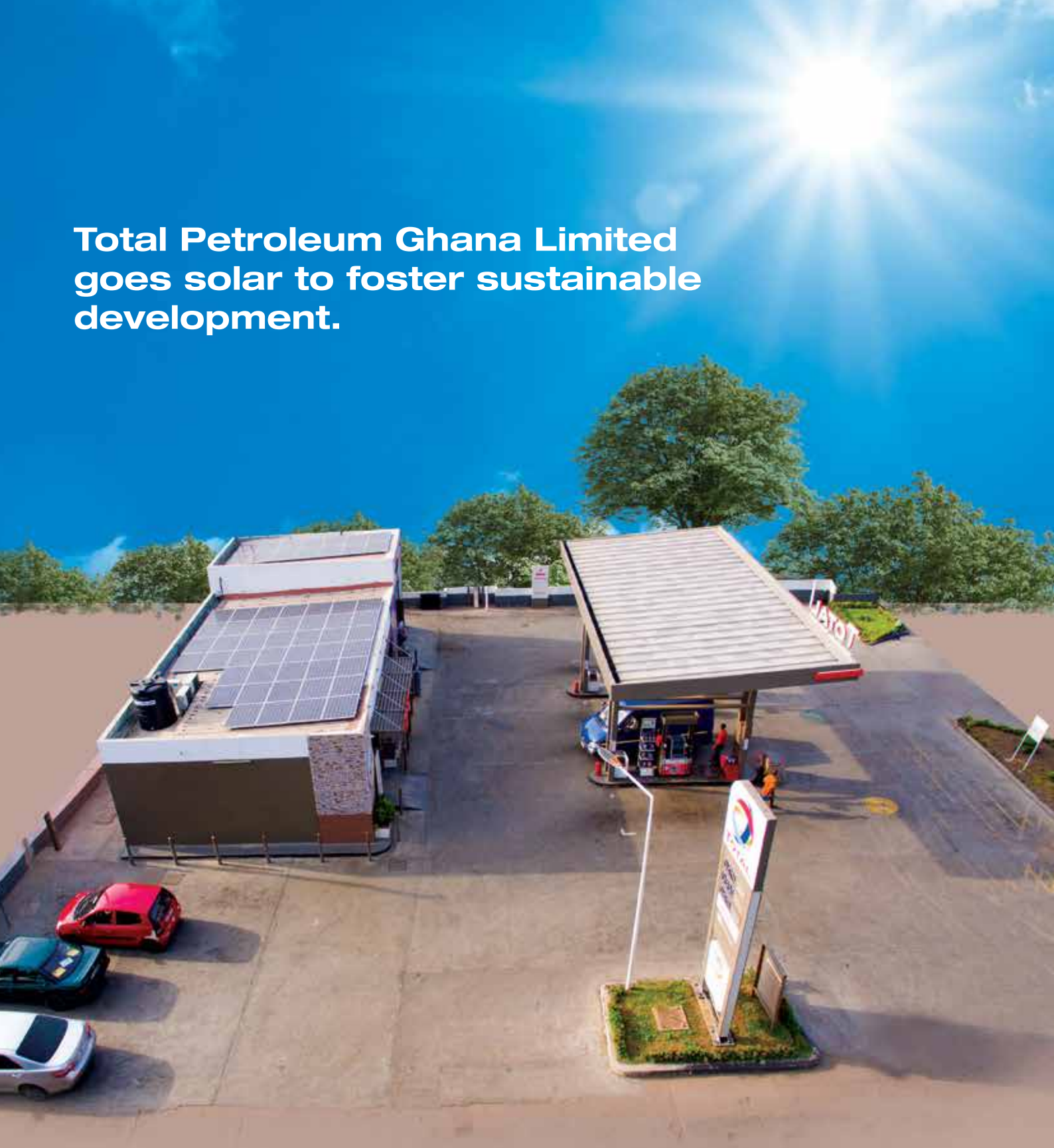
TOTAL PETROLEUM GHANA LIMITED

ANNUAL REPORT 2018

Total Petroleum Ghana Limited goes solar to foster sustainable development.



Total Petroleum Ghana Limited's introduction of solar-powered service stations in the country started with the launch at Tema Main Harbour Service Station in 2018. This project is part of the modernization plan of the company to solarize at least 50% of its network stations within five years as it contributes to efficient and environmentally friendly energy solutions.

total-ghana.com Totalgh Total Ghana Total Ghana

TOTAL
Committed to Better Energy

About Us

Total Petroleum Ghana Limited is part of the global Total group, a major energy player in the world with presence in over 130 countries.

Total's operations in Ghana started in 1951 under the name Total Oil Products Limited. Since then Total has undergone various transformations, taking over from BP Ghana Limited, then Elf Oil to TotalfinaElf following a global merger of Total and Elf and finally resulting in the incorporation of Total Petroleum Ghana Limited when Total Outre-Mer acquired Mobil in Ghana.

This progression, coupled with great respect for quality, standards, achievements and safety has propelled the Company to the forefront of the Petroleum Industry in Ghana.

Total is one of the leaders in the Oil and Gas industry and it has a strong brand image on the Ghanaian market. The Company is well represented in all the regions of the country with strategic locations in major cities and towns.

Our Vision

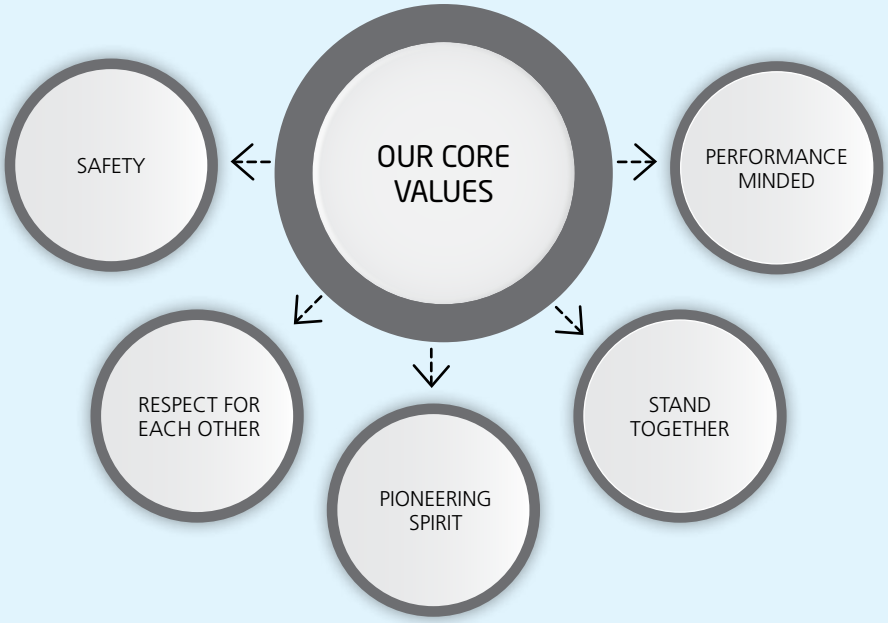
Our vision includes:

- To be the number one in customer service
- To develop talent through diversity
- To have a sustainable shareholder value
- To be a good corporate citizen

Our Mission

The purpose of Total Petroleum Ghana Limited is to market quality petroleum products and services to its customers responsibly and safely in an innovative way to ensure that consumers continue to turn to Total as the preferred brand.

Our Values



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Corporate Information

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Board of Directors

Samba Salfal Seye	-	Chairman
Eric Fanchini	-	Managing Director
Rexford Adomako-Bonsu	-	Member
Kofi Ampim	-	Member
Stanislas Mittelman	-	Member
Gerard Pruneau	-	Member
John M. Ababio	-	Member (Appointed: 5th April, 2018)
Laurette Otchere	-	Member (Appointed: 5th April, 2018)
Alain Vedier	-	Member (Appointed: 18th July, 2018)
Sandrine Saboureau	-	Member (Resigned: 11th July, 2018)

Secretary

Mrs. Mercy Samson
'Total House'
25 Liberia Road
P. O. Box 553
Accra

Registered Office

'Total House'
25 Liberia Road
P. O. Box 553
Accra

Solicitor

Peasah Boadu & Co.
3rd Floor, 'Gulf House'
P. O. Box CT3523
Cantonments - Accra

Registrar

Universal Merchant Bank Limited
123 Kwame Nkrumah Avenue,
Sethi Plaza,
Adabraka - Accra

Auditor

KPMG
Chartered Accountants
13 Yiyiwa Drive, Abelenkpe
P. O. Box GP 242
Accra

Bankers

Agricultural Development Bank Limited
Barclays Bank of Ghana Limited
Ecobank Ghana Limited
GCB Bank Limited
National Investment Bank Limited
Societe Generale Ghana Limited
Stanbic Bank Ghana Limited
Standard Chartered Bank Limited
Universal Merchant Bank Limited
Zenith Bank Ghana Limited

Board of Directors

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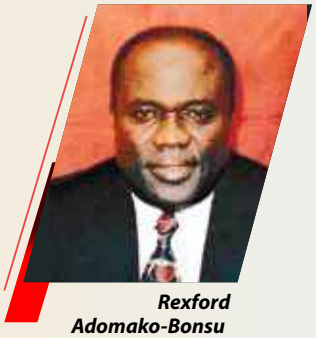
Samba Salfal Seye
Chairman

Eric Fanchini
Managing Director

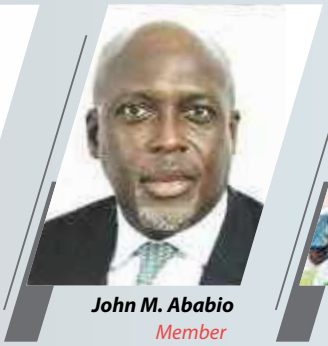
Kofi Ampim
Member



Rexford Adomako-Bonsu
Member

Gerard Pruneau
Member

Stanislas Mittelman
Member



John M. Ababio
Member

Laurette Otchere
Member

Alain Vedier
Member

Management Team

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Eric Fanchini
Managing Director

Elizabeth Sotuminu
Operations Manager

Abdul-Rahim Siddique
Sales & Marketing Manager

Bright Dokosi
Human Resource Manager

Mercy Samson
Legal & External Affairs Manager

Frank Boamah
Health, Safety, Environment & Quality Manager

Henry Kamara
Finance & Accounts Manager

Henry Adzewodah
Lubricants Manager

Chairman's Statement

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Introduction

Distinguished shareholders, ladies and gentlemen, it gives me much pleasure to welcome you all to this 43rd Annual General Meeting (AGM) of Total Petroleum Ghana Limited. It is also my pleasure and privilege to address and present to you the Annual Report and the Audited Financial Statements for the year ended 31 December 2018.

As has been the case in the past, your usual level of support, which you continue to extend to your Company through your active participation at our AGMs every year is highly appreciated. At these meetings, we are able to review our performance of the previous year and at the same time plan together for the future. In our role as the Board of Directors, together with the Management and Staff, we are always encouraged by your confidence in us to steer the affairs of your Company and remain committed to continuous growth and delivery of better returns.

Samba Salfal Seye
Chairman

Review of Economic Environment

In 2018, the macroeconomic indicators of the Ghanaian economy continued to provide a positive outlook with an annual growth rate of 5.6% and an inflation of 9.4% at the end of the year. Interest rates on borrowing remained relatively stable during the year.

However, the evolution of the Ghanaian Cedi remained a challenge. The Cedi depreciated by 9.9% against the US dollar, which partly contributed to the rise in petroleum prices locally.

Financial and Operational Performance

The Group recorded a 32.6% growth in net profit for the year 2018, a performance attributed to the efforts and action plans set by Management and the Board of Directors. The consolidated profit after tax for 2018 amounted to GH¢ 43.27 million compared to GH¢ 32.63 million in 2017, while Company's profit after tax amounted to GH¢ 50.36 million compared to GH¢ 36.20 million in 2017.

The consolidated profit is impacted by the net loss of Ghanstock Ltd. of GH¢ 8.52 million in 2018 (2017 GH¢ 4.98 million). The loss is mainly attributed to interest on debt and revaluation of a US dollar denominated loan.

The Group's basic earnings per share increased from GH¢ 0.3117 in 2017 to GH¢ 0.4211 in 2018.

The Company remained steadfast through continued investment, in line with the strategy to develop our core activities and to tap business opportunities for sustained future growth. Key investments in the year included the construction of new stations and revamping of existing ones country-wide.

The Company was recognized for its outstanding performance and contribution to the Ghanaian economy in 2018. The Company received the following recognition:

- Brand of the Year award at the Ghana Energy Awards
- Marketing Campaign of the Year (Total Troxi Club) and Excellence in CSR, Downstream, at the Ghana Oil and Gas Awards (GOGA)
- 13th Best Company in Ghana at the Ghana Club 100 Awards
- Best Company in Project Promoting Road Safety at the Sustainability and Social Investment Awards, 2018

Dividend

In November 2018, the Board approved the payment of an interim dividend of GH¢ 0.0631 per share which was paid to Shareholders in December, 2018. At this meeting, the Board will be recommending a final dividend of GH¢ 0.0768 per share in respect of the year ended 31st December, 2018, to be paid to Shareholders, which will culminate in a total dividend of GH¢ 0.1399 per share. This represents 31% of the Company's net profit after tax.

Dividend will be payable to Shareholders registered in the Register of Members of the Company at the close of business on Friday, 14th June, 2019, subject to withholding tax where applicable.

Board Changes

There have been some changes in the membership of the Board since our last meeting. Madam Sandrine Saboureau resigned from the Board to take up a new assignment within the Total Group. The Board appointed Mr. Alain Vedier as her replacement on 18th July, 2018. On behalf of the Board of Directors and the Shareholders, I would like to thank Madam Sandrine Saboureau for her contributions to the growth and development of the Company's business during her tenure on the Board. We wish her well in her future assignment.

I also take this opportunity to introduce to you, a new non-executive Board Member who was appointed to the Board on 5th April, 2018. She is in the person of Mrs. Laurette Korkor Otchere.

At this Annual General Meeting, the Board recommends to Shareholders the ratification of the appointments of Mr. Alain Vedier and Mrs. Laurette Korkor Otchere to the Board. On behalf of the Directors and Shareholders, I welcome them both warmly to the Board.

The Board also recommends to you for re-election Mr. Kofi Ampim, Mr. Stanislas Mittelman and Mr. Gerard Pruneau our Directors who are due to retire by rotation at this meeting and who have both expressed their willingness to continue in office.

Corporate Governance

In accordance with good corporate governance principles, we maintained strong internal controls and ensured strict compliance with rules and regulations, as well as Company Policies and Procedures. Regular Board & Audit Committee meetings were held during the year to review the various business segments. The Board is satisfied that we have robust internal control systems in place to manage any risks in our business.

Corporate Social Responsibility

The Company believes Corporate Social Responsibility (CSR) initiatives must be integral to the core business itself, as well as extending outside it. They are part of the business thought process from the very beginning and are guided by the desire to ensure that our commercial, operational and support undertakings should have direct social benefits to the stakeholders and the communities where we operate. All programmes are long-term and based on the principle of sustainable outcomes. We have a broad CSR portfolio, embracing the following themes: Entrepreneurship, Environment, Health, Road Safety, Access to Energy, Education and Youth Support, and Sports.

Here are some highlights of our CSR activities:

- The Company launched the second edition of the Startupper of the Year by Total Challenge in October 2018. It is an initiative to support business creation and development by helping the boldest and most innovative entrepreneurs carry out their projects.

- The Company has for over a decade promoted local talents through key programs such as the Young Dealer Scheme, which offers service station personnel the opportunity to become entrepreneurs.

- The Company is also helping to uplift the youth through the Young Graduate Programme. The Programme, launched in 2016, is a career development and empowerment programme aimed at building and equipping newly graduated youth with skills through global exposure and practical experience for an eighteen (18) month period. So far, it has benefitted sixteen (16) Ghanaian graduates with six (6) of them getting permanent employment in the Company.

- Together with Voltic Ghana and Coliba Ghana, the Company launched a plastic collection project in November 2018 to help in the proper management of plastic waste from households in the streets of Accra and Tema Metropolis. The launch of *Irecycle* demonstrates the commitment of the Company towards plastic waste segregation and environmental protection. It reinforces the activities we already carry out in recycling both globally and locally and contributes to Total's ambition to be the responsible energy major.

  With this project, the Company makes available safe spaces at its service stations for the recycling bins. The Company also gives free fuel to the tricycles which collect the plastic waste for recycling.

- The support of development through football and women empowerment is a priority for the Company. In line with the Company's partnership with African football, the Company celebrated the 2018 Total Women's Africa Cup of Nations which brought together eight (8) African teams. The tournament which was held in Ghana celebrated and empowered women through a sport that has historically brought nations and peoples from all backgrounds together. For the next couple of years, Total will keep supporting African Football.

Outlook

The Company paved the way for better energy with the launch of solar-powered stations in 2018. Four service stations are now powered by solar energy. Since the inauguration of these stations, namely; Tema Main Harbour, Takoradi Airport Junction, Kumasi Mile 4 and Korle-Bu, the Stations have been able to reduce their operational cost. This has decreased the pressure on the local grid.

The Company is committed to equipping 50% of its service stations with solar in the next five (5) years.

As a responsible industrial player, the Company will continue to develop new energies that are efficient and environmentally friendly, and it is our resolve to contribute to local development and environmental sustainability. This is equally central to the modernization of our service stations to bring convenience and quality products and services to customers.

Health, Safety and Quality performance of the Company remains key and will remain Management's priority. We will continue to give to special attention to Road Safety, Engineering and Maintenance works at our sites. Indeed, we are happy that Ghanaian consumers appreciate the high quality of our products such as Total lubricants, Excellium fuel, Total Cards and the professionalism in our service delivery. We will continue to deliver the best quality products and services at the safest standards.

We expect a challenging operating environment in 2019 given some visible challenges in the energy sector and the implementation of the local content policy in the mining sector which may all have some adverse impact on the Company's business.

Despite the challenges and sometimes aggressive competition, the outlook for 2019 is promising, thanks to action plans put in place by the Management.

Acknowledgement

The Company remains customer-focused and we are indebted to our customers, dealers, transporters and other key stakeholders for their support for the past year. We are proud and grateful to them for their continued commitment to our business relationships which we believe delivers mutual benefits.

On behalf of the Board of Directors, I would like to express my gratitude to the Management and entire Staff of the Company for their contribution towards the results of 2018. I also would like to thank you, our Shareholders and, loyal customers for your strong and continuous support and loyalty to the Total Brand.

Finally, I would like to thank the Board of Directors for their commitment and able support which has helped your Company to remain a major player in our economy.

Once again, thank you very much for your attention and for your presence here today.

Samba Salfal Seye
Chairman

Profile of New Directors To Be Elected

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1. Mrs. Laurette Korkor Otchere, Esq.

Madam Laurette Otchere is a Ghanaian National who holds a Juris Doctorate (JD) Degree from Rutgers University School of Law, New Jersey, USA. Her recent working experience includes the following key positions:

- Executive Director, New Jersey, USA
- Senior Attorney, New Jersey, USA
- Board Member, State of New Jersey Motor Vehicle Commission, USA
- Deputy Director-General, SSNIT, Ghana

2. Mr. Alain Vedier

Mr. Alain Vedier is a French National who holds a Master of Law Degree (LL.M) from Universite Jean Moulin, Lyon, France. He has over 20 years dynamic professional experience in commercial structuring of complex cross-border project development and finance, including upstream and downstream oil & gas, infrastructure, power and refinery projects. His recent working experience includes the following key positions:

- Senior Counsel – Paris, France.
- Senior Corporate and Project Finance Manager – TOTAL S.A.
- Joint Venture Manager – TOTAL E&P PNG Limited
- Head of Governance and Financial Control – TOTAL Marketing & Services

Notice of Meeting

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NOTICE is hereby given that the 43rd Annual General Meeting of the Shareholders of Total Petroleum Ghana Limited will be held at the National Theatre, Liberia Road, Accra on **Wednesday 15th May, 2019 at 11 o'clock in the forenoon.**

AGENDA

1. To receive and adopt the Report of the Directors, Auditor and the Financial Statements of the Company for the year ended 31st December, 2018.
2. To declare Final Dividend in respect of the year ended 31st December, 2018.
3. To ratify the appointment of Directors.
4. To re-elect Directors retiring by rotation.
5. To fix the remuneration of the Directors.
6. To authorise the Directors to fix the remuneration of the Auditors.

Dated this 25th day of March, 2019

By Order of the Board

MERCY SAMSON (MRS.)

SECRETARY

Note: A member of the Company entitled to attend and vote may appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company. Completed proxy forms should be deposited at the Registered Office, P. O. Box 553, Accra not less than **48 hours** before the appointed time of the meeting. Failure to submit the forms before 48 hour deadline will result in the Proxy not being admitted to, or participating in, the meeting. A Form of Proxy is provided in the Annual Report.

Directors' responsibility statement

The Directors are responsible for the preparation of consolidated (Group) and separate (Company) financial statements that give a true and fair view of Total Petroleum Ghana Limited, comprising the statements of financial position as at 31 December 2018, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year 2018 then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179). In addition, the Directors are responsible for the preparation of the Report of the Directors.

The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The Directors have made an assessment of the ability of the Company and its subsidiary together referred to as "the Group" to continue as going concerns. Refer to the going concern consideration below.

The Auditor is responsible for reporting on whether the consolidated and separate financial statements give a true and fair view in accordance with the applicable financial reporting framework and relevant laws.

Five year financial highlights

	2018	2017	2016	2015	2014
Group	**GH¢'000**	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Revenue	2,381,106	1,858,478	1,661,615	1,793,752	1,657,841
Profit before tax	60,869	45,547	37,283	60,359	44,436
Profit after tax	43,265	32,632	23,402	46,718	32,859
Basic and diluted earnings per share (GH¢ per share)	0.4211	0.3117	0.2706	0.4184	0.2861
	2018	**2017**	**2016**	**2015**	**2014**
Company	**GH¢'000**	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Revenue	2,370,975	1,848,493	1,652,250	1,793,752	1,657,841
Profit before tax	67,968	49,110	52,158	59,590	41,801
Profit after tax	50,364	36,195	38,277	45,212	30,960
Basic and diluted earnings per share (GH¢ per share)	0.4502	0.3235	0.3421	0.4041	0.2767

Financial statements and dividend

The financial results for the year ended 31 December 2018 are reflected in the accompanying financial statements, highlights of which are as below.

		Group		**Company**
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Profit for the year attributable to equity holders was		47,112		50,364
which when added to the balance brought forward on				
the income surplus account of		113,085		119,310
which gives a total of		160,197		169,674
out of which is deducted the following dividends				
declared and paid: final dividend for 2017	7,843		7,843	
interim dividend for 2018	7,059		7,059	
		14,902		14,902
leaving a balance to be carried forward on the income				
surplus account of		145,295		154,772

The Directors recommend the payment of a final dividend of GH¢0.0768 per share, amounting to GH¢8,591,929 for the 2018 financial year. This brings the total dividend for the financial year to GH¢0.1399 per share, amounting to GH¢15,651,183 (2017; GH¢ 0.13325 per share, amounting to GH¢ 14,902,220).

The Directors consider the state of the Group and Company's affairs to be satisfactory.

Going Concern consideration

The Group's current liabilities exceeded its current assets by GH¢138,244,000 (2017: GH¢144,787,000) at year ended 31 December 2018. As at that date, the Company's current liabilities also exceeded its current assets by GH¢112,371,000 (2017: GH¢128,389,000).

The net current liability position at the year end is as a result of increased investments which are expected to generate future revenue. The Directors have made an assessment of the cash flow projections for the next twelve (12) months which shows a positive business outlook. In addition, the Directors have negotiated and successfully renewed the overdraft facilities with its bankers. Both the Group and Company continue to remain profitable. The Directors believe that the Group and Company will be able to realise its assets and settle its liabilities in the ordinary course of business.

Accordingly, the financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis presumes that cash flows arising from the normal course of business will be available to finance future operations of both the Group and Company and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

Principal activities

The principal activity of the Group is the marketing and sale of petroleum and allied products. There was no change in the nature of business of the Group during the year.

Objectives of the Company

The purpose of the Group is to market quality petroleum products and services to its customers responsibly, and profitably and in an innovative way.

Holding Company

The Company is a subsidiary of Total Outre-Mer SA, a Company incorporated in France. The ultimate parent Company is Total S.A, a Company incorporated in France.

Subsidiary Company

The Company has 55% shareholding in Ghanstock Limited, a Company incorporated in Ghana and registered to build, own, operate and maintain petroleum storage facilities.

Associate Companies;

Ghana Bunkering Services Limited

The Company has 48.5% shareholding in Ghana Bunkering Services Limited, a Company incorporated in Ghana to provide bunkering services to petroleum marketers in Ghana.

Road Safety Limited

The Company has 50% shareholding Road Safety Limited, a Company incorporated in Ghana to provide driver education and maintenance services for vehicles used in haulage of petroleum products.

Related party transactions

Information regarding Directors' interests in the ordinary shares of the Company and remuneration is disclosed in note 25 to the financial statements. No Director has any other interest in any shares or loan stock of any Group Company. Other than service contracts, no Director had a material interest in any contract to which any Group Company was a party during the year. Related party transactions and balances are also disclosed in note 25 to the financial statements.

Audit Committee

The Board Audit Committee comprises of at least three Directors and is headed by an independent, Non-Executive Director. In selecting the members of the Committee, the Board pays particular attention to their financial and accounting qualifications and experience. The principal responsibilities of the Committee include reviewing financial reports, internal audit reports, management letters and other information it requests to be tabled. The Committee holds at least three formal meetings each year, which are also attended by the external auditors. The Committee at its request may meet with the Managing Director, perform

inspections and interview managers of the Company at any time it deems appropriate.

Auditor

The Audit Committee has responsibility delegated from the Board of Directors for making recommendations on the appointment, reappointment, removal and remuneration of the external auditor. KPMG has been the auditor of the Group for 13 years. KPMG does not provide non-audit services to the Group and Company.

Board of Directors

Profile

Non-executive	Qualification	Outside board and management position
Mr. Samba Salfal Seye	Phd Engineering: Fluid Mechanics	Executive Vice President, Total Marketing & Services, West Africa
Mr. Kofi Ampim	Masters Degree in International Business	Chairman, Societe General Bank Limited, Belstar Capital Limited, and Chairman, Allianz Life Insurance Co. Ghana Ltd.
Mr. Rexford Adomako-Bonsu	Bsc., M.A., MBA	Executive Director, Worldwide Investment Limited, Ghana.
Mr. Gerard Pruneau	Masters degree in Energy Economy	General Secretary, Africa Division of Total Marketing & Services.
Mr. Stanislas Mittelman	Masters Degree	Senior Vice-President, Total Marketing and Services, Africa Division.
Mr. John M.Ababio	Masters Degree in International Business and Economic Development	Vice Chairman/Senior Partner - PCM Capital Advisors, Ghana.
Mrs. Laurette Korkor Otchere	B.A, Juris Doctorate Degree	Board Member/Commissioner, State of New Jersey, USA, Deputy Director-General, SSNIT, Ghana.
Mr. Alain Vedier	LLB, LLM	Head of Governance & Financial Control, Total Head Office, Paris – France.
Executive		
Mr. Eric Fanchini	Masters Degree in Marketing & International Studies	Ghanstock Limited, Tema Lube Oil Company Limited, Road Safety Limited, Ghana Bunkering Services Limited.

Biographical information of directors	
Age category	Number of directors
Up to – 40 years	-
41 – 60 years	6
Above 60 years	3

Role of the Board

The Directors are collectively responsible to the shareholders for the long term success of the Group and Company and for its overall strategic direction, its values and its governance. The Board provides the leadership necessary for the Group and Company to meet its business objectives within the framework of its internal controls, whilst also discharging the Group's obligations to its shareholders.

The responsibility for the development of policy and strategy and operational management is delegated to the Executive Directors and a Management Committee, which as at the date of this report includes one Executive Director and seven Senior Managers.

Internal control systems

The Directors are responsible for the Group and Company's system of internal control, and for the ongoing review of

its effectiveness. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives. It can only provide reasonable, and not absolute, assurance against material misstatement or loss. The Audit Committee assists the Board in discharging its review responsibilities. The Directors have reviewed the effectiveness of the internal control systems, including controls related to financial and operational risks identified by the Group and Company as at the reporting date and no significant failings or weaknesses were identified during this review.

Implementation of the Board's directives is delegated through a Management Committee, which comprises the Managing Director and all Heads of Departments. The Management structure has a clear framework and is governed by precise organisational procedures, in which all staff are specifically trained and which have built-in checks and controls.

Directors' performance evaluation

In line with the Group's policy, a performance evaluation review is undertaken of the Board, its committees and the Directors individually on an annual basis. The evaluation is conducted by the Board Chairman. The results of the evaluation is shared with all members of the Board. Overall, it was noted that the Board of Directors and its Committees were operating in an effective manner and performing satisfactorily, with no major issues identified.

Professional development and training

A comprehensive induction programme is in place for all new directors which takes into account their previous experience, background and role on the board and is designed to further their knowledge and understanding of the Group and Company and their associated role and responsibilities. All new Directors are provided with key Board, operational and financial information; attend meetings with other members of the Board and senior management; receive briefings and, where necessary, meet Total Petroleum Ghana Limited's major shareholders. Where a new Director is to serve on a Board committee, induction material relevant to the committee is also provided. The Company Secretary assists the Chairman in the co-ordination of induction and ongoing training.

Conflicts of interest

The Group and Company have established appropriate conflicts authorisation procedures, whereby actual or potential conflicts are regularly reviewed and authorisations sought as appropriate. During the year, no such conflicts arose and no such authorisations were sought.

Board balance and independence

The composition of the Board of Directors and its Committee is regularly reviewed to ensure that the balance and mix of skills, independence, knowledge and experience is maintained. The continuing independent and objective judgement of the non-Executive Directors has been confirmed by the Board of Directors.

Corporate Social Responsibility and Code of Conduct

Corporate Social Responsibilities activities and an Extract of the Code of Conduct can be found in Appendix 2 and page 73 respectively.

The Group rejects fraud and corruption in all its forms and has a robust compliance policy. The Group has an Ethics Officer as well as a Compliance Officer with specific mandates to spearhead efforts towards mitigating compliance risk both internally and with third parties with direct dealings with the Group. It has put in place specific guidelines in relation to non-compliance incidents reporting, creating awareness and enforcing compliance. The Group also conducts both e-learning training as well as awareness seminars and workshops targeting all employees.

Approval of the consolidated and separate financial statements

The consolidated and separate financial statements of Total Petroleum Ghana Limited, as identified in the first paragraph, were approved by the Board of Directors on 25 March 2019 and signed on their behalf by;

.....
Director

.....
Director

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Total Petroleum Ghana Limited ("the Group and Company"), which comprise the statements of financial position as at 31 December 2018, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, as set out on pages 18 to 67.

In our opinion, these financial statements give a true and fair view of the consolidated and separate financial position of Total Petroleum Ghana Limited as at 31 December 2018, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Ghana, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Trade and other receivables

Refer to Note 17 to the consolidated and separate financial statements

The key audit matter	How the matter was addressed in our audit
The Group and Company have significant trade receivables with customers in the energy and natural resources industry and other dealer-owned-dealer-operated customers, mostly in the small and medium enterprise scale who are prone to high risk. The existence and recoverability of outstanding amounts from some customers may be in doubt. Given the significance of the trade and receivables balance and the high degree of estimation of the impairment allowance, we consider trade and other receivables to be a key audit matter.	Our principal audit procedures included the following: • Tested relevant controls over the financial reporting process related to the receivables collection processes. We focused on controls over: the recording of credit sales transactions and approval of credit limits; • Directly confirmed significant trade receivable balances; • Analysed the movement of the trade receivable balance in relation to revenue and cash payments; • Tested the adequacy of impairment allowance (which was based on the expected credit loss (ECL)) made against trade receivables by assessing management's assumptions and reviewing relevant input data; and • Evaluated the adequacy of disclosures for impairment allowance in accordance with the requirement of IFRS 9 and evaluated the accounting policies and notes in relation to trade and other receivables.

Revenue

Refer to Note 6 to the consolidated and separate financial statements

The key audit matter	How the matter was addressed in our audit
Revenue is an important measure in terms of business performance and represents a significant item in the Group and Company's consolidated and separate statement of profit or loss. The Group and Company have multiple streams of revenue from sale of petroleum products. These products are sold to customers based on negotiated prices resulting in different trading terms for a large number of customers. Revenue is recognised for each transaction based on the negotiated prices. Given that revenue is an important measure to both Group and Company's performance targets, there's the likelihood to manipulate this measure to achieve a better financial performance. On account of the above, we consider revenue recognition as a key audit matter.	Our principal audit procedures included the following: • Evaluated the design and implementation and tested the operating effectiveness of key controls over the revenue recognition process. We focused on controls over: system access to initiate, process, authorise and record sales transactions; authorization of master price list and system configuration of invoices; • Reviewed management's assessment of the impact of IFRS 15-Revenue from contracts with customers • Tested for fictitious sales by using computer assisted audit techniques to test for duplicate invoices; • Performed substantive analytical procedures, by computing an expected sale amount and comparing to the recorded sales and investigating any significant variance; • Assessed whether sales transactions posted before and after the balance sheet date as well as credit notes issued after year end were recognised in the correct period; • For a sample of significant sales transactions that had been selected, we traced the transactions back to source documents to ensure that the transactions actually occurred and the amounts were accurate; • Assessed the appropriateness of discounts applied to transactions by reviewing credit authorisation forms and re-computing discounts on significant transactions; and • Evaluated the adequacy of the accounting policies and disclosures on revenue recognition in the financial statements in accordance with the applicable financial reporting framework.

Other Information

The Directors are responsible for the other information. The other information comprise the Report of the Directors as required by the Companies Act, 1963 (Act 179) and the Chairman's Statement. Other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, on the other information we conclude that there is a material misstatement of this other information, we are required to report that fact.We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Group and Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i. Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii. Obtain an understanding of internal control relevant to the audit 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 Group's and Company's internal control.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/ or the Company to cease to continue as a going concern.

v. Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Section 133 of the Companies Act, 1963 (Act 179)

We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit.

In our opinion, proper books of account have been kept, and the consolidated and separate statements of financial position and profit or loss and other comprehensive income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is **Anthony K. Sarpong (ICAG/P/1369).**

KPMG

For and on behalf of:

KPMG: (ICAG/F/2019/038)

CHARTERED ACCOUNTANTS

13 YIYIWA DRIVE, ABELENKPE

P. O. BOX GP 242

ACCRA

28th March, 2019

Statements of Financial Position

As at 31 December 2018

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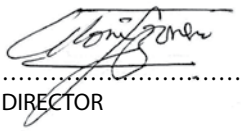
		Group	Group	Company	Company
		2018	2017	2018	2017
Assets	Note	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Property, plant and equipment	12(a)	314,724	305,620	255,878	241,565
Intangible assets and goodwill	13	13,021	13,198	12,966	13,116
Investment in associates	15(a)	3,475	3,526	12	12
Leasehold prepayments	14	5,579	1,452	5,579	1,452
Long term leases	26	52,775	44,073	52,775	44,073
Investment in subsidiary	15(b)	-	-	4,774	6,274
Total non-current assets		**389,574**	**367,869**	**331,984**	**306,492**
Inventories	16	79,720	82,378	79,368	82,026
Current tax asset	10(ii)	15,128	15,530	15,128	15,530
Trade and other receivables	17	297,802	218,734	296,639	216,652
Amounts due from related parties	25	7,606	5,681	13,446	11,171
Cash and cash equivalents	18	55,095	30,281	54,765	28,933
		455,351	**352,604**	**459,346**	**354,312**
Assets held for sale	12(b)	528	-	528	-
Total current assets		**455,879**	**352,604**	**459,874**	**354,312**
Total assets		**845,453**	**720,473**	**791,858**	**660,804**
Equity					
Stated capital	19(a)	51,222	51,222	51,222	51,222
Income surplus		145,295	113,085	154,772	119,310
Non-controlling interest	33	(6,682)	(2,835)	-	-
Total equity		**189,835**	**161,472**	**205,994**	**170,532**
Liabilities					
Bank overdraft	18	75,585	79,520	75,585	79,520
Loans and borrowings	22	19,203	7,535	5,357	-
Trade and other payables	21	413,434	330,128	410,795	326,968
Amounts due to related parties	25	85,901	80,208	80,508	76,213
Total current liabilities		**594,123**	**497,391**	**572,245**	**482,701**
Loans and borrowings	22	54,126	54,039	6,250	-
Deferred tax liability	11	2,056	2,258	2,056	2,258
Provisions	23	5,313	5,313	5,313	5,313
Total non-current liabilities		**61,495**	**61,610**	**13,619**	**7,571**
Total liabilities		**655,618**	**559,001**	**585,864**	**490,272**
Total liabilities and equity		**845,453**	**720,473**	**791,858**	**660,804**

These financial statements were approved by the Board of Directors on 25 March 2019 and signed on their behalf by:

.....
DIRECTOR



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DIRECTOR

The notes on page 22 to 67 form an integral part of these financial statements.

Statements of Profit or Loss and Other Comprehensive Income

For The Year Ended 31 December 2018

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	Note	Group 2018 GH¢'000	Group 2017 GH¢'000	Company 2018 GH¢'000	Company 2017 GH¢'000
Revenue	6	2,381,106	1,858,478	2,370,975	1,848,493
Cost of sales	8	(2,156,637)	(1,677,236)	(2,151,974)	(1,672,113)
Gross profit		**224,469**	**181,242**	**219,001**	**176,380**
Other income	7	20,283	16,415	20,279	16,371
Impairment loss on trade receivables	24(ii)	(6,058)	(2,751)	(6,058)	(2,751)
General, administrative and selling expense	8	(158,182)	(135,019)	(150,370)	(129,248)
Operating profit before financing costs/ income		**80,512**	**59,887**	**82,852**	**60,752**
Finance income	32	651	382	651	382
Finance costs	32	(20,243)	(16,133)	(15,535)	(12,024)
Share of (loss)/profit from associate, net of tax	15(a)	(51)	1,411	-	-
Profit before taxation		**60,869**	**45,547**	**67,968**	**49,110**
Income tax expense	10(i)	(17,604)	(12,915)	(17,604)	(12,915)
Profit for the year		**43,265**	**32,632**	**50,364**	**36,195**
Other comprehensive income		-	-	-	-
Total comprehensive income		**43,265**	**32,632**	**50,364**	**36,195**
Profit/total comprehensive income attributed to:					
Owners of the Company		47,112	34,871	-	-
Non-controlling interest	33	(3,847)	(2,239)	-	-
Basic earnings per share (Ghana cedi per share)	20	0.4211	0.3117	0.4502	0.3235
Diluted earnings per share (Ghana cedi per share)	20	0.4211	0.3117	0.4502	0.3235

The notes on page 22 to 67 form an integral part of these financial statements.

Statements of Changes In Equity

For The Year Ended 31 December 2018

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Group	Stated Capital GH¢'000	Income Surplus GH¢'000	Non- Controlling Interest GH¢'000	Total Equity GH¢'000
Balance at 1 January 2018	51,222	113,085	(2,835)	161,472
Total comprehensive income for the year				
Profit for the year	-	47,112	(3,847)	43,265
Total comprehensive income for the year	-	47,112	(3,847)	43,265
Transaction with equity holders				
Dividend paid	-	(14,902)	-	(14,902)
Total transactions with equity holders	-	(14,902)	-	(14,902)
Balance at 31 December 2018	**51,222**	**145,295**	**(6,682)**	**189,835**
Balance at 1 January 2017	51,222	98,116	(596)	148,742
Total comprehensive income for the year				
Profit for the year	-	34,871	(2,239)	32,632
Total comprehensive income for the year	-	34,871	(2,239)	32,632
Transaction with equity holders				
Dividend paid	-	(19,902)	-	(19,902)
Total transactions with equity holders	-	(19,902)	-	(19,902)
Balance at 31 December 2017	**51,222**	**113,085**	**(2,835)**	**161,472**

Company	Stated Capital GH¢'000	Income Surplus GH¢'000	Total Equity GH¢'000
Balance at 1 January 2018	51,222	119,310	170,532
Total comprehensive income for the year			
Profit for the year	-	50,364	50,364
Total comprehensive income for the year	-	50,364	50,364
Transaction with equity holders			
Dividend paid	-	(14,902)	(14,902)
Total transactions with equity holders	-	(14,902)	(14,902)
Balance at 31 December 2018	**51,222**	**154,772**	**205,994**
Balance at 1 January 2017	51,222	103,017	154,239
Total comprehensive income for the year			
Profit for the year	-	36,195	36,195
Total comprehensive income for the year	-	36,195	36,195
Transaction with equity holders			
Dividend paid	-	(19,902)	(19,902)
Total transactions with equity holders	-	(19,902)	(19,902)
Balance at 31 December 2017	**51,222**	**119,310**	**170,532**

The notes on page 22 to 67 form an integral part of these financial statements.

Statements of Cash Flows

For The Year Ended 31 December 2018

9

	Note	Group 2018 GH¢'000	Group 2017 GH¢'000	Company 2018 GH¢'000	Company 2017 GH¢'000
Cash flows from operating activities					
Profit after taxation		43,265	32,632	50,364	36,195
Adjustments for:					
Foreign exchange loss		5,536	4,968	228	2,105
Depreciation charges	12(a)	33,944	26,874	28,632	21,619
Amortisation of leasehold prepayment	14	328	69	328	69
Amortisation of intangible assets	13(a)	199	198	172	170
Amortisation of long term lease	26	1,313	2,893	1,313	2,893
Interest income	32	(651)	(382)	(651)	(382)
Provision	23	-	1,060	-	1,060
Interest expense	32	20,243	16,133	15,535	12,024
Tax expense	10(i)	17,604	12,915	17,604	12,915
Profit on disposal of plant and equipment	12(a) (i)	(139)	(1,014)	(139)	(1,014)
Write off of PPE	12(a) (ii)	789	-	789	-
Impairment of subsidiary	15(b)	-	-	1,500	-
Share of (loss)/profit from associate	15(a)	51	(1,411)	-	-
		122,482	94,935	115,675	87,654
Change in inventories		2,658	(12,790)	2,658	(12,790)
Change in trade and other receivables		(73,810)	(49,750)	(74,737)	(50,744)
Change in trade and other payables		83,179	65,757	83,902	67,972
Change in related party balances		3,541	35,515	1,763	35,121
Cash generated from operations		138,050	133,667	129,261	127,213
Interest received	32	651	382	651	382
Interest paid		(19,746)	(15,040)	(15,178)	(12,024)
Income taxes paid	10(ii)	(17,404)	(16,643)	(17,404)	(16,643)
Net cash flow from operating activities		101,551	102,366	97,330	98,928
Cash flows from investing activities					
Purchase of property, plant and equipment	12(a)	(45,115)	(74,574)	(45,012)	(74,574)
Purchase of software	13(a)	(22)	(32)	(22)	(32)
Proceeds from sale of plant and equipment	12(a) (i)	889	2,296	889	2,296
Payment for leasehold premium	14	(4,455)	(1,309)	(4,455)	(1,309)
Principal payment for long term leases contracted	26	(15,416)	(22,731)	(15,416)	(22,731)
Net cash flow used in investing activities		(64,119)	(96,350)	(64,016)	(96,350)
Cash flows from financing activities					
Dividend paid	19(b)	(14,902)	(19,902)	(14,902)	(19,902)
Proceeds from loans	22(b)	15,000	-	15,000	-
Payments for loans	22(b)	(8,963)	(2,770)	(3,750)	-
Net cash flow used in financing activities		(8,865)	(22,672)	(3,652)	(19,902)
Net increase/(decrease) in cash and cash equivalents		**28,567**	**(16,656)**	**29,662**	**(17,324)**
Cash and cash equivalents at 1 January (Note 18)		(49,239)	(32,444)	(50,587)	(33,141)
Net increase/(decrease) in cash and cash equivalents		28,567	(16,656)	29,662	(17,324)
Effect of foreign exchange fluctuation on cash held		182	(139)	105	(122)
Cash and cash equivalents at 31 December (Note 18)		**(20,490)**	**(49,239)**	**(20,820)**	**(50,587)**

The notes on page 22 to 67 form an integral part of these financial statements.

1. Reporting entity

Total Petroleum Ghana Limited ("the Company") is a Company registered and domiciled in Ghana. The address of the Company's registered office is 'Total House', 25 Liberia Road, Accra. The Company is authorised to carry on the business of marketing petroleum and allied products. The consolidated financial statements as at and for the year ended 31 December 2018 comprise the Company and its subsidiary (together referred to as the "Group") and the Group's interest in associate. The separate financial statements as at and for the year ended 31 December 2018 comprise the financial statements of the Company.

Total Petroleum Ghana Limited is listed on the Ghana Stock Exchange.

2. Basis of accounting

a. *Statement of compliance*

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies Act, 1963 (Act 179).

For Companies Act, 1963 (Act 179) reporting purposes, the balance sheet is represented by the statement of financial position and the profit and loss account by part of the statement of profit or loss and other comprehensive income in these financial statements.

This is the first set of the Group and Company's annual financial statements in which IFRS 15 Revenue from contracts with customers and IFRS 9 Financial Instruments have been applied. The application of these new accounting standards resulted in changes to accounting policies which are described in Note 3r(i).

b. *Basis of measurement*

These financial statements have been prepared under the historical cost convention.

c. *Functional and presentational currency*

These financial statements are presented in Ghana cedis (GH¢) which is the Group's functional currency. All financial information presented in Ghana cedi has been rounded to the nearest thousand, unless otherwise indicated.

d. *Use of estimates and judgement*

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about judgements made in applying the accounting policies that have the most significant effects on the amounts recognised in these financial statements is included in the following notes:

- Notes 26 – lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in subsequent periods is included in the following notes:

- Note 4 – determination of fair values
- Note 11 – recognition of deferred taxes
- Note 15(b) – impairment test of investment in subsidiary: key assumptions underlying recoverable amount
- Note 24(ii) – measurement of ECL allowance for trade receivables: key assumptions in determining the weighted average loss rate.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except if mentioned otherwise.

a. *Basis of consolidation*

(i) Business combinations

Business combinations are accounted for using the acquisition method at the acquisition date - i.e. when control is transferred to the Group. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired.

3. Significant accounting policies cont'd

(i) Business combinations (cont'd)

Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if they relate to the issue of debt or equity securities.

The consideration transferred does not include amounts that relate to the settlement of pre-existing relationships, such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

The financial statements of the subsidiary used to prepare the consolidated financial statements were prepared as of the Company's reporting date.

(ii) Non controlling interests

Non controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidation financial statements from the date on which control commences until the date on which control ceases. Investment in subsidiaries are measured at cost in the separate financial statements of the Company.

(iv) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(v) Interests in equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies.

Interests in associates are accounted for using the equity method.

They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, until the date on which significant influence ceases.

In the separate financial statements, investment in associates are measured initially at cost. Subsequently, they are measured at cost less any impairment. Cost also includes direct attributable costs of investment.

(vi) Transactions eliminated on consolidation

Intra group balances and transactions, and any unrealised income and expenses arising from intra group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b. *Financial instruments*

All financial assets and liabilities are recognised in the statements of financial position and measured in accordance with their assigned category.

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group and Company become a party to the contractual provisions of the instrument.

3. Significant accounting policies cont'd

b. *Financial instruments (cont'd)*

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair values plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

(i) Financial assets - Policy applicable from 1 January 2018.

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group and Company change its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. On initial recognition, the Group and Company may irrevocably designate a financial asset that otherwise meets the requirement to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

(ii) Financial assets - Business model assessment: Policy applicable from 1 January 2018

The Group and Company make an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group and Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group and Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

(iii) Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest: Policy applicable from 1 January 2018.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs {e.g. liquidity risk and administrative costs), as well as a profit margin.

3. Significant accounting policies cont'd

b. *Financial instruments (cont'd)*

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group and Company consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group and Company consider:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group and Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the sole payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

(iv) Financial assets - Subsequent measurement and gains and losses: Policy applicable from 1 January 2018

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

(v) Financial assets - Policy applicable before 1 January 2018

The Group and Company classified its financial assets into the loans and receivables category - loans and receivables;

Financial assets - Subsequent measurement and gains and losses: Policy applicable before 1 January 2018.

Loans and receivables comprise cash and cash equivalents, trade receivables, amounts due from related companies and other receivables. Loans and receivables are initially measured at fair value plus any directly attributable transaction costs, subsequently measured at amortised cost using the effective interest method less any impairment losses.

(vi) Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. Non-derivative financial liabilities include interest-bearing loans and borrowings, amounts due to related companies, bank overdrafts and trade and other payables.

Non-derivative financial assets and financial liabilities – derecognition

The Group and Company derecognise a financial asset when the contractual rights to cash flows from the asset expire, or when the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group and Company is recognised as a separate asset or liability.

3. Significant accounting policies cont'd

b. *Financial instruments (cont'd)*

The Group and Company derecognise a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and liabilities are offset and the net amount presented when and only when, the Group and Company have a legally enforceable right to offset the amounts and intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

c. *Impairment of financial assets*

Policy applicable before 1 January 2018

(i) Non-derivative financial assets

Financial assets not classified at fair value through profit or loss, including an interest in equity-accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired include:

- default or delinquency by a debtor
- restructuring of an amount due to the Group and Company on terms that the Group and Company would not otherwise consider
- indications that a debtor or issuer will enter bankruptcy
- adverse changes in the payment status of borrowers or issuers
- the disappearance of an active market for a security or
- observable data indicating a measurable decrease in expected cash flows from a group of financial assets.

Financial assets measured at amortised costs

The Group and Company consider evidence of impairment for assets at both individual and collective levels. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping assets with similar risk characteristics.

In assessing collective impairment, the Group and Company use historical information on the timing of recoveries and the amounts of loss incurred and makes an adjustment if current economic and credit conditions are such that actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group and Company consider that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

Equity-accounted investees

An impairment loss in respect of an equity accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

Policy applicable from 1 January, 2018.

Financial instruments and contract assets

The Group and Company recognise loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost.

The Group and Company measure loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition are measured at 12-month ECLs.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

3. Significant accounting policies cont'd

c. *Impairment of financial assets (cont'd)*

Policy applicable before 1 January 2018

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group and Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group and Company's historical experience and informed credit assessment and including forward-looking information.

The Group and Company assume that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group and Company consider a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group and Company in full due to bankruptcy
- there are adverse changes in the payment status of debtors

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group and Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group and Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group and Company have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group and Company individually make an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group and Company expect no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group and Company's procedures for recovery of amounts due.

Non-financial assets

At each reporting date, the Group and Company review the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped into the smallest group of assets that generates cash inflows from continuing use that are largely independent of cash flows of other assets or cash generating units (CGUs). Goodwill arising on business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that

3. Significant accounting policies cont'd

c. *Impairment of financial assets (cont'd)*

reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are first allocated to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

d. *Leases*

(i) Leased assets

Assets held by the Group and Company under leases that transfer to the Group and Company substantially all the risks and rewards of ownership of the underlying asset are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and present value of minimum lease payments. Subsequent to initial recognition, the leased asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are classified as operating leases and are not recognized in the Group and Company's statement of financial position.

(ii) Lease payments

Payments made under operating leases are charged to profit or loss on a straight line basis over the period of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Minimum lease payments made under finance leases are apportioned between the finance expense and a reduction of the outstanding lease liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

e. *Property, plant and equipment*

(i) Recognition and measurement

Items of property, plant and equipment are initially recognised at cost and subsequently measured at cost less accumulated depreciation and any impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self constructed assets includes the cost of materials and direct labour, and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant or equipment is recognised in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the Group and Company and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group and Company will obtain ownership by the end of the lease term.

3. Significant accounting policies cont'd

e. *Property, plant and equipment (cont'd)*

The estimated useful lives for the current and comparative periods are as follows:

Distribution and Service Station Plants	- 10 -20 years
Furniture, Equipment and Motor Vehicles	- 5 -20 years
Leasehold properties	- 20 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

(iv) Capital work in progress

Property, plant, and equipment under construction is stated at initial cost and depreciated from the date the asset is made available for use over its estimated useful life. Assets are transferred from capital work in progress to an appropriate category of property, plant and equipment when commissioned and ready for its intended use.

(v) Derecognition

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected to flow to the group from either their use or disposal. The gain or loss on disposal of an item of property, plant, and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property, plant, and equipment, and is recognised in other income/other expenses in profit or loss.

f. *Intangible assets and goodwill*

(i) Recognition and measurement

Software acquired by the Group is initially recognised at cost and subsequently stated at cost less accumulated amortisation and accumulated impairment losses.

Goodwill arising on acquisition of subsidiaries represents the excess of acquisition costs over the Group's interest in the fair value of net identifiable assets acquired. Goodwill is measured at cost less any accumulated impairment loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

(iii) Amortization

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight line method over their estimated useful lives, from the date that it is available for use. Amortisation is generally recognised in the profit or loss. Goodwill is not amortised, rather it is reviewed for impairment annually. Any impairment loss is charged to profit or loss.

The estimated useful life of software is four years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(iv) Derecognition

Intangible assets are derecognised upon disposal or when no future economic benefits are expected to flow to the Group from either their use or disposal.

Gains or losses on derecognition of an intangible asset are determined by comparing the proceeds from disposal, if applicable, with the carrying amount of the intangible asset and are recognised directly in profit or loss.

g. *Inventories*

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

h. *Foreign currency*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rate ruling at that date.

3. Significant accounting policies cont'd

h. *Foreign currency (cont'd)*

Foreign exchange differences arising on translation are recognised in profit or loss depending on whether the net exchange differences results in a gain or loss. Non monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

i. *Employee benefits*

Short term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognized for the amount expected to be paid under short-term cash bonus or profit sharing plans, if the Group and Company have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay future amounts. Obligations for contributions to defined contribution schemes are recognised as an expense in profit or loss when they are due.

The Group and Company have the following defined contribution schemes:

Social Security and National Insurance Trust

Under a national pension scheme, the Group and Company contribute 13% of employees' basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pensions under the terms of the National Pensions Act 2008 (Act 766). The Group and Company's obligation is limited to the relevant contributions, which have been recognised in the financial statements. The pension liabilities and obligations, however, rest with SSNIT.

Provident fund (Defipro)

The Group and Company have a provident fund scheme for staff under which the Group contributes 10% of staff basic salary. The obligation under the plan is limited to the relevant contributions which have been recognised in the financial statements and are settled on due dates to the fund manager.

Termination benefits

Termination benefits are expensed at the earlier of when the Group and Company can no longer withdraw the offer of those benefirs and when the Group and Company recognise costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Other long-term employee benefits

The Group and Company's obligation in respect to long-term employee benefits is the amount of future benefit that employees have earned in return for their services in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

j. *Provisions*

A provision is recognised when the Group and Company have a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at pre tax rates that reflect risks specific to the liability.

k. *Revenue*

Revenue recognition under IAS 18 (applicable before 1 January 2018)

Revenue from the sale of goods is recognised at fair value of consideration received or receivable, net of returns, trade discounts, taxes and volume rebates. Revenue is recognised when significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, associated costs and the possible return of goods can be estimated reliably, there is no continuing management involvement in the goods and the amount of revenue can be measured reliably.

Revenue is recognised when customers lift petroleum products from designated depots and/or when products are delivered.

3. Significant accounting policies cont'd

k. *Revenue (cont'd)*

Revenue recognition under IFRS 15 (applicable from 1 January 2018)

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group and Company expect to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of petroleum products is recognised at the point in time when control of the asset is transferred to the customer, generally when customers lift petroleum products from designated depots and/or when products are delivered.

Customers have up to seven (7) days from the date of delivery to report in writing any defects in product or short delivery.

The Group and Company consider whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of petroleum products, the Group and Company consider the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Group and Company estimate the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Group and Company have an average of thirty (30) days credit policy.

l. *Finance income and costs*

Finance income comprises interest income on funds invested and dividend income. Interest income is recognised in profit or loss using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established.

Finance costs comprise interest expense on borrowings. All borrowing costs are recognised in profit or loss using the effective interest method.

m. *Income tax*

Income tax expense comprises current and deferred tax. The Group provides for income taxes at the current tax rates on the taxable profits of the Group and Company.

Income tax is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income respectively.

(i) Current tax

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

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is measured at tax rates that are expected to be applied to temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised for unused tax losses, unused tax credits and deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

3. Significant accounting policies cont'd

l. *Finance income and costs (cont'd)*

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

n. *Dividend*

Dividends on ordinary shares are recognized in the period in which they are approved by the shareholders. Dividend proposed which is yet to be approved by shareholders, is disclosed by way of notes.

o. *Segment reporting*

A segment is a distinguishable component of the Group and Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. Segment results that are reported to the managing director include items directly attributed to a segment as well as those that can be allocated on a reasonable basis.

p. *Earnings per share*

The Group and Company present basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

q. *Stated capital*

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as deduction from equity.

r. *New and amended standards and interpretations*

The Group applied IFRS 15 and IFRS 9 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in 2018, but do not have an impact on the consolidated and separate financial statements of the Group and Company. Both Group and Company have not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

(i) *Changes in accounting policies and disclosures*

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Under IFRS 15, revenue is recognised when a customer obtains control of the goods or service. Determining the timing of the transfer of control – at a point in time or over time – requires judgement.

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

3. Significant accounting policies cont'd

(i) *Changes in accounting policies and disclosures (cont'd)*

IFRS 15 did not have a significant impact on the Group and Company's accounting policies with respect to its revenue streams. The Company has one performance obligation, which is the delivery of goods. The Group and Company has elected to treat delivery as an integrated activity and not as a separate performance obligation. There are no changes to performance obligations under the new standard.

There was no material impact on the Group and Company's financial statements upon the adoption of IFRS 15.

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

As a result of the adoption of IFRS 9, the Group has adopted consequential amendments to Presentation of Financial Statements, which require impairment of financial assets to be presented in a separate line item in the statement of comprehensive income.

Previously, the Group and Company's approach was to include the impairment of trade receivables in general administrative and selling expenses, consequently, the Group and Company reclassified impairment loses amounting to GHS 2,751,000 recognised under IAS 39 from general administrative and selling expenses to impairment loss on trade receivables in the statement of profit or loss and other comprehensive income for the year ended 31 December 2017.

Additionally, the Group has adopted consequential amendments to IFRS 7 Financial Instruments: Disclosures that are applied to disclosures about 2018 but have not been generally applied to comparative information.

Classification and measurement of financial assets and financial liabilities.

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, Fair Value through Other Comprehensive Income (FVOCI) and Fair Value through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 has had a significant effect on the Group and Company's accounting policies related to financial assets.

3. Significant accounting policies cont'd

(r) (i) Changes in accounting policies and disclosures (cont'd)

The following table below explains the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Group and Company's financial assets and financial liabilities as at 1 January 2018 and its related carrying amounts.

Group

In GH¢'000	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Financial Assets				
Trade and other receivables (Note 24)	Loans and receivables	Amortised cost	210,749	210,749
Amounts due from related parties (Note 25)	Loans and receivables	Amortised cost	5,681	5,681
Cash and cash equivalents (Note 18)	Loans and receivables	Amortised cost	30,281	30,281
Total financial assets			**246,711**	**246,711**
Financial liabilities				
Loans and Borrowings (Note 22)	Other financial liabilities	Other financial liabilities	61,574	61,574
Trade and other payables (Note 24)	Other financial liabilities	Other financial liabilities	327,659	327,659
Amounts due to related parties (Note 25)	Other financial liabilities	Other financial liabilities	80,208	80,208
Bank overdraft (Note 18)	Other financial liabilities	Other financial liabilities	79,520	79,520
Total financial liabilities			**548,961**	**548,961**

Company	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
In GH¢'000				
Financial Assets				
Trade and other receivables (Note 24)	Loans and receivables	Amortised cost	208,962	208,962
Amounts due from related parties (Note 25)	Loans and receivables	Amortised cost	11,171	11,171
Cash and cash equivalents (Note 18)	Loans and receivables	Amortised cost	28,933	28,933
Total financial assets			**249,066**	**249,066**
Financial liabilities				
Trade and other payables (Note 24)	Other financial liabilities	Other financial liabilities	324,669	324,669
Amounts due to related parties (Note 25)	Other financial liabilities	Other financial liabilities	76,213	76,213
Bank overdraft (Note 18)	Other financial liabilities	Other financial liabilities	79,520	79,520
Total financial liabilities			**480,402**	**480,402**

3. Significant accounting policies cont'd

Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

"Under IFRS 9, credit losses are recognised earlier than under IAS 39. For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile.

The impact on the Group and Company's financial statements upon adoption of IFRS 9 in the current year is disclosed in Note 24(ii). There was no material impact on the prior year financial statements. The financial statements for the year ended 31 December 2017 were therefore not restated.

Transition

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively, except as described below.

- The Group has used an exemption not to restate comparative information for prior periods with respect to classification and measurement (including impairment) requirements. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of IFRS 9 are recognised in retained earnings as at 1 January 2018. Accordingly, the information presented for 2017 does not generally reflect the requirements of IFRS 9, but rather those of IAS 39.
- The determination of the business model within which a financial asset is held have been made on the basis of the facts and circumstances that existed at the date of initial application.

(ii) *New standards and interpretations issued not yet effective*

- *IFRS 16 Leases*

  IFRS 16 was published in January 2016. It sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). IFRS 16 replaces the previous leases Standard, IAS 17 Leases, and related Interpretations. IFRS 16 has one model for lessees which will result in almost all leases being included on the Statement of Financial position. No significant changes have been included for lessors.

  The standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted only if the entity also adopts IFRS 15. The transitional requirements are different for lessees and lessors. The Group is yet to assess the potential impact on the financial statements resulting from the application of IFRS 16.

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

  (Amendments to IFRS 10 and IAS 28)

  The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

  The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively.

- *Long-term Interests in Associates and Joint Ventures (Amendment to IAS 28)*

  The amendments clarify that an entity applies IFRS 9 to long-term interests in an associate and joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The amendments apply for annual periods beginning on or after 1 January 2019. Early adoption is permitted.

3. Significant accounting policies cont'd

(ii) New standards and interpretations issued not yet effective (cont'd)

- *Plan Amendment, Curtailment or Settlement (Amendment to IAS 19)*

  The IASB's amendments to IAS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period.

  The amendments clarify that:

  - On amendment, curtailment or settlement of a defined benefit plan, it is now mandatory for entities to use the updated actuarial assumptions to determine the current service cost and net interest for the period; and
  - The effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income (OCI).

  The amendments should be applied prospectively to plan amendments, curtailments or settlements that occur on or after 1 January 2019, with earlier application permitted.

  The Group and Company will apply these amendments when they become effective.

s. Borrowing costs

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the costs of those assets, until such time as the assets are substantially ready for their intended use.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

t. Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

u. Cash and cash equivalents

Cash and cash equivalents per the statement of cash flows comprise cash on hand, bank balances and bank overdraft

v. Joint Operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Group and Company account for its interest in a joint operation by recognizing its assets, including its share of any assets held jointly, its liabilities, including its share of any liabilities incurred jointly, its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of output by the joint operation, and its expenses, including its share of any expenses incurred jointly.

4. Determination of fair values

A number of the Group and Company's accounting policies and disclosures require the determination of fair value, for both financial and non financial assets and liabilities. Fair values have been determined for disclosure purposes based on the following methods described below. Where applicable, further information about the assumptions made in determining fair values is disclosed in notes specific to that asset or liability.

(i) Trade and other receivables/Amounts due from related parties

The fair value of trade and other receivables and amounts due from related parties is estimated as the present value of future cash flows, discounted at the current market rate of instruments with similar credit risk profile and maturity at the reporting date. Receivables due within a 6 month period are not discounted as the carrying values approximate their fair values.

(ii) Non derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. Instruments with maturity periods of up to 6 months are not discounted as their carrying values approximate their fair values.

(iii) Cash and cash equivalents

Cash and cash equivalents include cash on hand and bank balances and bank overdrafts which are used by the Group and Company in the management of its short-term commitments. The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand.

5. Segment reporting

The Group and Company have three main business divisions which are reportable segments. Segmental information is presented in respect of the Group and Company's business segments. The primary format and business segments, is based on the Group and Company's management and internal reporting structure.

The following describes the operations of each reportable segment.

Reportable segments	Operations
Network	Product sales to service stations.
Commercial	Product sales to consumer customers.
Others	Product sales to all other customers apart from Network and Commercial customers.

The Group and Company's result, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income earning assets and revenue, interest bearing loans, borrowings and expenses, and corporate assets and expenses which are managed centrally.

The Group and Company do not have a geographical segment.

5. Segment reporting cont'd

	Network	Commercial	Others	Group 2018 Total	Company 2018 Total	
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	
Revenue	1,692,884	543,660	144,562	2,381,106	2,370,975	**
Cost of sales	(1,554,023)	(476,801)	(125,813)	(2,156,637)	(2,151,974)	**
Gross profit				224,469	219,001	
Other income				20,283	20,279	
Results before expenses and other charges				244,752	239,280	
Unallocated expenses				(164,240)	(154,928)	
Impairment of subsidiary				-	(1,500)	
Results from operating activities				80,512	82,852	
Net finance costs				(19,592)	(14,884)	
Share of loss from associate				(51)	-	
Profit before tax				60,869	67,968	
Income tax				(17,604)	(17,604)	
Profit for the year				43,265	50,364	
Total assets				**845,453**	**791,858**	
Total Liabilities				**655,618**	**585,864**	
Other segment items						
Depreciation and amortisation				**31,294**	**30,445**	

****Company 2018**

	Network	Commercial	Others	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Revenue	1,692,884	543,660	134,431	2,370,975
Cost of sales	(1,554,023)	(476,801)	(121,150)	(2,151,974)

5. Segment reporting cont'd

				Group	Company	
				2017	2017	
	Network	Commercial	Others	Total	Total	
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	
Revenue	1,263,413	478,714	116,351	1,858,478	1,848,493	**
Cost of sales	(1,167,624)	(410,689)	(98,923)	(1,677,236)	(1,672,113)	**
Gross profit				181,242	176,380	
Other income				16,415	16,371	
Results before general and administrative expenses				197,657	192,751	
Unallocated expenses				(137,770)	(131,999)	
Results from operating activities				59,887	60,752	
Net finance costs				(15,751)	(11,642)	
Share of profit from associate				1,411	-	
Profit before tax				45,547	49,110	
Income tax				(12,915)	(12,915)	
Profit for the year				**32,632**	**36,195**	
Total assets				**720,473**	**660,804**	
Total Liabilities				**559,001**	**490,272**	
Other segment items						
Depreciation and amortisation				**25,221**	**24,751**	

****Company 2017**

	Network	Commercial	Others	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Revenue	1,263,413	478,714	106,366	1,848,493
Cost of sales	(1,167,624)	(410,689)	(93,800)	(1,672,113)

6. Revenue

	Group	Group	Company	Company
	2018	2017	2018	2017
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Network	1,692,884	1,263,413	1,692,884	1,263,413
Commercial	543,660	478,714	543,660	478,714
Others	144,562	116,351	134,431	106,366
Gross sales value	**2,381,106**	**1,858,478**	**2,370,975**	**1,848,493**

7. Other income

	Group 2018 GH¢'000	Group 2017 GH¢'000	Company 2018 GH¢'000	Company 2017 GH¢'000
Rent income	3,488	3,455	3,488	3,455
Profit on disposal of plant and equipment	139	1,014	139	1,014
Sundry income	16,656	11,946	16,652	11,902
	20,283	**16,415**	**20,279**	**16,371**

Sundry income represents income from services provided at the network stations and fees charged for managing fuel depots of mining customers.

8. Profit before taxation is stated after charging

Cost of sales				
Inventory movement	1,359,260	938,949	1,359,260	938,949
Transportation	75,412	67,230	75,412	67,230
Import duties	627,531	576,055	627,531	576,055
Other costs**	94,434	95,002	89,771	89,879
	2,156,637	**1,677,236**	**2,151,974**	**1,672,113**
General, administrative and selling expense				
Personnel costs (note 9)	37,815	35,522	36,583	34,451
Auditor's remuneration	284	245	194	179
Depreciation	29,453	22,061	28,632	21,619
Amortisation of software and leasehold prepayment	528	267	500	239
Directors' emoluments	1,405	1,478	1,405	1,478
Donations	1,576	856	1,576	856
Technical assistance	16,967	14,318	16,967	14,318
Maintenance cost	14,444	11,399	14,318	11,279
Rental cost	14,689	9,888	14,611	9,832
Other cost	41,021	38,985	35,584	34,997
	158,182	**135,019**	**150,370**	**129,248**

** Other costs in cost of sales for the Group include depreciation of GH¢ 4,490,000 (2017: GH¢ 4,812,000) on plant and machinery for the subsidiary.

9. Personnel costs

Wages and salaries	25,196	23,316	24,221	22,442
Social security contributions	1,600	1,359	1,561	1,338
Provident fund (Defipro)	1,084	1,025	1,084	1,025
Other staff expenses	9,935	9,822	9,717	9,646
	37,815	**35,522**	**36,583**	**34,451**

Other staff expenses includes training and medical expenses.

The average number of persons employed by the Company during the year was 195 (2017: 186)

10. Taxation

(i) Income tax expense	Group 2018 GH¢'000	Group 2017 GH¢'000	Company 2018 GH¢'000	Company 2017 GH¢'000
Current tax expense (note 10(ii))	17,806	10,575	17,806	10,575
Deferred tax (credit)/expense (note 11)	(202)	2,340	(202)	2,340
	17,604	**12,915**	**17,604**	**12,915**

Deferred tax (credit)/expense relates to the origination and reversals of temporary differences.

Group and Company

(ii) Taxation payable/ (receivable)

2018	Balance at 01 Jan GH¢'000	Other adjustments GH¢'000	Payments during the year GH¢'000	Charged to P/L account GH¢'000	Balance at 31 Dec GH¢'000
Up to 2013	69	-	-	(69)	-
2014	(4,204)	-	-	-	(4,204)
2015	2,699	-	-	(2,155)	544
2016	(926)	-	-	-	(926)
2017	(2,494)	-	-	(197)	(2,691)
2018	-	(11,285)	(16,581)	20,227	(7,639)
Withholding tax	(10,645)	11,285	(823)	-	(183)
National reconstruction levy Up to 2006	(29)	-	-	-	(29)
	(15,530)	**-**	**(17,404)**	**17,806**	**(15,128)**

Other adjustments: This represents tax credit certificates which have been filed with the tax authorities.

2017	Balance at 01 Jan GH¢'000	Payments during the year GH¢'000	Charged to P/L account GH¢'000	Balance at 31 Dec GH¢'000
Up to 2013	69	-	-	69
2014	(4,204)	-	-	(4,204)
2015	2,699	-	-	2,699
2016	(926)	-	-	(926)
2017	-	(13,069)	10,575	(2,494)
Withholding tax	(7,071)	(3,574)	-	(10,645)
National reconstruction levy Up to 2006	(29)	-	-	(29)
	(9,462)	**(16,643)**	**10,575**	**(15,530)**

The tax positions are subject to agreement with the tax authorities.

National Reconstruction Levy: This relates to a levy imposed on companies by the Government on profits before tax between 2001 and 2005. This levy has been abolished.

(iii) Reconciliation of effective tax rate	Group 2018 GH¢'000	Group 2017 GH¢'000	Company 2018 GH¢'000	Company 2017 GH¢'000
Profit before taxation	60,869	45,547	67,968	49,110
Income tax using the domestic tax rate (25%)	15,217	11,387	16,992	12,278
Non-deductible expenses	4,808	1,528	3,033	637
Over provision in prior years	(2,421)	-	(2,421)	-
Total tax charge	17,604	12,915	17,604	12,915
Effective tax rate	29%	28%	26%	26%

11. Deferred Taxation

	Group 2018 GH¢'000	Group 2017 GH¢'000	Company 2018 GH¢'000	Company 2017 GH¢'000
Balance at 1 January	2,258	(82)	2,258	(82)
(Credit)/charge to profit or loss for the year	(202)	2,340	(202)	2,340
Balance at 31 December	**2,056**	**2,258**	**2,056**	**2,258**

Recognised deferred tax assets and liabilities are attributable to the following:

Group	2018			2017		
	Assets GH¢'000	Liabilities GH¢'000	Net GH¢'000	Assets GH¢'000	Liabilities GH¢'000	Net GH¢'000
Property, plant and equipment	-	10,460	10,460	-	8,384	8,384
Provisions	(8,404)	-	(8,404)	(6,126)	-	(6,126)
Net tax (assets)/liabilities	**(8,404)**	**10,460**	**2,056**	**(6,126)**	**8,384**	**2,258**

Company	2018			2017		
	Assets GH¢'000	Liabilities GH¢'000	Net GH¢'000	Assets GH¢'000	Liabilities GH¢'000	Net GH¢'000
Property, plant and equipment	-	10,460	10,460	-	8,384	8,384
Provisions	(8,404)	-	(8,404)	(6,126)	-	(6,126)
Net tax (assets)/liabilities	**(8,404)**	**10,460**	**2,056**	**(6,126)**	**8,384**	**2,258**

The Group has unrecognized net deductible temporary differences that arose in Ghanstock of GH¢17,951,592 (2017: GH¢15,050,580). Deferred tax assets of GH¢4,487,898 (2017: GH¢3,762,645) have not been recognised in respect of these deductible temporary differences as they may not be used to offset taxable profits elsewhere in the Group. Ghanstock may not have taxable profit available against which the temporary differences will be utilized. There are also no other tax planning opportunities or other evidence of recoverability in the near future.

12. Property, plant and equipment

(a.) Reconciliation of carrying amount

Group 2018	Leasehold properties	Distribution Service station plants	Motor vehicles	Furniture & Equipment	Capital work-in-progress	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Cost						
At 1/1/2018	87,095	251,087	8,983	14,324	55,330	416,819
Additions	5,143	16,011	596	658	22,707	45,115
Transfers	8,019	29,203	-	1,475	(38,697)	-
Disposals	(28)	(1,058)	(56)	(67)	-	(1,209)
Asset write off	(605)	(521)	-	(12)	-	(1,138)
Assets held for sale	(721)	-	-	-	-	(721)
At 31/12/2018	**98,903**	**294,722**	**9,523**	**16,378**	**39,340**	**458,866**
Accumulated depreciation						
At 1/1/2018	23,235	74,266	4,963	8,735	-	111,199
Charge for the year	5,427	24,699	1,998	1,820	-	33,944
Released on disposals	(25)	(396)	(23)	(15)	-	(459)
Asset write off	(131)	(213)	-	(5)	-	(349)
Assets held for sale	(193)	-	-	-	-	(193)
At 31/12/2018	**28,313**	**98,356**	**6,938**	**10,535**	**-**	**144,142**
Carrying amount At 31/12/2018	**70,590**	**196,366**	**2,585**	**5,843**	**39,340**	**314,724**

Group 2017	Leasehold properties	Distribution Service station plants	Motor vehicles	Furniture & Equipment	Capital work-in-progress	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Cost						
At 1/1/2017	66,926	197,251	7,418	11,785	61,179	344,559
Additions	5,914	6,901	1,015	1,179	59,565	74,574
Transfers	14,267	47,737	1,854	1,371	(65,229)	-
Disposals	(12)	(76)	(1,304)	(11)	-	(1,403)
Adjustment**	-	(726)	-	-	(185)	(911)
At 31/12/2017	**87,095**	**251,087**	**8,983**	**14,324**	**55,330**	**416,819**
Accumulated depreciation						
At 1/1/2017	18,739	54,904	3,115	7,688	-	84,446
Charge for the year	4,502	19,421	1,893	1,058	-	26,874
Released on disposals	(6)	(59)	(45)	(11)	-	(121)
At 31/12/2017	**23,235**	**74,266**	**4,963**	**8,735**	**-**	**111,199**
Carrying amount At 31/12/2017	**63,860**	**176,821**	**4,020**	**5,589**	**55,330**	**305,620**

**This relates to VAT capitalized by Ghanstock which was assessed by the Ghana Revenue Authority as claimable in 2017. The amount was therefore adjusted from the cost of property, plant and equipment.

12. Property, plant and equipment (cont'd)

(a.) Reconciliation of carrying amount (cont'd)

Company 2018	Leasehold properties	Distribution Service station plants	Motor vehicles	Furniture & Equipment	Capital work-in-progress	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Cost						
At 1/1/2018	87,049	175,920	10,584	12,282	55,604	341,439
Additions	5,143	15,989	596	656	22,628	45,012
Transfers	8,019	29,203	-	1,475	(38,697)	-
Disposals	(28)	(1,058)	(56)	(67)	-	(1,209)
Asset write off	(605)	(521)	-	(12)	-	(1,138)
Assets held for sale	(721)	-	-	-	-	(721)
At 31/12/2018	**98,857**	**219,533**	**11,124**	**14,334**	**39,535**	**383,383**
Accumulated depreciation						
At 1/1/2018	22,118	64,319	5,133	8,304	-	99,874
Charge for the year	5,427	19,501	1,942	1,762	-	28,632
Released on disposals	(25)	(396)	(23)	(15)	-	(459)
Asset write off	(131)	(213)	-	(5)	-	(349)
Assets held for sale	(193)	-	-	-	-	(193)
At 31/12/2018	**27,196**	**83,211**	**7,052**	**10,046**	**-**	**127,505**
Carrying amount At 31/12/2018	**71,661**	**136,322**	**4,072**	**4,288**	**39,535**	**255,878**

Company 2017	Leasehold properties	Distribution Service station plants	Motor vehicles	Furniture & Equipment	Capital work-in-progress	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Cost						
At 1/1/2017	66,880	121,721	9,019	9,743	60,905	268,268
Additions	5,914	6,901	1,015	1,179	59,565	74,574
Transfers	14,267	47,374	1,854	1,371	(64,866)	-
Disposals	(12)	(76)	(1,304)	(11)	-	(1,403)
At 31/12/2017	**87,049**	**175,920**	**10,584**	**12,282**	**55,604**	**341,439**
Accumulated depreciation						
At 1/1/2017	17,622	50,096	3,341	7,317	-	78,376
Charge for the year	4,502	14,282	1,837	998	-	21,619
Released on disposals	(6)	(59)	(45)	(11)	-	(121)
At 31/12/2017	**22,118**	**64,319**	**5,133**	**8,304**	**-**	**99,874**
Carrying amount At 31/12/2017	**64,931**	**111,601**	**5,451**	**3,978**	**55,604**	**241,565**

12(a) i. Profit on disposal of plant and equipment

	Group and company	
	2018	2017
	GH¢'000	GH¢'000
Cost	1,209	1,403
Accumulated depreciation	(459)	(121)
Net book value	750	1,282
Sale proceeds	(889)	(2,296)
Profit on disposal	**(139)**	**(1,014)**

12(a) ii. Write off of property, plant and equipment

	Group and company	
	2018	2017
	GH¢'000	GH¢'000
Cost	1,138	-
Accumulated depreciation	(349)	-
Net book value	**789**	-

Write off of property, plant and equipment represents damaged assets with no market or scrap value. The write off charge of GH¢ 789,000 (2017:Nil) is recorded within general, administrative and selling expenses in the statement of profit or loss.

12(a) iii. Assets under construction (capital work-in-progress)

The balance of GH¢ 39,535,000 (2017: GH¢55,604,000) relates to the construction of new service stations and major renovations to existing service stations.

12(a) iv. Security

Ghanstock Limited's Tank Farm, amounting to GH¢59,862,000 has been pledged as a security for the bank loan (see note 22).

The Company's land with property title number WR.412/13 situated at Takoradi, Ghana has been pledged as a security for the loan obtained by Ghanstock Limited.

12(b). Assets held for sale

Assets held for sale represent some leasehold properties owned by the Group and Company. The Group and Company considered these assets to meet the criteria to be classified as held for sale at the reporting date for the following reasons:

- The Board of Directors of the Group approved the plan to sell on 29 May 2018.
- The properties are available for immediate sale and can be sold to the buyer in their current condition
- The actions to complete the sale were initiated and expected to be completed within one year from the date of initial classification.

The properties classified as held for sale as at 31 December and reported under current assets are, as follows:

	Group and company	
	2018	2017
	GH¢'000	GH¢'000
Cost	721	-
Accumulated depreciation	(193)	-
Net book value	**528**	-

13. Intangible assets and goodwill

	Group		Company	
	2018	2017	2018	2017
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Software (Note 13[a])	938	1,115	883	1,033
Goodwill (Note 13[b])	12,083	12,083	12,083	12,083
	13,021	**13,198**	**12,966**	**13,116**

a. Software

Group	2018 GH¢'000	2017 GH¢'000
Cost		
Balance at 1 January	3,008	2,976
Additions	22	32
Balance at 31 December	**3,030**	**3,008**
Amortisation		
Balance at 1 January	1,893	1,695
Amortisation for the year	199	198
Balance at 31 December	**2,092**	**1,893**
Carrying amount		
At 31 December	**938**	**1,115**

Company	**2018**	**2017**
Cost	**GH¢'000**	**GH¢'000**
Balance at 1 January	2,870	2,838
Additions	22	32
Balance at 31 December	**2,892**	**2,870**
Amortisation		
Balance at 1 January	1,837	1,667
Amortsation for the year	172	170
Balance at 31 December	2,009	1,837
Carrying amount		
At 31 December	**883**	**1,033**

b. Goodwill

	Group and company	
	2018	2017
Cost	GH¢'000	GH¢'000
Balance at 1 January	15,092	15,092
Balance at 31 December	**15,092**	**15,092**
Impairment		
Balance at 31 December	**3,009**	**3,009**
Carrying amount		
At 31 December	**12,083**	**12,083**

This relates to goodwill arising on the acquisition of the former Mobil Ghana Limited, now Total Petroleum Ghana Limited, in 2006.

14. Leasehold prepayments

	Group and company	
	2018	2017
Cost	GH¢'000	GH¢'000
Balance at 1 January	1,776	467
Additions	4,455	1,309
Balance at 31 December	**6,231**	**1,776**
Amortisation		
Balance at 1 January	324	255
Amortisation for the year	328	69
Balance at 31 December	**652**	**324**
Carrying amount		
At 31 December	**5,579**	**1,452**

Leasehold prepayment represents payment for leases of fuel stations.

15. Investment in associates and subsidiaries

(a) Associates

	Group		Company	
	2018	2017	2018	2017
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Investments in associated companies				
Ghana Bunkering Services Limited (GBS)	3,526	2,115	12	12
Road Safety Limited (RSL) *	-	-	-	-
Share of (loss)/profit from GBS	(51)	1,411	-	-
	3,475	**3,526**	**12**	**12**

15. Investment in associates and subsidiaries (cont'd)

*The investment in RSL is less than GH¢1,000 and is showing as nil as a result of rounding.

Investments in associates represent investments in:

Ghana Bunkering Services Limited

The investment in Ghana Bunkering Limited represents shares, held by the company conferring the right to exercise 48.5% of votes exercisable at general meetings. Ghana Bunkering Services Limited is a company incorporated in Ghana to provide bunkering services to petroleum marketers in the country.

Road Safety Limited (RSL)

The company has a 50% interest in RSL (formerly, Petroleum Road Transport Safety Limited), a company incorporated in Ghana. Its principal business is to provide driver education and maintenance services for the haulage of petroleum products.

The directors of the Group are of the view that the results of Road Safety Limited are very immaterial to the Group and as such its results have not been included in the consolidated financial statements. However, the results of Ghana Bunkering Services Limited have been included in the consolidated financial statements.

The following table summarises the financial information of Ghana Bunkering Services as included in its own financial statements. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in Ghana Bunkering Services Ltd.

	2018	2017
	GH¢'000	GH¢'000
Percentage ownership interest	**48.5%**	**48.5%**
Non-current assets	4,901	5,337
Current assets	3,191	3,485
Non-current liabilities	(190)	(225)
Current liabilities	(737)	(1,327)
Net assets	7,165	7,270
Carrying amount of interest in associate (48.5%)	**3,475**	**3,526**
Revenue	1,363	5,118
(Loss)/profit from operations	(106)	2,909
Group's share of total (loss)/profit from operations (48.5%)	**(51)**	**1,411**

(b) Subsidiaries

Group

The Group has a 55% interest in Ghanstock Limited, a company incorporated in Ghana and authorised to build, own, operate and maintain petroleum storage facilities.

Company	2018	2017		
	GH¢'000	GH¢'000	2018	2017
Gross investment in subsidiary	6,274	6,274	55%	55%
Impairment	(1,500)	-		
Recoverable amount	4,774	6,274		

15. Investment in associates and subsidiaries (cont'd)

As at the end of the current year, the subsidiary, Ghanstock's, net liability position was GH¢ 14,827,000 which exceeded the Company's investment in the subsidiary of GH¢ 6,274,000. The recoverable amount of the subsidiary of GH¢4,774,000 as at 31 December 2018, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by management covering a five-year period. The projected cash flows was updated to reflect the current economic conditions of the subsidiary. The post-tax discount rate applied to cash flow projections is 20.9% and cash flows beyond the five-year period were extrapolated using an average rate of 10.8% growth rate (and 6% after the forecast period) that is the same as the long-term average growth rate for entities in the same industry as the subsidiary. As a result of this analysis, management has recognised an impairment charge of GH¢1,500,000 which is recorded within general, administrative and selling expenses in the statement of profit or loss.

Key assumptions used in value in use calculations and sensitivity to changes in assumptions

The calculation of value in use is most sensitive to the following assumptions:

- EBITDA: This is based on average values achieved in the three years preceding the beginning of the budget period. In 2018, the EBITDA for the subsidiary was 14.1%. This was increased over the budget period for anticipated efficiency improvements. An average in the EBITDA over the five year period of 56.6% per annum was applied.
- Discount rates: Discount rates represent the current market assessment of the risks specific to the subsidiary, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the subsidiary and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the subsidiary's investors. The cost of debt is based on the interest-bearing borrowings the subsidiary is obliged to service.
- General price inflation: Estimates are obtained from published indices from official sources. Management has considered the possibility of greater-than-forecast increases in general price inflation. Forecast price inflation lies within a range of 6% to 8%.
- Utilisation capacity during the forecast period: This is based on average values achieved in the three years preceding the beginning of the budget period. The utilisation capacity for the subsidiary in 2018 was 77%. This was increased over the budget period for anticipated increase in demand. An average increase of 2.6% per annum was applied.
- Growth rates used to extrapolate cash flows beyond the forecast period: Rates are based on the projected increase in utilisation capacity. Management recognises that the possibility of new entrants can have a significant impact on growth rate assumptions.

Any adverse movement in any of the key assumptions would lead to further impairment.

16. Inventories

	Group 2018 GH¢'000	Group 2017 GH¢'000	Company 2018 GH¢'000	Company 2017 GH¢'000
Trading				
Lubricants	32,366	45,245	32,366	45,245
Bitumen	10,709	1,530	10,709	1,530
Fuel	10,408	4,861	10,408	4,861
Additives	16,696	13,963	16,696	13,963
Stock in transit	4,580	7,770	4,580	7,770
Special fluid	669	1,840	669	1,840
	75,428	**75,209**	**75,428**	**75,209**
Non-Trading				
Consumables	1,633	3,025	1,281	2,673
Packing materials	2,659	4,144	2,659	4,144
	79,720	**82,378**	**79,368**	**82,026**

Inventories of GH¢ 1,359,260,000 (2017: GH¢938,949,000) were recognized as an expense during the year for the Company. These are included in "cost of sales".

Inventories have been reduced by GH¢ 1,553,000 (2017: GH¢ 2,928,000) as result of the write-down to net realisable value. The write-down was recognised as an expense during 2018. The write-downs are included in 'cost of sales'.

17. Trade and other receivables

	Group 2018 GH¢'000	Group 2017 GH¢'000	Company 2018 GH¢'000	Company 2017 GH¢'000
Trade receivables	263,893	201,285	263,050	199,556
Other receivables	23,781	9,464	23,588	9,406
Prepayments	10,128	7,985	10,001	7,690
	297,802	**218,734**	**296,639**	**216,652**

The maximum amount due from staff during the year was approximately GH¢2,310,280 (2017: GH¢2,439,560). These amounts are included in other receivables. Information about the Group and Company exposure to credit and market risk and impairment loss for trade and other receivable is included in note 24(ii).

18. Cash and cash equivalents

	Group 2018 GH¢'000	Group 2017 GH¢'000	Company 2018 GH¢'000	Company 2017 GH¢'000
Cash at hand**	-	3	-	-
Cash at bank	55,095	30,278	54,765	28,933
Cash and bank balances	55,095	30,281	54,765	28,933
Bank overdrafts used for cash management	(75,585)	(79,520)	(75,585)	(79,520)
Cash and cash equivalents in statement of cash flows	**(20,490)**	**(49,239)**	**(20,820)**	**(50,587)**

**Cash at hand balances less than GH¢ 1,000 are shown as nil for both Group and Company as a result of rounding.

19(a). Stated capital

	Group and Company		Group and Company	
	2018	2018	2017	2017
		GH¢'000		GH¢'000
	No. of shares	Proceeds	No. of shares	Proceeds
Authorised:				
Ordinary Shares of no par value	**250,000,000**		**250,000,000**	
Issued and fully paid				
For cash	610,000	22	610,000	22
For consideration other than cash	10,069,259	49,694	10,069,259	49,694
Capitalisation issue	101,194,813	1,506	101,194,813	1,506
	111,874,072	**51,222**	**111,874,072**	**51,222**

The holders of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the company. There is no call or instalment unpaid on any share and there are no shares in treasury.

19 (b). Dividend

The following dividends were declared and paid during the year:

	Group and Company	
	2018	2017
	GH¢'000	GH¢'000
Final dividend for 2017: GH¢ 0.0701 per share (2016: GH¢ 0.1148 per share)	7,843	12,843
Interim dividend for 2018: GH¢ 0.0631 per share (2017: GH¢ 0.0631 per share)	7,059	7,059
	14,902	**19,902**

Final dividends represent dividends declared for prior year and paid in current year. Interim dividends were declared for the year and paid during the year.

After the reporting date, the following dividend was proposed by the Board of Directors:

	Group and Company	
	2018	2017
	GH¢'000	GH¢'000
Final dividend proposed for 2018: GH¢ 0.0768 per share (2017: GH¢ 0.0701 per share)	**8,592**	**7,843**

Final dividend proposed is subject to approval at the annual general meeting and is not recognised as a liability as at 31 December. There is also no tax consequence associated with these proposed dividends.

20. Earnings per share

Basic

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the company by the weighted average number of shares in issue during the year.

	Group 2018	Group 2017	Company 2018	Company 2017
Profit attributable to equity holders of the Company (expressed in GH¢'000)	47,112	34,871	50,364	36,195
Weighted average number of ordinary shares in issue	111,874,072	111,874,072	111,874,072	111,874,072
Basic earnings per share (expressed in GH¢ per share)	0.4211	0.3117	0.4502	0.3235
Diluted earnings per share (expressed in GH¢ per share)	0.4211	0.3117	0.4502	0.3235

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares, to assume all dilutive potential ordinary shares. At 31 December 2018 and 2017, the Group and Company had no dilutive potential ordinary shares.

21. Trade and other payables

	Group 2018 GH¢'000	Group 2017 GH¢'000	Company 2018 GH¢'000	Company 2017 GH¢'000
Trade payables	258,828	200,079	256,755	197,653
Non-trade payables	139,680	122,267	139,432	121,742
Accrued expenses	14,926	7,782	14,608	7,573
	413,434	**330,128**	**410,795**	**326,968**

Information about the Group and Company's exposure to currency and liquidity risks is included in note 24(ii).

22. Loans and borrowings

	Group 2018 GH¢'000	Group 2017 GH¢'000	Company 2018 GH¢'000	Company 2017 GH¢'000
Current				
Secured bank loan	13,846	7,535	-	-
Unsecured bank loan	5,357	-	5,357	-
	19,203	**7,535**	**5,357**	**-**
Non-current				
Secured bank loan	47,876	54,039	-	-
Unsecured bank loan	6,250	-	6,250	-
	54,126	**54,039**	**6,250**	**-**

22. Loans and borrowings cont'd

a. *Terms and debt repayment schedule*

The terms and conditions of the outstanding loans are as follows:

Group

					31-Dec-18
				Carrying value	Fair value
	Nominal interest	Currency	Year of maturity	GH¢'000	GH¢'000
Secured bank loan	7.76%	US$	2023	61,722	60,809
Unsecured bank loan	19%	GH¢	2021	11,607	11,398
					31-Dec-17
	Nominal interest	Currency	Year of maturity	Carrying value	Fair value
				GH¢'000	GH¢'000
Secured bank loan	7.19%	US$	2023	61,574	62,312

The secured loan is a Barclays Bank (Ghana) Limited facility obtained for the construction of a Tank Farm at Takoradi, Ghana. The facility has a tenure of 7 years and attracts interest at 3-months US LIBOR plus a margin of 5.5% per annum.

The facility has the following as securities:

- Corporate guarantee of GH¢32,694,999 from Total Petroleum Ghana Limited.
- Corporate guarantee of GH¢26,750,454 from Fueltrade Limited.
- Fixed and floating charge debenture in Barclays Bank's standard form covering the Tank Farm.
- Charge of GH¢8,800,000 over Total Petroleum Ghana Limited's land with property title WR.412/13 situated at Takoradi, Ghana.

					31-Dec-18
Company				Carrying value	Fair value
	Nominal interest	Currency	Year of maturity	GH¢'000	GH¢'000
Unsecured bank loan	19.00%	GH¢	2021	11,607	11,398

					31-Dec-17
	Nominal interest	Currency	Year of maturity	Carrying value	Fair value
				GH¢'000	GH¢'000
Unsecured bank loan	-	-	-	-	-

The unsecured loan is a GH¢ 15 million Standard Chartered Bank (Ghana) Limited facility obtained to finance working capital and general capital expenditure requirement. The facility has a tenure of 3 years and attracts interest at 19% per annum.

22. Loans and borrowings cont'd

b. *Reconciliation of movements of liabilities to cash flows arising from financing activities*

2018 Group	Loans and borrowings	Income Surplus	Total
	GH¢'000	GH¢'000	GH¢'000
Balance at January 2018	61,574	113,085	174,659
Changes from financing cash flows			
Proceeds from new loan	15,000	-	15,000
Repayment of loan	(8,963)	-	(8,963)
Dividend paid	-	(14,902)	(14,902)
Total changes from financing cash flows	6,037	(14,902)	(8,865)
The effect of changes in foreign exchange rates	5,221	-	5,221
Other changes			
Interest expense for loans and borrowings	7,017	-	7,017
Interest paid for loans and borrowings	(6,520)	-	(6,520)
Total liability-related other changes	497	-	497
Total equity-related other changes	-	47,112	47,112
Balance at December 2018	**73,329**	**145,295**	**218,624**

2017 Group	Loans and borrowings	Income Surplus	Total
	GH¢'000	GH¢'000	GH¢'000
Balance at January 2017	60,199	98,116	158,315
Changes from financing cash flows			
Proceeds from new loan	-	-	-
Repayment of loan	(2,770)	-	(2,770)
Dividend paid	-	(19,902)	(19,902)
Total changes from financing cash flows	(2,770)	(19,902)	(22,672)
The effect of changes in foreign exchange rates	3,052	-	3,052
Other changes			
Interest expense for loans and borrowings	4,109	-	4,109
Interest paid for loans and borrowings	(3,016)	-	(3,016)
Total liability-related other changes	1,093	-	1,093
Total equity-related other changes	-	34,871	34,871
Balance at December 2017	**61,574**	**113,085**	**174,659**

22. Loans and borrowings cont'd

b. Reconciliation of movements of liabilities to cash flows arising from financing activities (cont'd)

2018 Company	Loans and borrowings GH¢'000	Income Surplus GH¢'000	Total GH¢'000
Balance at January 2018	-	119,310	119,310
Changes from financing cash flows			
Proceeds from new loan	15,000	-	15,000
Repayment of loan	(3,750)	-	(3,750)
Dividend paid	-	(14,902)	(14,902)
Total changes from financing cash flows	11,250	(14,902)	(3,652)
The effect of changes in foreign exchange rates	-	-	-
Other changes			
Interest expense for loans and borrowings	2,309	-	2,309
Interest paid for loans and borrowings	(1,952)	-	(1,952)
Total liability-related other changes	357	-	357
Total equity-related other changes	-	50,364	50,364
Balance at December 2018	**11,607**	**154,772**	**166,379**

2017 Company	Loans and borrowings GH¢'000	Income Surplus GH¢'000	Total GH¢'000
Balance at January 2017	-	103,017	103,017
Changes from financing cash flows			
Proceeds from new loan	-	-	-
Repayment of loan	-	-	-
Dividend paid	-	(19,902)	(19,902)
Total changes from financing cash flows	-	(19,902)	(19,902)
The effect of changes in foreign exchange rates	-	-	-
Other changes			
Interest expense for loans and borrowings	-	-	-
Interest paid for loans and borrowings	-	-	-
Total liability-related other changes	-	-	-
Total equity-related other changes	-	36,195	36,195
Balance at December 2017	**-**	**119,310**	**119,310**

Information about the Group and Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 24.

23. Provisions

	Group and Company	
	2018	2017
	GH¢'000	GH¢'000
Balance at 1 January	5,313	4,253
Provisions made during the year	-	1,285
Amounts utilised	-	(225)
	5,313	**5,313**

23. Provisions cont'd

Provisions made and amounts utilised during the year represent additional provisions and payments made for legal claims.

The outstanding provision represents leave accrual and legal provision of GH¢2,757,000 and provision for long term service awards of GH¢2,556,000.

24. Financial instruments

(i) Overview

The Group and Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group and Company's exposure to each of the above risks, the Group and Company's objectives, policies, and processes for measuring and managing risk, and the Group and Company's management of capital.

Risk management framework

The Group and Company's Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Board's Audit Committee is responsible for monitoring compliance with the Group's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the company.

The Group and Company's risk management policies are established to identify and analyse risks faced by the Group and Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered.

The Group Group and Company, through its training and management standards and procedures, continues to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Group Group and Company's Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Audit Committee gain assurance in relation to the effectiveness of internal control and the risk management framework from: summary information in relation to the management of identified risks; detailed review of the effectiveness of management of selected key risks; results of management's self assessment process over internal control; and the independent work of the internal audit department, which ensures that the Audit Committee and management understand the Group and Company's key risks and risk management capability; sets standards on governance and compliance; and provides assurance over the quality of the Group and Company's internal control and management of key risks.

(ii) Credit risk

Credit risk is the risk of financial loss to the Group and Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivable from customers.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivables

The Group and Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The credit control committee has established a credit policy under which a new customer is analysed individually for credit worthiness before the Group and Company's standard payment terms and conditions are offered. The Group and Company generally trade with predefined and selected customers. Credit exposure on trade receivable is covered by customers issuing post dated cheques to cover amount owed, as well the use of customer's security deposits.

Impairment losses 2017

The Group and Company establish an allowance for impairment losses that represents its estimate of incurred losses in respect of trade and other receivables. This allowance relates to individually significant exposures.

The aging of trade receivables at the reporting date was:

24. Financial instruments cont'd

	Group	Company
	2017	2017
	Gross	Gross
	GH¢'000	GH¢'000
Neither past due nor impaired (less than 30 days)	157,873	156,144
Past due (30-90 days)	32,340	32,340
Individually impaired (more than 90 days)	30,263	30,263
Gross receivable	220,476	218,747
Impairment	(19,191)	(19,191)
	201,285	**199,556**

Management believes that the unimpaired amounts that are past due by more than 30 days but less than 90 days are still collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit worthiness.

Impairment analysis of trade and other receivables

Expected credit loss assessment for customers as at 1 January 2018 and 31 December 2018.

The Company uses an allowance matrix to measure the ECLs of trade receivables from customers, which comprise a very large number of small balances. Loss rates are calculated using a 'historical loss rate' method based on actual credit loss experience over the past three years.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2018.

	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
	%	GH¢'000	GH¢'000	
Neither past due nor impaired(less than 30 days)	0.50%	213,051	1,065	No
Past due (30- 90 days)	1.25%	35,464	443	No
Past due more than 90 days	59.67%	39,784	23,741	Yes
		288,299	**25,249**	

Movements in the allowance for impairment in respect of trade receivables.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows. Comparative amounts for 2017 represent the allowance account for impairment losses under IAS 39.

	Group and Company	
	2018	2017
	GH¢'000	GH¢'000
Balance at 1 January	19,191	16,440
Impairment loss recognised in profit or loss	6,058	2,751
Balance at 31 December	**25,249**	**19,191**

The allowance account for trade receivables is used to record impairment losses unless the Group and Company are satisfied that no recovery of the amount owing is possible; at which point the amounts considered irrecoverable are written off against trade receivables directly.

24. Financial instruments cont'd

No impairment loss was recognised for financial assets other than trade receivables.

Cash and cash equivalents

Group

The Group held cash and cash equivalents of GH¢ 55,095,000 (2017: GH¢30,278,000) at the reporting date with banks which are assessed as having a relatively good credit rating.

Company

The Company held cash and cash equivalents of GH¢ 54,765,000 (2017: GH¢28,933,000) at the reporting date with banks which are assessed as having a relatively good credit rating.

Amount due from related Companies

The Company's exposure to credit risk in respect of amounts due from related parties is minimized. The Company has transacted business with related parties over the years, and there have been no defaults in payment of outstanding debts.

(iii) Liquidity risk

Liquidity risk is the risk that the Group either does not have sufficient financial resources available to meet all its obligations and commitments as they fall due, or can access them only at excessive cost. The Group's approach to managing liquidity is to ensure that it will maintain adequate liquidity to meet its liabilities when due.

In addition, the Group and Company maintains the following lines of credit:

(a) Ecobank Ghana Limited

The Company has an unsecured overdraft facility not exceeding GH¢13 million with Ecobank to finance the company's receivables, additions to inventories and other operational bills. The facility expires on 31 January 2019.

(b) Standard Chartered Bank Ghana Limited

i. The Company has an unsecured overdraft facility of GH¢20 million with Standard Chartered Bank Ghana Limited to finance working capital. The facility expires on 25 June 2019.

ii. The Company has unsecured loan of GH¢15 million with Standard Chartered Bank Ghana Limited. The facility has a tenure of 3 years and attracts interest at 19% per annum.

(c) Societe Generale Ghana Limited

The Company has an unsecured overdraft facility of GH¢22million with Societe Generale Ghana Limited to augment working capital. The facility expires on 31 October 2019.

(d) Barclays Bank Ghana Limited

i. The Company has an unsecured overdraft facility of GH¢10 million with Barclays Bank Ghana Limited to finance working capital. The facility expires on 21 June 2019.

ii. The subsidiary has a secured loan facility of US$ 14.33 million with Barclays Bank (Ghana) Limited. The facility has a tenure of 7 years and attracts interest at 3 months US LIBOR plus a margin of 5.5% per annum.

(e) Stanbic Bank Ghana Limited

The Company has an unsecured overdraft facility of GH¢18 million with Stanbic Bank Ghana Limited to finance working capital. The facility is an open facility and as such has no expiry.

(f) GCB Bank Limited

The Company has an unsecured overdraft facility of GH¢17 million with GCB Bank Limited to finance working capital. The facility expires on 30 April 2019.

24. Financial instruments (cont'd)

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

Group 2018	Carrying amounts	Contractual Cashflows	1 year or less	1 to 2 years	2 to 5 years	5 years and over
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Non-derivative financial liabilities						
Loans and borrowings	73,329	87,414	24,843	21,309	41,262	-
Amounts due to related parties	85,901	85,901	85,901	-	-	-
Bank overdrafts	75,585	75,585	75,585	-	-	-
Trade and other payables	410,520	410,520	410,520	-	-	-
	645,335	**659,420**	**596,849**	**21,309**	**41,262**	**-**
2017						
Non-derivative financial liabilities						
Loans and borrowings	61,574	75,616	11,581	13,790	42,056	8,189
Amounts due to related parties	80,208	80,208	80,208	-	-	-
Bank overdrafts	79,520	79,520	79,520	-	-	-
Trade and other payables	327,659	327,659	327,659	-	-	-
	548,961	**563,003**	**498,968**	**13,790**	**42,056**	**8,189**

Company

2018	Carrying amounts	Contractual Cashflows	1 year or less	1 to 2 years	2 to 5 years
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Non-derivative financial liabilities					
Loans and borrowings	11,607	13,923	6,780	5,833	1,310
Amounts due to related parties	80,508	80,508	80,508	-	-
Bank overdrafts	75,585	75,585	75,585	-	-
Trade and other payables	408,206	408,206	408,206	-	-
	575,906	**578,222**	**571,079**	**5,833**	**1,310**
2017					
Non-derivative financial liabilities					
Loans and borrowings	-	-	-	-	-
Amounts due to related parties	76,213	76,213	76,213	-	-
Bank overdrafts	79,520	79,520	79,520	-	-
Trade and other payables	324,669	324,669	324,669	-	-
	480,402	**480,402**	**480,402**	**-**	**-**

24. Financial instruments (cont'd)

(iv) *Market risks*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group and Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

Foreign currency risk

The Group and Company are exposed to currency risk on purchases and borrowings that are denominated in currencies other than the functional currency. The currencies in which these transactions primarily are denominated are Euro and US Dollars. The Group does not hedge its foreign currency risk.

Exposure to currency risk

The Group's exposure to foreign currency risk was as follows based on notional amounts:

Group	**EURO**	**USD**	**CFA**	**CHF**
31 December 2018	**€'000**	**$'000**	**CFA'000**	**CHF'000**
Trade and other payables	(1,054)	(14,268)	(1,489)	-
Amounts due to related parties	(1,047)	(8,274)	(9)	(55)
Loans and borrowings	-	(12,805)	-	-
Cash and cash equivalents	72	3,172	-	-
Amount due from related parties	85	336	-	-
Trade and other receivables	-	7,403	-	-
Gross exposure	**(1,944)**	**(24,436)**	**(1,498)**	**(55)**

Group	**EURO**	**USD**	**CFA**	**CHF**
31 December 2017	**€'000**	**$'000**	**CFA'000**	**CHF'000**
Trade and other payables	(778)	(9,775)	-	-
Amounts due to related parties	(8,002)	(4,230)	(9)	(115)
Loans and borrowings	-	(13,931)	-	-
Cash and cash equivalents	34	3,232	-	-
Amount due from related parties	89	1,430	-	-
Trade and other receivables	5	6,191	-	-
Gross exposure	**(8,652)**	**(17,083)**	**(9)**	**(115)**

The Company's exposure to foreign currency risk was as follows based on notional amounts:

Company	**EURO**	**USD**	**CFA**	**CHF**
31 December 2018	**€'000**	**$'000**	**CFA'000**	**CHF'000**
Trade and other payables	(1,054)	(13,676)	(1,489)	-
Amounts due to related parties	(1,047)	(8,274)	(9)	(55)
Cash and cash equivalents	72	3,066	-	-
Amount due from related parties	85	336	-	-
Trade and other receivables	-	7,228	-	-
Gross exposure	**(1,944)**	**(11,320)**	**(1,498)**	**(55)**

24. Financial instruments (cont'd)

Exposure to currency risk (cont'd)

Company	EURO	USD	CFA	CHF
31 December 2017	**€'000**	**$'000**	**CFA'000**	**CHF'000**
Trade and other payables	(778)	(9,775)	-	-
Amounts due to related parties	(8,002)	(4,230)	(9)	(115)
Cash and cash equivalents	34	3,232	-	-
Amount due from related parties	89	1,430	-	-
Trade and other receivables	5	6,191	-	-
Gross exposure	**(8,652)**	**(3,152)**	**(9)**	**(115)**

The amounts quoted above are the foreign currency balances in the respective currencies.

The following exchange rates applied during the year:

	Average Rate		Reporting Rate	
	2018	**2017**	**2018**	**2017**
Ghana Cedi:				
Euro 1	5.6154	4.9727	5.6946	5.4831
USD 1	4.7242	4.3784	4.9800	4.5300
CFA 1	0.0082	0.0074	0.0087	0.0079
CHF 1	4.8688	4.4630	5.0646	4.7011

Sensitivity analysis on currency risk

The following table shows the effect of a strengthening or weakening of the GH¢ against all other currencies on the Group's equity and profit or loss. This sensitivity analysis indicates the potential effect on equity and profit or loss based upon the foreign currency exposures recorded at December 31 (see "currency risk" above), and it does not represent actual or future gains or losses. The sensitivity analysis is based on the percentage difference between the highest daily exchange rate and the average exchange rate per currency recorded in the course of the respective financial year. The same was done for the prior year.

A strengthening/ weakening of the GH¢, by the rates shown in the table, against the following currencies at 31 December have increased/decreased equity and profit or loss by the amounts shown below.

This analysis assumes that all other variables, in particular interest rates, remain constant.

24. Financial instruments (cont'd)

Exposure to currency risk (cont'd)

Group

At 31 December	2018			2017		
	% Change	Strengthening: Impact on equity and profit or loss - increase/ (decrease)	Weakening: Impact on equity and profit or loss - increase/ (decrease)	% Change	Strengthening: Impact on equity and profit or loss - increase/ (decrease)	Weakening: Impact on equity and profit or loss - increase/ (decrease)
Euro	9%	171	(171)	17%	1,445	(1,445)
US$	5%	1,323	(1,323)	5%	854	(854)
CFA	17%	248	(248)	10%	1	(1)
CHF	7%	4	(4)	6%	7	(7)

Company

At 31 December	2018			2017		
	% Change	Strengthening: Impact on equity and profit or loss - increase/ (decrease)	Weakening: Impact on equity and profit or loss - increase/ (decrease)	% Change	Strengthening: Impact on equity and profit or loss - increase/ (decrease)	Weakening: Impact on equity and profit or loss - increase/ (decrease)
Euro	9%	171	(171)	17%	1,445	(1,445)
US$	5%	613	(613)	5%	164	(164)
CFA	17%	248	(248)	10%	1	(1)
CHF	7%	4	(4)	6%	7	(7)

Interest rate risk

Standard scenario that are considered on a monthly basis include a 100 basis point (bp) parallel fall or rise in the market interest rate. A change of a 100 basis point in the interest rate at the reporting rate would have impacted equity and profit or loss by the amounts shown below:

Group	2018	2018	2017	2017
	Increase	Decrease	Increase	Decrease
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Interest income impact	187	(187)	89	(89)
Interest expense impact	(1,489)	1,489	(1,411)	1,411
	(1,302)	1,302	(1,322)	1,322

24. Financial instruments (cont'd)

Company	2018 Increase GH¢'000	2018 Decrease GH¢'000	2017 Increase GH¢'000	2017 Decrease GH¢'000
Interest income impact	187	(187)	89	(89)
Interest expense impact	(872)	872	(795)	795
	(685)	**685**	**(706)**	**706**

Fair values

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rates of interest at the reporting date.

Trade and other payables

The fair value of trade and other payables is estimated as the present value of future cash flows, discounted at the market rates of interest at the reporting date.

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Loans and borrowings

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rates of interest at the reporting date.

Fair values versus carrying amounts

The following table shows the carrying amounts and fair value of financial assets and financial liabilities. Apart from loans and borrowings, the carrying amounts of financial assets and financial liabilities are a reasonable approximation of their fair values.

	Group 2018 Carrying amount GH¢'000	Group 2018 Fair value GH¢'000	Group 2017 Carrying amount GH¢'000	Group 2017 Fair value GH¢'000	Company 2018 Carrying amount GH¢'000	Company 2018 Fair value GH¢'000	Company 2017 Carrying amount GH¢'000	Company 2017 Fair value GH¢'000
(i) Financial assets								
Trade and other receivables	287,674	287,674	210,749	210,749	286,638	286,638	208,962	208,962
Amounts due from related parties	7,606	7,606	5,681	5,681	13,446	13,446	11,171	11,171
Cash and cash equivalents	55,095	55,095	30,281	30,281	54,765	54,765	28,933	28,933
Total financial assets	**350,375**	**350,375**	**246,711**	**246,711**	**354,849**	**354,849**	**249,066**	**249,066**
(ii) Financial liabilities								
Loans and borrowings	73,329	72,207	61,574	62,312	11,607	11,398	-	-
Trade and other payables	410,520	410,520	327,659	327,659	408,206	408,206	324,669	324,669
Amounts due to related parties	85,901	85,901	80,208	80,208	80,508	80,508	76,213	76,213
Bank overdraft	75,585	75,585	79,520	79,520	75,585	75,585	79,520	79,520
Total financial liabilities not measured at fair value	**645,335**	**644,213**	**548,961**	**549,699**	**575,906**	**575,697**	**480,402**	**480,402**

25. Related party transactions

(i) The Company is a subsidiary of Total Outre Mer S. A., a company incorporated in France. The ultimate parent Company is Total S.A., a company incorporated in France.

(ii) Chemical additives, bitumen and consumables costing GH¢ 75,682,243 (2017: GH¢ 81,535,875) were procured from Total Outre Mer S. A. during the year.

(iii) Included in general and administrative expenses is an amount of GH¢ 13,286,201 (2017: GH¢12,055,949) in respect of technical assistance fee payable to Total Outre Mer S. A. and GH¢ 2,624,056 (2017: GH¢ 2,261,752) in respect of research and development fees to payable Total Marketing Services.

(iv) Total compensation paid to key management personnel was GH¢ 4,700,997 (2017: GH¢4,552,872). The compensation of the Group's Directors includes salaries, allowances and contribution to defined contribution pension scheme. Loans due from key management personnel was GH¢ 215,956 (2017: GH¢149,841).

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group (directly or indirectly) and comprise the Directors and Senior Management of the Group.

Outstanding balances in respect of transactions with related parties at the year end were as follows:

Amount due from related parties	**Group**	**Group**	**Company**	**Company**
	2018	**2017**	**2018**	**2017**
	GH¢'000	**GH¢'000**	**GH¢'000**	**GH¢'000**
Ghanstock (subsidiary)	-	-	5,840	5,490
Total Outre Mer	6,131	-	6,131	-
Other related parties*	1,475	5,681	1,475	5,681
	7,606	**5,681**	**13,446**	**11,171**
Amount due to related parties				
Total Outre Mer	63,891	53,448	63,709	53,448
Other related parties*	22,010	26,760	16,799	22,765
	85,901	**80,208**	**80,508**	**76,213**

*These are parties related by common shareholding and directorship.

None of the balances is secured. No expense has been recognised in the current and prior year for bad and doubtful debts in respect of amounts owed by related parties.

26. Long term leases

	Group and Company	
	2018	2017
	GH¢'000	GH¢'000
Balance at 1 January	44,073	28,648
Additions for the year	15,416	22,731
Amortisation for the year	(1,313)	(2,893)
Current portion of long term leases	(5,401)	(4,413)
Balance at 31 December	**52,775**	44,073

26. Long term leases cont'd

The Group leases a number of lands under operating leases for the construction of various service stations. The leases typically run for a period ranging from 3 years to 50 years. For some of the leases with an option to renew, payments are renegotiated at the beginning of the new lease term. The Group determined that the land leases are operating leases. The rent paid to the landlords is adjusted to market rentals and the Group does not have an interest in the residual value of the land. As a result, it was determined that substantially all the risks and rewards of the lands are with the landlords. The Group has paid the total lease amounts for the respective periods at the beginning of the leases. These leases are amortized over the life of each lease term.

The current portion of long term leases is reported as part of prepayments.

27. Capital commitments

Commitments for capital expenditure at the reporting date were:

	Group and Company	
	2018	**2017**
	GH¢'000	**GH¢'000**
Capital commitment	**343**	2,138

This is in respect of the construction and refurbishment of fuel stations.

28. Employee benefits

Defined Contribution Plans

(i) Social Security

Under a national defined benefit pension scheme, the Group contributes 13% of employees' basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pensions. The Group's obligation is limited to the relevant contributions, which were settled on due dates. The pension liabilities and obligations, however, rest with SSNIT. The expense charged to the profit or loss during current year is:

	2018	**2017**
	GH¢'000	**GH¢'000**
Group	**1,600**	1,359
Company	**1,561**	1,338

(ii) Provident Fund (Defipro)

The Group has a provident fund scheme for staff under which the Group contributes 10% of staff basic salary. The Group's obligation under the plan is limited to the relevant contribution and these are settled on due the dates to the fund manager.

	2018	**2017**
	GH¢'000	**GH¢'000**
Group and Company	**1,084**	**1025**

29. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern. The Group monitors capital using the ratio of adjusted net debt to equity. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings less cash and cash equivalents. Equity comprises of all components of equity.

The Group's policy is to keep an adjusted net debt to equity ratio at the range of 2.5 to 3.5.

The Group's adjusted net debt to equity at the reporting date was as follows:

	Group	Group	Company	Company
	2018	2017	2018	2017
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Total liabilities	655,618	559,001	585,864	490,272
Less: Cash and cash equivalents	55,095	30,281	54,765	28,933
Net debt	600,523	528,720	531,099	461,339
Total equity	189,835	161,472	205,994	170,532
Net debt to equity ratio	**3.16**	**3.27**	**2.58**	**2.71**

30. Subsequent events

There have been no material events after the reporting date which would require disclosure or adjustment to the financial statements for the year ended 31 December 2018 (2017: Nil).

31. Going concern

The Group's current liabilities exceeded its current assets by GH¢ 138,244,000 (2017: GH¢ 144,787,000) at year ended 31 December 2018. As at that date, the Company's current liabilities also exceeded its current assets by GH¢112,371,000 (2017: GH¢ 128,389,000).

The net current liability position at the year end is as a result of increased investments which are expected to generate future revenues. The Directors have made an assessment of the cash flow projections for the next twelve (12) months which shows a positive business outlook. In addition, the Directors have negotiated and successfully renewed the overdraft facilities with its bankers. Both the Group and Company continue to remain profitable. The Directors believe that the Group and Company will be able to realise its assets and settle its liabilities in the ordinary course of business.

Accordingly, the financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis presumes that cash flows arising from the normal course of business will be available to finance future operations of both the Group and Company and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

32. Finance cost and income

	Group	Group	Company	Company
	2018	2018	2018	2018
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Bank interest earned	651	382	651	382
Interest on loans and borrowings	20,243	16,133	15,535	12,024

33. Non-controlling interest (NCI)

The following summarise the information relating to the Group's subsidiary that has material NCI, before any intra group eliminations.

	2018	2017
	GH¢'000	GH¢'000
	45%	45%
Non-current assets	58,901	64,137
Current assets	1,845	3,782
Non-current liabilities	(47,876)	(54,039)
Current Liabilities	(27,717)	(20,180)
Net assets	(14,847)	(6,300)
Net assets attributable to NCI	(6,682)	(2,835)
Revenue	10,131	9,985
Loss	(8,548)	(4,975)
Other Comprehensive Income (OCI)	-	-
Loss allocated to NCI	(3,847)	(2,239)
OCI allocated to NCI	-	-
Cash flows from operating activities	4,221	3,438
Cash flows from investments activities	(103)	-
Cash flows from financing activities	(5,213)	(2,770)
Net increase/(decrease) in cash and cash equivalents	(1,095)	668

34. Joint User Hydrant Installation (JUHI)

JUHI is an unincorporated equal assets ownership joint operation between 3 participants namely, Total Petroleum Ghana Limited, VIVO Energy Ghana Limited and Ghana Oil Company Limited. It was established through an Agreement for the Joint Ownership and Operation of the Fuel Storage and Hydrant Facilities at the Kotoka International Airport, Accra and its principal activity is the storage of aviation fuels and the provision of into-plane fuelling services.

TOTAL excellium

PREVENTS UP TO 93%* OF DEPOSIT BUILD-UP

Fight dirt in your engine

The fuel that cleans your engine km after km

BETC Photo credit: Laurent Seroussi / Mathematic.

TOTAL
Committed to Better Energy

When you drive your car, deposits build up in your engine as the kilometers go by.
Modern engines are particularly vulnerable to this problem, which can lead to higher fuel consumption, increased CO_2 emissions and reduced power.
With its army of additives specially designed by Total researchers, TOTAL EXCELLIUM fuel fights dirt and protects your engine.

* TOTAL EXCELLIUM prevents up to 93% of fouling in gasoline engines and 89% in diesel engines and cleans up to 36% of existing build-up in diesel engines and 24% in gasoline engines, in comparison to a non-specifically additivated fuel. Tests conducted by an independent body. More information on total.xx

Shareholding information

(i) Number of shares in issue

Earnings and dividend per share are based on 111,874,072 (2017: 111,874,072) ordinary shares in issue during the year.

(ii) Number of shareholders

The Company had 4,872 ordinary shareholders at 31 December 2018 distributed as follows:

Holding	No. of holders	Total holding	% Holding
1 - 1,000	2,801	956,014	0.90
1,001 - 5,000	1,591	3,898,819	3.50
5,001 - 10,000	280	1,812,627	1.60
10,001 and over	200	105,206,612	94.00
	4,872	**111,874,072**	**100**

(iii) List of twenty largest shareholders at 31 December 2018

	Number of shares	Shareholdings
TOTAL OUTRE MER S.A	48,802,560	43.62
TOTAL AFRICA LTD	37,047,592	33.12
SOCIAL SECURITY & NATIONAL INS. TRUST	3,084,664	2.76
SCGN/ELAC POLICY HOLDERS FUND	2,386,100	2.13
SCNG/CACEIS FRANCE RE HMG GLOBETRO	1,803,000	1.61
SCGN/EPACK INVESTMENT FUND LTD.	1,635,508	1.46
GHANA OIL COMPANY LTD	1,040,528	0.93
SCGN/SS LUX C/O SSB AND T CO, BOSTON	860,000	0.77
HFCN/EDC GHANA BALANCE FUND	582,943	0.52
SCBN/DATABANK BALANCED FUND LTD.	491,308	0.44
SCBN/GH. MED. ASSOC. PENSION FUND	428,300	0.38
SCGN/ENTERPRISE TIER 2 OCCUPATIONAL	378,410	0.34
SCGN/ELAC SHAREHOLDERS FUND	376,400	0.34
STD NOM/METLIFE CLASSIC FUND	302,439	0.27
STD NOMS TVL PTY/ENTERPRISE TIER 3	204,075	0.18
DAMSEL/OTENG-GYASI ANTHONY	203,816	0.18
ESTATE OF THE LATE DR. JOSEPH BLANKSON	201,992	0.18
STD NOMS TVL PTY/DATABANK ARK FUND	157,000	0.14
SCGN/PETRA ADANTAGE PORTFOLIO	138,585	0.12
STD NOMS TVL PTY/NESTLE TIER 3 PF	137,700	0.12
REPORTED TOTALS	**100,262,920**	**89.61**
NOT REPORTED	11,611,152	10.39
GRAND TOTALS	**111,874,072**	**100**

Control rights: each share is entitled to the same voting rights

Changes in shareholding: for the financial year ended 31 December 2018, there were no material changes to the shareholding structure of the Group.

Corporate Social Responsibility

Total Petroleum Ghana Limited (the Company) regards Corporate Social Responsibility as a fundamental contribution to the society; thus, it has consistently sought sustainable ways to support the economy in which it operates. The activities are part of the business thought process from the very beginning and are guided by the desire to ensure that our commercial, operational and support undertakings should have direct social benefits to the stakeholders and the communities where we operate. All programmes are long-term and based above all on the principle of sustainable outcomes.

The key areas of concentration of the Company are Entrepreneurship, Safety, Education and training, Health and Sports and Culture.

Entrepreneurship

The Company is a major participant in the Startupper of the Year challenge that was launched by the Group towards the end of 2015 to identify and support innovative business ideas for development. We are constantly providing coaching and appropriate mentorship to the winners of the 2015/2016 (1st edition) challenge. We review their performance and development twice last year to help stimulate the establishment of their small enterprises which will ultimately deliver on employment creation. The 2018/2019 (2nd edition) of the challenge was launched in October 2018.

Safety

The Company holds safety as a core value. Programmes such as Total Safety Cube, which focuses on road safety awareness for school children in accident prone areas, is done yearly in partnership with stake holders like Ghana Road Safety and Ghana Educational Service.

Furthermore, the Total Safety Caravan is organized with National Security Services such as the National Ambulance Service, the Ghana Police and Red Cross Society for the benefit of schools, drivers' unions and townships.

We have invested in continuous training of drivers and in technology, which allows us to monitor and manage their behaviour towards safety. Through regular interactions, best practices are shared widely with our transporters.

Education and Training

The Company introduced a young graduate programme to recruit young intelligent Ghanaian Graduates to offer them professional experience in its various field of activities. Several Ghanaian Graduates have benefited from the programme, with 6 Graduates having received international exposure through secondment to Total Group affiliates in Africa and Europe, after which they gained employment with the Company. At least 4 young Graduates benefit from the programme each year.

Moreover, a partnership with three Ghanaian tertiary institutions namely, UMAT, KNUST and Ashesi University has been established to provide opportunities for scholarships, internships and employment for some of its brilliant students. The Company also offers trainings to its dealers, attendants and transporters.

Health and sports

The Company promotes health by organizing a yearly anti-Malaria intervention program. The Company supports other health and sports events such as the Total staff and family sports days and walks and the Damang Golf tournament among others.

The Total Group supported the Total Womens' Africa Cup of Nations held in Ghana.

Culture

The Company supports music and theatre arts. In the past two years, the Company has supported Ghanaian and Francophone cultures through musical concerts and other forms of art with Alliance Française Accra, Citi FM and other cultural groups.

SAFETY FIRST; THE 12 GOLDEN RULES

Safety at Work:
Total's golden Rules

1 **HIGH-RISK SITUATIONS**
Do not start up or shut down equipment or installations without using the appropriate, written operating procedure.

2 **TRAFFIC: Machinery/Vehicles/ Cyclists/Pedestrians**
Do not exceed the speed limit.

3 **BODY MECHANICS AND TOOLS**
Do not carry out work if you do not have the right tools for the job and the environment.

4 **PROTECTIVE EQUIPMENT**
Do not access installations or perform work without wearing general or task- specific PPE.

5 **WORK PERMITS**
Do not perform work without a valid work permit.

6 **LIFTING**
Do not walk or stand under a load while lifting is taking place.

TOTAL

7 **WORK ON POWERED SYSTEMS**
Do not perform work without checking that the power and product supply has been rendered inoperative.

8 **CONFINED SPACES**
Do not enter a confined space until isolation has been verified and the atmosphere checked.

9 **EXCAVATION WORK**
Do not perform excavation work without a valid work permit comprising a map of all underground hazards.

10 **WORK AT HEIGHT**
Do not work at height without a safety harness when there is no collective protective equipment.

11 **CHANGE MANAGEMENT**
Do not make any technical or organizational changes without prior authorization.

12 **SIMULTANEOUS OPERATIONS OR CO-ACTIVITIES**
Do not perform any simultaneous operations or co-activities without a prior inspection.

TOTAL

TOTAL
COMMITTED TO BETTER ENERGY

OUR BUSINESS PRINCIPLES

We respect all applicable national and international laws and norms.

As a responsible industrial company, we are committed to supporting efficient and properly managed use of our energy sources and products.

We take into account the needs of today's consumers and the interests of future generations. We have an active policy of environmental stewardship that is an integral part of our sustainable development strategy and we provide regular and transparent reports.

Where there is a difference between a legal requirement and our Code of Conduct, we seek to apply the higher standard.

We engage with international, governmental and non-governmental organizations in matters related to our operations and we are responsive to concerns expressed by them.

Our values support our continued growth, for the benefit of our stakeholders, employees, shareholders, customers and suppliers alike while helping to drive economic and social development in our host countries.

Therefore, the Code of Conduct defines Total's commitments and expectations with regard to its stakeholders.

OUR EMPLOYEES

We pay particular attention to employees' working conditions, especially the respect for each individual

We have confidence in the loyalty, motivation, competence and sense of responsibility of our managers and employees.

We believe our development depends on trust and respect between the Group and employees and amongst themselves.

All our staff must bring our values to life through the Total Attitude cornerstone behaviors: listening, mutual support, cross-functionality and boldness.

Employees must ensure that they carry out their daily activities in compliance with the Code of Conduct.

HOST COUNTRIES

The Guiding Principles on Business and Human Rights, adopted by the United Nations Human Rights Council in 2011, set out the obligations incumbent on member states to respect, protect and fulfill human rights.

We respect the environment and culture of our host countries. We respect the sovereignty of host countries and refrain from intervening in or funding the political process. We reserve the right, as appropriate, to let governments know our positions on topics related to our operations, employees and shareholders, as well as our belief in the importance of upholding human rights.

LOCAL COMMUNITIES

We respect the rights of local communities by identifying, pre-venting and mitigating any impact on their environment and way of life and remedying the situation as needed. We systematically establish dialogue as early as possible to foster lasting relationships with those communities, and we are mindful of opportunities for community development.

We design and implement grievance procedures and corrective measures, particularly on behalf of vulnerable groups, including indigenous peoples.

CUSTOMERS

We provide customers with quality products, services and strive at all times to deliver optimal performance at a competitive price.

Attentive to our customers' needs, we continuously monitor, assess and improve our products, services, technology and processes. Our goal is to deliver quality, safety, energy efficiency and innovation at every step in the development, production and distribution process.

We take steps to ensure the confidentiality of the data our customers entrust to us, in accordance with regulations governing privacy.

SUPPLIERS

With regards to suppliers and contractors, we work in the interests of each party, in accordance with clear, fairly negotiated contract terms. This relationship is based on three cornerstones: dialogue, professionalism and meeting commitments. We choose suppliers that can conduct their business responsibly.

BUSINESS PARTNERS

We apply the Code of Conduct in all joint ventures we control.

Other wise, we do our utmost to ensure that the partner who controls the joint venture adheres to principles that are equivalent to those set out in our Code of Conduct.

SHAREHOLDERS

We strive to earn our shareholders' confidence and provide them with a profitable, long-term investment.

We maintain an ongoing and constructive dialogue with our shareholders through a variety of channels, and regularly provide full and transparent information.

We are attentive to their expectations, concerns and questions on every subject. We comply with applicable stock market regulations and accurately report our operations in our financial statements.

TOTAL PETROLEUM GHANA LIMITED INTRODUCES THE NEW TOTAL TROXI CLUB IN GHANA

The Company on 16th July 2018, launched a loyalty scheme for all commercial drivers in Ghana.

This scheme dubbed "TOTAL TROXI CLUB" is the Company's special TOTAL Card package to help commercial drivers reduce their fuel and oil costs and at the same time, offer them rewards for their loyalty to the Total brand.

The Company values each customer and for that matter, seeks innovative ways of addressing their specific needs. The Company understands that fuels and oils, in general, are huge cost components for operating Taxi and Trotro services in the country; hence, the creation of the TOTAL TROXI CLUB to help manage their fuels and oils budget through a discount and reward scheme.

To join this special Club, a Taxi or Trotro driver must register for a TOTAL Card at any Total Service Station in the country. Registration is Free.

Each driver who registers receives an instant Total branded gifts for an initial loading of Gh¢ 50. Registered Drivers enjoy instant discounts every time they use their TOTAL Card to buy fuel or Engine Oil at any Total Service Station. Meeting monthly fuel purchase target also earns Driver members of the TOTAL TROXI CLUB a reward at the end of each quarter.

The TOTAL Card is a convenient way of paying for fuel, oils, car care products and to make other transactions for services at the shops, Lube Bay and Washing Bay.

TOTAL PETROLEUM GHANA LIMITED UNVEILS SOLAR-POWERED SERVICE STATIONS IN GHANA

Total Petroleum Ghana Limited (Total) unveiled the first solar-powered service station in the country at the Tema Main Harbour in September 2018. This project is part of the modernization plan of the Company to solarize at least 50% of its network stations within the next five years in its bid to contributes to efficient and environmentally friendly energy solutions in the country.

The initiative to solarize its network station aligns with the Company's ambition to be a responsible energy major.

The world's energy future, inclusive of Ghana's, is being shaped by the dual challenge of climate change and the growing demand for electricity. Thus, Renewable Energy, like solar, is crucial in this new environment. As a long-standing Ghanaian oil marketing company, the Company is proud to complement the efforts of the Government of Ghana in prioritizing the use of solar energy.

Following the launch of the first solar-powered stations, three (3) other Solar powered stations have been opened: Takoradi Airport Junction Total Service Station, Mile 4 Total Service Station and Korle Bu Total Service Station.

The Airport Junction Total Service Station in Takoradi has 56 solar panels installed on the canopy at the station which produces approximately 18 kWp of Power serving the shop, the pumps and the two (2) forecourts.

This system is a grid-tier system with batteries and, it comprises an Inverter together with DC (Direct Current) and AC (Alternate Current) panels.

The entire project was managed by local Ghanaian Engineering and Solar contractors. Total believes that the way to consolidate its Corporate Social Responsibility is to share expertise and know-how with the local skilled labour force and to engage stakeholders in all aspects of the project.

In addition to the solar installations on its network, the Company has launched a competence centre at its head office to run energy efficiency surveys for Business to Business (B2B) customers.

A solar kiosk has been rolled out at three (3) service stations to give customers visiting the Service Stations access to phone charging units and free WIFI.

TOTAL PETROLEUM GHANA LIMITED (TOTAL) PRIORITIZES CUSTOMERS' NEEDS

Management and staff of Total, together with Mr. Stephen Appiah, the Company's Brand Ambassador, visited Total Service Stations across the country to interact with customers and to deliver customer service. This action formed part of the Company's customer service week celebration in 2018.

The week-long activity was to help improve top class services to the customer which included fueling, giving them maintenance tips to prolong the lives of their vehicle engines, windscreen cleaning and oil-level checks. In effect, customer satisfaction and proximity was a priority for the Company.

The Company has also been working on the overall image of its stations to bring comfort to its customers through its convenient Bonjour shops, Automated Teller Machines (ATMs) and Car wash centers.

TOTAL PETROLEUM GHANA LIMITED REWARDS TOTAL TRANSPORTERS

The Company rewarded its best performing Transporters and Drivers for contributing to the attainment of transport safety in the activities of the Company. The grand ceremony took place at the Holiday Inn Hotel in Accra on 29th June 2018.

Safety is a core value which the Company is prepared to invest in and pursue. The Company rewarded its transporters and their drivers for their adherence to safety rules.

Some of the prizes awarded were as follows:

- The 'Overall Transporter of the Year' Award was awarded to Mr. J. K. Ahiadome of J. K. Ahiadome Transport for excellent safety compliance and vehicle maintenance.
- The 'Transport CEO of the year' which was awarded to Mr. Ibrahim Awudu of Ibrawud Transport Company for retaining a level green status in and Information and Communications Technology (ICT) status in the Transport Compliance Inspections audit in 2017.
- Mr. Basit Abdul Rahman of Spenhaul Ghana Limited received the 'Best Driver Award' for driving a mileage of 47,231.40 kilometers across all regions in Ghana with no single violation of safety rules.

The Company makes significant investments in its activities and that of its partners to ensure that safety is ensured at all time. To this end, the Company has championed the installation of Dash Cameras and on-Board Computers on its Bulk Road Vehicles (BRVs). The benefits of installing these gadgets and equipment are to:

- Monitor the trucks and the driver behaviour during their journey;
- Enhance monitoring and the security of products whilst the trucks are in transit.

These measures reinforce driver training requirements to improve road safety.

The Company was the first to introduce the electronic sealing of trucks in Ghana in the year 2014 and has since improved its E-sealing system. This new version is a testament of continuous improvement, aimed at delivering the right quality and quantity to our customers.

In the Company's quest to improve driver safety, it has purchased a Driving Simulator for Road Safety Limited (RSL) to enhance driver training and experience. The Company has implemented a web-based Driving Point System (DPS) to aid in monitoring good driver performance and behaviour.

As an ISO 9001:2015 certified company, the Company will consistently implement high safety standards across all its business operations.

CSR – YOUTH, EDUCATION & SPORTS

LAUNCH OF THE SECOND EDITION OF STARTUPPER OF THE YEAR BY TOTAL CHALLENGE

Total Petroleum Ghana Limited (Total) launched the second edition of the Startupper of the Year by Total Challenge on 5th October 2018.

Following the success of the 1st edition in 2015/2016 which unearthed great talents mainly in agribusiness, the initiative is a continued effort by the Total Group to enhance business creation and development by selecting the boldest and most innovative entrepreneurs.

Each year, the Group calls for potential projects pursuant to the launch to select young local entrepreneurs who are less than 35 years old to showcase their business projects in any sector. The projects must be less than two years since inception.

After a moderation and selection period, a local jury comprising of experts from Total, specialists from incubators, accelerators, business leaders and local community stakeholders then select the final three winners of the Challenge.

The top three (3) winners share a prize of financial support up to GH¢180,000. In addition, the winners benefit from an extensive publicity package with a full year coaching and mentoring session to help monitor their progress.

The ultimate winner is given the opportunity to compete at the regional level.

In addition to the three winners, a Top Female Entrepreneur is selected to spend a week in Paris, France. This special award is given in recognition of women entrepreneurs to give them global exposure.

The projects are assessed based on their innovative nature, their impact on the community and society at large as well as their feasibility and development potential.

CSR – YOUTH, EDUCATION & SPORTS

THE TOTAL YOUNG GRADURATE PROGRAMME

The Total Young Graduate Programme has been hailed by beneficiaries as an important initiative which has helped empower and boost their skills at the workplace. Launched in 2016, this project is aimed at career development and empowerment to equip newly graduated youth with skills through global exposure and practical experience.

The initial four (4) beneficiaries; David Yaw Kumah, George Boamah Nkansah, Endesha Serwaa Amanquah and Ewurabena Asaam were engaged in Ghana for the first six (6) months of their eighteen (18)-month training period whilst they were engaged for the remainder period at the Group's office in Paris and its affiliates in Uganda and Kenya.

All four participants found their experiences rewarding and were recruited by Total in 2018 upon their return to Ghana.

The next batch of graduates for the 2018 programme have also began their training at the Head Office.

Every year, 37 African countries participate in the Young Graduate program. The skills acquired are transferable thus enhancing their employability.

For the Total Group, this initiative is a key element in realizing its ambition as the responsible energy major, providing solutions to bridge the gap between the educational system curriculam and the actual needs of businesses.

Total will continue to empower young people in the country and grant them the opportunity to compete in the professional space through this Young Graduate programme.

CSR – YOUTH, EDUCATION & SPORTS

TOTAL PETROLEUM GHANA LIMITED SUPPORTS UNIVERSITY OF MINES AND TECHNOLOGY CAREER FAIR

Total Petroleum Ghana Limited (Total) supported the 4th Annual Innovation and Career Fair of the University of Mines and Technology (UMaT) held on 6th April, 2018.

Students were given the opportunity to showcase their creative ideas through science and technology driven projects and applications. It was a medium for participants to engage with major stakeholders in the mining, petroleum and allied industries and to share ideas to create solutions which meet daily operational needs.

The fair attracted over five hundred (500) students and employees of the university who interacted with representatives from various industries. The students were able to familiarize themselves with various business at the fair to know the opportunities which exists for students and graduates.

Total offers yearly scholarships and financial aid to students of UMaT and Kwame Nkrumah University of Science and Technology (KNUST) through their academic office. The Company opens its doors to approximately forty (40) student interns from all universities to develop their skills and knowledge to equip them for the future.

CSR – YOUTH, EDUCATION & SPORTS

TOTAL PETROLEUM GHANA LIMITED EMBARKS ON A MALARIA CAMPAIGN

Total Petroleum Ghana Limited (Total) embarked on a Malaria elimination Campaign to commemorate the World Malaria Day, a day set aside by the World Health Organization (WHO) to highlight the need for continued efforts and commitment to the prevention and control of Malaria around the world. The Company has since 2007, carried out annual Malaria elimination awareness campaigns in local communities across the country with a primary focus on vulnerable groups, such as pregnant women and school children. This is in line with the Company's plan to invest in health and education in the local communities.

The programme for 2018 spanned a three-day period during which the Company, in partnership with health officials from the Tarkwa Government Hospital (Apinto), created awareness through programmes for students from selected schools like the Dadwene School Complex, Tarkwa Methodist School and Tamso Anglican School. Over 1,000 school children and teachers from these selected schools participated in various programmes including sketches, quizzes and poetry recitals. The awareness centered on the consequences of the disease, the importance of keeping basic hygienic practices and most importantly, employing the various preventive measures to fight Malaria in the communities. The Company also engaged pregnant women at the Maternity ward of Tarkwa Government Hospital (Apinto) where a donation of anti-Malaria items was also made to augment government efforts.

In all, a total of 5000 insecticide treated mosquito nets and 300 Total insecticide sprays were distributed to 1,100 school children, 400 pregnant women, 500 employees and workers and 3,000 customers throughout the Total retail network nationwide.

According to the Malaria Fact Sheets of the World Health Organization (WHO), the Malaria burden is huge globally with about 90% of the world's cases in sub-Saharan Africa.

Total 's campaign goal is in sync with the 2018 theme for the year for World Malaria Day which was 'Ready to Beat Malaria'. The goal also tied in with Goal 3 of the UN Sustainable Development Goals which emphasises on "Good Health and well-being."

CSR – YOUTH, EDUCATION & SPORTS

TOTAL PETROLEUM GHANA LIMITED (TOTAL) PARTNERS VOLTIC GHANA LIMITED (VOLTIC) ON RECYCLING PROJECT

In November 2018, Total Petroleum Ghana Limited (Total) and Voltic Ghana launched a plastic collection project to help in the proper management of plastic waste from households in Accra and the Tema Metropolis.

The launch of "#Irecycle" demonstrates the commitment of both companies towards working together as partners to help Voltic collect its post-consumer waste.

Total is part of the project as a partner to make the containers accessible to the public through its wide network of service stations.

The project seeks to provide alternative bins located within 40 Total Service Stations to encourage consumers to segregate their used plastics. The project will require women waste pickers to map each community waste picker to a bin. The waste picker will then be required to collect and sell back the plastic waste to the Voltic appointed agent.

This is a worthwhile project and Total is proud to be associated with this worthy cause to help communities manage plastic waste. Total is again proud to be a partner of this innovative and sustainable project. This ties in with the Company's values and commitment to providing better energy for all.

The recycling will not only safeguard the environment but create the opportunity for waste to be converted into new resources for development.

Total has currently made provision for recycling containers at the following service stations: Atomic Energy, Pokuase ACP, East Legon, Oxford Street, Tema Hospital Road, Ashaiman Motorway 1, Tema Main Harbour, Tema Community 1, Motorway 1, 37 Hospital Road, Liberation Road, La Paz, Liberia Road and Achimota. The Company is also providing fuel for the tricycles which will gather the plastics for recycling. It is anticipated that the project will be extended to other Total stations in the future.

CSR – YOUTH, EDUCATION & SPORTS

TOTAL CELEBRATES WOMEN'S FOOTBALL THROUGH TOTAL AWCON SPONSORSHIP

The Total Group's passion for the game was the main cause of celebration at the 2018 Total Women's Africa Cup of Nations. The tournament brought together 8 African teams who engaged in 3 weeks of thrilling football which ended in a win for Nigeria. Total AWCON, which doubles as the African qualifiers for the Women's FIFA World Cup, to be held in Egypt in 2019, emphasizes Total's commitment to supporting the progression of African women's football. 2018 was no different, the tournament celebrated and empowered women through the sport that has historically brought nations and people from all backgrounds together.

From pursuing dreams, to putting nations' names on the map, football has been an avenue for young women to make their own unique mark in the world. Total, through the 2018 AWCON held in Ghana, did not only reinforce its dedication to providing better energy solutions, but also its insistence that the world's most celebrated sport is as empowering to women and their dreams, as it has been for their male counterparts.

The tournament successfully ended and the three (3) qualifying teams are gearing up for their participation in the world stage. It is without a doubt that African women's football has gained new ground. Now more than ever, there is hope that more women who share the love for the game will step up to take their spot in the game.

We dedicate these awards to our Stakeholders

1. 13th Best Company in Ghana – Ghana Club 100 Awards
2. Brand of the Year – Ghana Energy Awards
3. Marketing Campaign of the Year (TOTAL TROXI club) – Ghana Oil and Gas Awards
4. Excellence in CSR – Ghana Oil and Gas Awards
5. Best Company in Project Promoting Road Safety – Sustainability & Social Investment Awards

FIVE Reputable Awards in 2018

Thanks to all our cherished customers, stakeholders and the people of Ghana for your trust in TOTAL.

Thank you for being a part of our journey of energizing life for over 60 years now.
We wish you a fruitful 2019.

We will keep championing Quality Products and Services, Safety, Innovation and Sustainable Social Projects with the Customer at the centre of it.

total-ghana.com

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Committed to Better Energy

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All Fuels | Shop | Lubricants | Services | Wash

Total Savings, Total Benefits

Sign up for FREE

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PROXY FORM FOR USE AT THE ANNUAL GENERAL MEETING TO BE HELD AT THE NATIONAL THEATRE, LIBERIA ROAD, ACCRA ON WEDNESDAY 15TH DAY OF MAY, 2019 AT 11.00 O'CLOCK IN THE FORENOON

I/We, _____ being Member(s) of TOTAL PETROLEUM GHANA LIMITED, hereby appoint _____

or failing him/her the Chairman as my / our Proxy to vote for me / us, and on my / our behalf at the Annual General Meeting of the Company to be held on the Wednesday, 15th May, 2019 and at any and every adjournment thereof.

This Form to be used :-

Ordinary Resolutions

1.	*in favour of against	The Resolution to receive and adopt the Reports of the Directors, Auditor and the Financial Statements of the Company for the year ended 31st December, 2018.
2.	*in favour of against	The Resolution to declare final dividend for the year ended 31st December, 2018 as recommended by the Directors.
3.	*in favour of against	The Resolution to ratify the appointment of Mrs. Laurette Otchere as a Director of the Company.
4.	*in favour of against	The Resolution to ratify the appointment of Mr. Alain Vedier as a Director of the Company.
5.	*in favour of against	The Resolution to re-elect Mr. Stanislas Mittelman as a Director of the Company.
6.	*in favour of against	The Resolution to re-elect Mr. Kofi Ampim as a Director of the Company.
7.	*in favour of against	The Resolution to re-elect Mr. Gerard Pruneau as a Director of the Company.
8.	*in favour of against	The Resolution to fix the remuneration of the Directors.
9.	*in favour of against	The Resolution to authorise the Directors to fix the remuneration of the Auditors.

On any other business transacted at the Meeting and unless otherwise instructed in paragraphs 1 to 9 above, the resolutions to which reference is made in paragraphs, the Proxy shall vote as he/she thinks fit.

*Strike out whichever is not desired.

Signed this ..... day of 2019

.....
Signature of Shareholder

SECOND FOLD HERE

Please
affix
stamp

FIRST FOLD HERE

The Secretary
TOTAL PETROLEUM GHANA LIMITED
No. 25 Liberia Road,
P. O. Box 553, Accra, Ghana

THIRD FOLD HERE

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

1. A member (Shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy. The Proxy Form has been prepared to enable you exercise your vote if you cannot personally attend.
2. Provision has been made on the Form for MR. SAMBA SALFAL SEYE, the Chairman of the meeting to act as your Proxy, but if you so wish, you may insert in the blank space provided the name of any person, whether a member of the Company or not, who will attend the meeting and vote on your behalf instead of MR. SAMBA SALFAL SEYE.
3. In case of joint holders, each joint holder must sign.
4. If executed by a Corporation, the Proxy Forms must bear its Common Seal or be signed on its behalf by a Director.
5. Please sign the above Proxy Form and post it so as to reach the address shown overleaf not later than 4.00 p.m. on Friday the 10th of May, 2019.
6. The Proxy must produce the Admission Card with the Notice of the Meeting to obtain entrance to the meeting.

See you at
www.total-ghana.com

Head Office
Total House
No. 25 Liberia Road,
P. O. Box 553, Accra
+233-302-611555 I 611556
Totalgh Total Ghana Total Ghana