/Head of Listings, GSE on 669908, 669914, 669935

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Financial statements

Year ended 31 December 2012

STATEMENT OF COMPREHENSIVE INCOME

(All amounts are expressed in thousands of Ghana cedis)

	Notes	Year ended 31 December	
		2012	2011
Revenue	4	40,839	34,797
Cost of sales	5	(27,070)	(23,741)
Net gains from changes in fair value of biological assets	23	869	446
		-----	-----
Gross profit		14,638	11,502
Administrative expenses	6	(2,741)	(2,339)
Other income	8	583	104
		-----	-----
Operating profit		12,480	9,267
Finance income	9	1,234	504
		-----	-----
Profit before income tax		13,714	9,771
Income tax expense	10	(308)	(186)
		-----	-----
Profit for the year		13,406	9,585
		-----	-----
Other comprehensive income		-	-
		-----	-----
Total comprehensive income for the year		13,406	9,585
		=====	=====
Basic and diluted earnings per share (GH¢)	25	0.3852	0.2754

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



Financial statements

Year ended 31 December 2012

STATEMENT OF FINANCIAL POSITION

(All amounts are expressed in thousands of Ghana cedis)

		At 31 December	
	Notes	2012	2011
Assets			
Non-current assets			
Property, plant and equipment	14	7,119	5,395
Biological assets	23	15,193	12,907
Current assets			
Inventories	15	4,272	2,964
Trade and other receivables	16	1,473	1,156
Amounts due from related companies	20	2,196	1,620
Cash and cash equivalents	19	13,008	7,471
Total assets		43,261	31,513
Liabilities			
Current liabilities			
Trade and other payables	17	1,449	1,317
Amounts due to related companies	20	560	132
Current income tax	10	301	179
Dividend payable	11	416	355
Equity			
Stated capital	12	2,000	2,000
Capital surplus account	13	7,629	7,629
Income surplus account	21	30,906	19,901
Total liabilities and equity		43,261	31,513

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 11 February 2013 and were signed on its behalf by:

Ishmael Yamson
Chairman

Santosh Pillai
Managing Director

**Financial statements****Year ended 31 December 2012****STATEMENT OF CHANGES IN EQUITY**

(All amounts are expressed in thousands of Ghana cedis)

	Stated capital	Capital surplus account	Income surplus account	Total
<u>Year ended 31 December 2012</u>				
At 1 January 2012	2,000	7,629	19,901	29,530
Profit for the year	-	-	13,406	13,406
Total comprehensive income	2,000	7,629	33,307	42,936
Transactions with owners				
Dividend declared for 2011	-	-	(2,401)	(2,401)
At 31 December 2012	2,000	7,629	30,906	40,535
<u>Year ended 31 December 2011</u>				
At 1 January 2011	2,000	7,629	12,184	21,813
Profit for the year	-	-	9,585	9,585
Total comprehensive income	2,000	7,629	21,769	31,398
Transactions with owners				
Dividend declared for 2010	-	-	(1,868)	(1,868)
At 31 December 2011	2,000	7,629	19,901	29,530

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



Financial statements
Year ended 31 December 2012

STATEMENT OF CASH FLOWS

(All amounts are expressed in thousands of Ghana cedis)

	Notes	Year ended 31 December	
		2012	2011
Cash flows from operating activities			
Cash generated from operations	18	10,043	8,229
Interest received	9	1,234	504
Tax paid	10	(186)	-
		-----	-----
Net cash generated from operating activities		11,091	8,733
		-----	-----
Cash flows from investing activities			
Purchase of property, plant and equipment	14	(2,205)	(1,302)
Purchase of biological assets	23	(1,436)	(764)
Proceeds from sale of property, plant and equipment	14	30	2
Proceeds from sale of biological assets	23	397	40
		-----	-----
Net cash used in investing activities		(3,214)	(2,024)
		-----	-----
Cash flows from financing activities			
Dividend paid to the shareholders	11	(2,340)	(1,769)
		-----	-----
Net cash used in financing activities		(2,340)	(1,769)
		-----	-----
Increase in cash and cash equivalents		5,537	4,940
Cash and cash equivalents at 1 January		7,471	2,531
		-----	-----
Cash and cash equivalents at 31 December	19	13,008	7,471
		=====	=====

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



Financial statements

Year ended 31 December 2012

NOTES

1. General information

Benso Oil Palm Plantation Limited is incorporated in Ghana under the Companies Act, 1963 (Act 179) 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 palm kernel oil.

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

(a) New and amended standards adopted by the Company

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on 1 January 2012 that would be expected to have a material impact on the Company.

(b) New standards and interpretations that are not yet effective and have not been early adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2012, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

Amendment to IAS 1, 'Presentation of Financial Statements' regarding other comprehensive income

The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. The application of this amendment will mainly impact the presentation of the primary statements.

IFRS 13, 'Fair value measurement'

This aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. The application of IFRS 13 may enhance fair value disclosures in certain circumstances.



Financial statements
Year ended 31 December 2012

NOTES (continued)

2. Summary of significant accounting policies (continued)

IFRS 9, 'Financial instruments'

This addresses the classification, measurement and recognition of financial assets and financial liabilities. Issued in November 2009 and October 2011, it replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The directors are yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2015. The directors will also consider the impact of the remaining phases of IFRS 9 when completed by the IASB.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

2.2 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 Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement 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.



Financial statements
Year ended 31 December 2012

NOTES (continued)

2. Summary of significant accounting policies (continued)

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 or less months.

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

2.9 Biological assets

Biological assets are measured 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 profit or loss in the year in which they arise.

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 employee benefits

The Company contributes on behalf of its employees to the Social Security and National Insurance Trust (SSNIT) fund. This is a defined contribution plan. The Company has no legal or constructive obligation 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.

Payments to the defined contribution scheme are charged as an expense as they fall 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 a provision where contractually obliged or where there is a past practice that has created a constructive obligation.