GHANA
STOCK
EXCHANGE

PRESS RELEASE

PR. No 196/2018

TOTAL PETROLEUM GHANA LIMITED (TOTAL) -
2017 ANNUAL REPORT AND
ANNUAL GENERAL MEETING ANNOUNCEMENT

Results
TOTAL has released its Annual Report and Financial Statements for the year ended December 31, 2017, as per the attached.

Annual General Meeting
The company also announces that its Annual General Meeting will be held at the **National Theatre, Liberia Road, Accra** on **Tuesday, May 29, 2018** at **11 am.**

Issued in Accra, this 7th
day of May, 2018

- **E N D –**

att'd.

Distribution:
1. All LDMs
2. General Public
3. Company Secretary, TOTAL
4. MBG Registrars, (Registrars for TOTAL shares)
5. Custodians
6. Central Securities Depository
7. Securities and Exchange Commission
8. GSE Council Members
9. GSE Notice Board

For enquiries, contact:
Listing Department, GSE on 0302 669908, 669914, 669935
**JEB*

TOTAL

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TOTAL PETROLEUM GHANA LIMITED

ANNUAL REPORT 2017

TOTAL excellium

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TOTAL
Committed to Better Energy

About Us

Total Petroleum Ghana Limited is part of the global Total group, which is the fourth largest international Oil and Gas Company 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 BP Ghana Limited, then Elf Oil and 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 Industry.

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

Our Vision

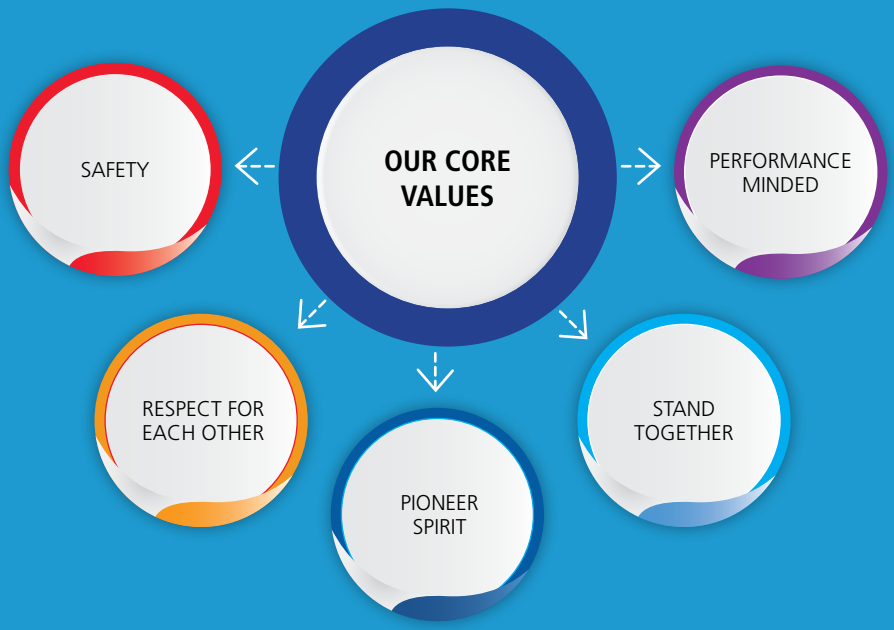
Our vision includes:

- 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 profitably in an innovative way to ensure that the public will continue to turn to Total.

Our Values



Choose Convenience with the Total Card.

Sign up and top up at a Total Service Station near you and get a Bonus on every top up.

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Total Savings, Total Benefits

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TOTAL
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Corporate Information

Board of Directors

Samba Salfal Seye	-	Chairman (Appointed: 2nd September, 2017)
Eric Fanchini	-	Managing Director (Appointed: 2nd September, 2017)
Rexford Adomako-Bonsu	-	Member
Kofi Ampim	-	Member
Stanislas Mittelman	-	Member
Gerard Pruneau	-	Member
Sandrine Saboureau	-	Member
Ada Eze	-	(Resigned: 2nd September, 2017)
Olivier Van-Parys	-	(Resigned: 2nd September, 2017)

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 CT 3523

Accra

Registrar

Universal Merchant Bank Limited

123 Kwame Nkrumah Avenue

Sethi Plaza

Adabraka - Accra

Auditor

KPMG

Chartered Accountants

13 Yiyiwa Drive, Abelemkpe

P. O. Box GP 242

Accra

Bankers

Agricultural Development Bank Limited

Barclays Bank Ghana Limited

Ecobank Ghana Limited

GCB Bank Limited

National Investment Bank Limited

Societe Generale Ghana Limited

Stanbic Bank Ghana Limited

Standard Chartered Bank Limited

Board of Directors

Samba Salfal Seye
Chairman

Eric Fanchini
Managing Director

Kofi Ampim
Member

Rexford Adomako-Bonsu
Member

Gerard Pruneau
Member

Sandrine Saboureau
Member

Stanislas Mittelman
Member

Management Team

Eric Fanchini
Managing Director

Mercy Samson
Legal & External Affairs Manager

Elizabeth Sotuminu
Operations Manager

Bright Dokosi
Human Resource Manager

Abdul-Rahim Siddique
Sales & Marketing Manager

Frank Boamah
Health, Safety, Environment & Quality Manager

Henry Kamara
Finance & Accounts Manager

Henry Adzewodah
Lubricants Manager

Chairman's Statement

Samba Salfal Seye
Chairman

Introduction

Distinguished Shareholders, Ladies and Gentlemen, on behalf of the Board of Directors and the Management of Total Petroleum Ghana Limited, it is indeed my pleasure to welcome you all, to the 42nd Annual General Meeting of Total Petroleum Ghana Limited and to present to you the Company's Annual Report and the Financial Statements for the financial year ended 31st December, 2017.

Economic Environment

The macro economic indicators of the Ghanaian economy remained strong in 2017 with an annnual growth rate of 8.5% and an inflation of 11.8% at the end of the year. The Ghanaian Cedi depreciated by 7.8% against the US dollar in 2017. The Bank of Ghana prime rate dropped from 25.5% at the beginning of the year to 20% at the close of the year.

Financial and Operational Performance

The consolidated profit after tax for 2017 amounted to GH¢ 32.63 million compared to GH¢ 23.40 million in 2016. The increase is mainly attributable to a reduction in net loss of Ghanstock Limited of GH¢ 4.97 million compared to GH¢ 15.29 million in 2016.

The Company's profit after tax amounted to GH¢ 36.20 million compared to GH¢ 38.28 million in 2016. The 5% decrease was as a result of lower sales volumes, partly due to a reduction in the market and the impact of inflation and depreciation of the Cedi on operating expenses. We consider the result to be solid given the challenging economic environment. The outlook for 2018 is promising as some of our major network projects were implemented in the last quarter of 2017 and their full potential is expected in 2018.

The Group's basic earnings per share increased from GH¢ 0.2706 in 2016 to GH¢ 0.3117 in 2017.

The Company has pursued a modernization plan of its service stations and has run several marketing initiatives or campaigns for the benefit of the customers. The Company launched in 2017, new Lubricants Quartz Ineo 5W-30 and Lubricant Elf products.

In terms of diversification, we have introduced and implemented 86 of the new 'Happy Sud' concepts in all our Bonjour Shops to compliment our current offer of food services which includes KFC, Pizza Hut and Mugg & Bean. We have also introduced new car wash solutions ('roller and jet wash') and installed CCTV monitoring at some of our sites. Finally, our network has grown from 235 to 246 outlets.

The Company further improved upon its Health, Safety, Environment and Quality standards as it was re-certified ISO 9001-2015 in September, 2017.

The Company was once again recognized for its outstanding performance and contribution to the Ghanaian economy in 2017 after it won some prestigious awards. The Company was adjudged the Best in Quality by the Association of Ghana Industry. Other awards received by the Company were:

- 10th Best Company in Ghana - Ghana Club 100 Awards
- Best in Corporate Social Responsibility - Ghana Energy Awards
- Best in Customer Service and Best Brand in Environment and Safety - The Chamber of Petroleum Consumers Ghana (COPEC – Ghana)
- Best Lubricant of the Year (TOTAL QUARTZ 9000) - Ghana Oil and Gas Awards (GOGA)

Dividend

In October 2017, the Board approved the payment of an interim dividend of GH¢ 0.0631 per share which was paid to Shareholders in December, 2017. At this meeting, the Board will be recommending a final dividend of GH¢ 0.07011 per share before tax in respect of the year ended 31st December, 2017, which will culminate in a total dividend of GH¢ 0.13325 per share to be paid to Shareholders in respect of the same year.

Share Performance

Our share price recorded a +76% change after opening the year at GH¢2.00 and closing at GH¢3.53.

Board Changes

We bring to your notice changes at the Board since our last meeting. The former Chairman Madam Ada Eze resigned last year to take up a new assignment within the Total Group. The Board appointed myself, Mr. Samba Salfal Seye as her replacement.

Mr. Olivier Van Parys, the former Managing Director also resigned to take up a new assignment within the Total Group and the Board appointed Mr. Eric Fanchini as his replacement.

On behalf of the Board of Directors and the Shareholders, I would like to thank Madam Ada Eze and Mr. Olivier Van Parys for their immense contribution to the growth and development of our Company during their term of Directorship and wish them well in their new roles.

It is also my pleasure to introduce a new non-executive Board member who was appointed to the Board on 5th April, 2018. He is Mr. John Mawuli Ababio.

Chairman's Statement cont'd

At this Annual General Meeting, the Board recommends to Shareholders the ratification of the appointment of Messrs. Samba Salfal Seye, Eric Fanchini and, John Mawuli Ababio to the Board and we warmly welcome them to the Board.

The Board also recommends to you for re-election, Ms. Sandrine Saboureau and Mr. Rexford Adomako-Bonsu, who are due to retire by rotation at this meeting and who have 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

Having engaged in business in Ghana for more than 50 years, the Company is constantly seeking new ways of supporting and promoting the social and economic development of this Nation. The Company has thus participated in several initiatives including Road Safety campaigns, Health and Educational sponsorships and programs, all of which are integral to the Company's existence here in Ghana.

Various investments in programs such as the Total Caravan for Safety, Total Safety Cube program for basic schools amongst others, have reached thousands of residents and school children in accident prone areas, and this is helping to educate and save lives.

The Company commissioned a school facility for the Tigboro Jeffiri District Assembly Kindergarten & Primary School located in the Upper West Region (3-unit classroom block with additional facilities such as mechanized borehole to provide potable water). In addition, the Company made several donations to educational institutions such as the Osu Presby Preparatory School, which for instance, benefited from computer donations from the Company. This gesture was with the aim of giving teachers additional resources to effectively equip pupils with computer skills.

With regards to Solar Energy and Development, the Company has been very active in the promotion of Total Awango Solar Lamps. The Company equally provides logistical support to a private business venture, which markets Pay As You Go (PAYG) solar kits through a service network that targets peri-urban and rural markets. Additionally, we have undertaken some surveys towards identifying additional business opportunities for the development of solar. We will continue to pursue new initiatives in 2018 at our sites and within the business community towards positioning ourselves as a new energies solutions provider.

Outlook

Health, Safety and Quality performance of the Company will continue to be closely monitored and will remain Management's priority. Special attention has been placed on Road Safety, Engineering and Maintenance works at sites.

We are convinced that Ghanaian consumers recognize and appreciate us for our high quality products such as the Excellium fuel, lubricants, Bonjour shops, Total cards and the professionalism in our service delivery. We will therefore remain committed to delivering the best quality, product and services at the safest standards.

We are pleased to inform you that the next phase of our outlet modernization program has commenced. We plan to sustain the investment at our sites and also to increase our focus on key accounts requirements. Our strategy aims at providing the highest level of customer satisfaction and operating according to the high standard of ethics and business conduct. We have inducted our suppliers in various initiatives to enable them share in the Group's technical knowledge which no doubt is creating new local business opportunities and improving their level of performance.

The Company, has for many years, endeavored to promote local talents through some key programs such as the Young Dealer Scheme, which offers service station personnel the opportunity of becoming an entrepreneur; as well as the Young Graduate Program which also offers an 18-month training for successful Ghanaian graduates to work under the mentorship of professionals in different areas of the Company or within the Group internationally.

Our continuous growth as a Company depends on our ability to constantly improve the quality of our products and services, to focus on the relationship with our customers, to master our operational efficiency through cost control and discipline, whilst maintaining the highest standards in terms of Health and Safety.

Acknowledgement

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 2017. 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 my colleagues on the Board and the Management and Staff who continue to be dedicated and have worked tirelessly to enable us achieve our objectives.

Thank you very much for your attention and for your presence here today.

Samba Salfal Seye
Chairman

Profile of New Directors To Be Elected

Mr. Samba Salfal Seye

Mr. Samba Salfal Seye is a Senegalese National and holds a Phd. in Fluid Mechanics from the University of Science and Technology of Lille and EUDIL, France.

Mr. Seye joined the Total Group in 2014 after a 20-year career with an oil and gas company where he held various positions including Sales and Operations Manager in West African Countries and Managing Director in Mali, Guinea and Senegal.

His recent working experience includes the following key positions in the Total Group:

- Executive Vice President, West Africa - Total Marketing & Services
- Vice President of Commercial Business for Africa - Total Marketing & Services
- Deputy to the Vice-President, West Africa - Total Marketing & Services
- Project Manager for Strategy, Africa - Total Marketing & Services

Mr. Eric Fanchini

Mr. Eric Fanchini is a French National and holds a degree in International Marketing from the EDHEC Business School in France. Mr. Fanchini joined the Total Group in 2002 after 5 years of professional work with different companies. For the past 16 years, he has held several key positions in the Total Group both in France and abroad.

His recent working experience includes the following key positions:

- Strategy and Senior M&A Project Manager - Total Marketing & Services
- Deputy to the Vice President, West Africa - Total Marketing & Services
- Commercial Director - Total Côte d'Ivoire
- Retail Card Services Manager - Total UK
- Head of IT - Total Marketing & Services, UK
- IT Manager for Total Aviation Business Unit - Total Marketing & Services, France

Mr. John Mawuli Ababio

Mr. John Mawuli Ababio is a Ghanaian National, a private equity specialist and an investment banker. He holds a Masters degree in International Business and Economic Development from the University of Reading, Berkshire, UK. He also holds a degree in Politics, Philosophy and Economics from the University of Keele, Staffordshire, UK.

Mr. Ababio has held positions in African Development Bank, BNP Paribas SIFIDA, Banque Internationale Pour l'Afrique Occidentale (BIAO) and Venture Fund Management Company Limited. His recent working experience includes the following key positions:

- Vice Chairman/Senior Partner - PCM Capital Advisors, Ghana
- Managing Director - Africa Venture Capital Association, Ghana
- Independent Consultant - CDE-Proinvest, Belgium,
- Managing Director - City Savings and Loans Company Limited, Ghana

Notice of Meeting

NOTICE is hereby given that the 42nd Annual General Meeting of the Shareholders of Total Petroleum Ghana Limited will be held at the National Theatre, Liberia Road, Accra on **Tuesday 29th May, 2018** at **11 O'clock in the forenoon.**

AGENDA

ORDINARY RESOLUTION

1. To receive and adopt the Reports of the Directors, External Auditor and the Financial Statements of the Company for the year ended 31st December, 2017.
2. To declare Final Dividend in respect of the year ended 31st December, 2017.
3. To ratify the appointment of Directors.
4. To re-elect Directors retiring by rotation.
5. To approve the remuneration of the Directors.
6. To authorise the Directors to fix the remuneration of the External Auditor.

Dated this 27th day of March, 2018

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, 25 Liberia Road, Total House, P. O. Box 553, Accra not less than **48 hours** before the appointed time of the meeting. Failure to submit the forms before the 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.

Report of the Directors

To the Members of Total Petroleum Ghana Limited

Directors responsibility statement

The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view of Total Petroleum Ghana Limited, comprising the statements of financial position at 31 December 2017, 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, 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 subsidiaries 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

Group	2017	2016	2015	2014	2013
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Revenue	1,858,478	1,661,615	1,793,752	1,657,841	1,338,155
Profit before tax	45,547	37,283	60,359	44,436	47,576
Profit after tax	32,632	23,402	46,718	32,859	36,545
Basic and diluted earnings per share (GH¢ per share)	0.3117	0.2706	0.4184	0.2861	0.3233
Company					
Revenue	1,848,493	1,652,250	1,793,752	1,657,841	1,338,155
Profit before tax	49,110	52,158	59,590	41,801	46,737
Profit after tax	36,195	38,277	45,212	30,960	35,706
Basic and diluted earnings per share (GH¢ per share)	0.3235	0.3421	0.4041	0.2767	0.3192

Report of the Directors cont'd

To the Members of Total Petroleum Ghana Limited

Financial statements and dividend

The financial results for the year ended 31 December 2017 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		34,871		36,195
which when added to the balance brought forward on				
the income surplus account of		98,116		103,017
gives a total of		132,987		139,212
out of which is deducted the following dividends				
declared and paid: final dividend for 2016	12,843		12,843	
interim dividend for 2017	7,059		7,059	
		19,902		19,902
leaving a balance to be carried forward on the income				
surplus account of		113,085		119,310

The Directors recommend the payment of a final dividend of GH¢ 0.07011 per share, amounting to GH¢ 7,843,491, for the 2017 financial year. This brings the total dividend for the financial year to GH¢ 0.13325 per share, amounting to GH¢ 14,907,220 (2016; GH¢ 0.205 per share, amounting to GH¢ 22,934,185).

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

Going concern consideration

The Group's current liabilities exceeded current assets by GH¢ 144,787,000 (2016: GH¢ 94,898,000) at year ended 31 December 2017. As at that date, the Company's current liabilities also exceeded its current assets by GH¢ 128,389,000 (2016: GH¢ 79,882,000).

The net current liability position at the year end is as a result of increased investments which are expected to generate future revenues for the Company. 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 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.

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, 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.

Report of the Directors cont'd

To the Members of Total Petroleum Ghana Limited

Road Safety Limited

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

Related party transactions

Related party transactions, including Directors' interests in the shares of the Company and Directors' remuneration, are disclosed in Note 25 to this 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.

Board of Directors

Profile

Non-executive	Qualification	Outside board and management position
Mr. Kofi Ampim	Masters Degree	Chairman at Societe General Bank Limited, Belstar Capital Ltd., and Chairman, Allianz Life Insurance Co. Ghana Ltd.
Mr. Rexford Adomako-Bonsu	Bsc., M.A., MBA	Executive Director, Worldwide Investment Limited. Chairman, Alliance Insurance (General Business)
Mr. Samba Salfal Seye	Phd. Engineering	Executive Vice President of Total Marketing & Services, France
Mr. Gerard Pruneau	Masters Degree	General Secretary, Africa Division of Total Marketing & Services, West Africa
Madam Sandrine Saboureau	Masters Degree	Head of Governance, Consulting & Financial Control, Total Head Office, France
Mr. Stanislas Mittelman	Masters Degree	Senior Vice-President, Total Marketing and Services, Africa Division
Executive		
Mr. Eric Fanchini	Masters Degree	Director, Ghanstock Limited, Tema Lube Oil Co. Ltd., Road Safety Ltd., Ghana Bunkering Services Ltd.

Biographical information of directors

Age category	Number of directors
Up to – 40 years	-
41 – 60 years	5
Above 60 years	2

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 governance. It provides the leadership necessary for the Group and Company to meet its business objectives within the framework of its internal controls, while also discharging the Group's obligations to its shareholders.

Report of the Directors cont'd

To the Members of Total Petroleum Ghana Limited

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 the Managing Director and 7 senior managers.

Internal control systems

The Directors are responsible for the Group'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 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 the Management Committee. The Management structure has a clear framework and is governed by precise organisational procedures, in which all staff is 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 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 possible, 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 has 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 Ethics

Corporate Social Responsibility activities can be found in Appendix 2.

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 incident 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 27 March, 2018 and signed on their behalf by;

DIRECTOR

DIRECTOR

Independent Auditor's Report

To the Members of Total Petroleum Ghana Limited

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 at 31 December 2017, 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 16 to 49.

In our opinion, these financial statements give a true and fair view of the consolidated and separate financial position of Total Petroleum Ghana Limited at 31 December 2017, 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. The recoverability of outstanding amounts from some customers may be in doubt.	Our principal audit procedures included the following: • Tested the relevant controls over the financial reporting related to the receivables collection processes. We focused on controls over: the recording of credit sales transactions and the credit granting process, including determination and approval of credit limits; • Tested receipt of cash after the year end by reviewing the bank statements and customer accounts; • Tested the adequacy of impairment allowance made against trade receivables by assessing management's assumptions, taking account of externally available data on trade credit exposures and knowledge of the industry; • Reviewed adequacy of the disclosures about the degree of estimation involved in arriving at the impairment allowance; • We assessed the reasonableness of impairment allowance on doubtful debt including a review of consistency of information and accuracy of inputs; and • We also assessed the adequacy of disclosures of its receivables policy and other related disclosures.

Independent Auditor's Report cont'd

To the Members of Total Petroleum Ghana Limited

Revenue

Refer to Note 6 to the consolidated and separate financial statements

The key audit matter	How the matter was addressed in our audit
The Group and Company have multiple streams of revenue from the sale of petroleum products. These products are sold to customers based on negotiated prices. Thus, the same products are sold to different customers at different prices. Revenue is recognised for each transaction based on the negotiated price which may not be appropriately applied.	Our principal audit procedures included the following: • Identified relevant controls over the revenue recognition process and evaluated the design and implementation, where possible we tested the operating effectiveness of these controls. We focused on controls over: system access to initiate, process, authorise and record sales transactions; authorization of master price list and system configuration of quantities invoiced matching to quantities ordered; • Searched for fictitious customers by assessing the reliability and integrity of customer master data; • 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; • We assessed whether appropriate revenue recognition policies were applied through comparison with accounting standards; and • We also assessed the adequacy of the Group and Company's disclosures of its revenue recognition policy and other related disclosures.

Other Information

The Directors are responsible for the other information. The other information comprises the Report of the Directors as required by the Companies Act, 1963 (Act 179), which we obtained prior to the date of this auditor's report, and the Chairman's statement, which is expected to be made available to us after that date. 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 identified above when it becomes available 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 obtained prior to the date of this auditor's report, 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.

Independent Auditor's Report cont'd

To the Members of Total Petroleum Ghana Limited

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

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For and on behalf of:

KPMG: (ICAG/F/2018/038)

CHARTERED ACCOUNTANTS

13 YIYIWA DRIVE, ABELENKPE

P. O. BOX GP 242

ACCRA

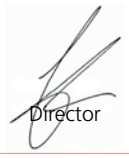
27th March, 2018

Statements of Financial Position

At 31 December 2017

		Group 2017	Group 2016	Company 2017	Company 2016
Assets	Note	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Property, plant and equipment	12	305,620	260,113	241,565	189,892
Intangible assets and goodwill	13	13,198	13,364	13,116	13,254
Investment in subsidiary	15(b)	-	-	6,274	6,274
Investment in associates	15(a)	3,526	2,115	12	12
Leasehold prepayments	14	1,452	212	1,452	212
Deferred tax asset	11	-	82	-	82
Long term leases	26	44,073	28,648	44,073	28,648
Total non-current assets		**367,869**	**304,534**	**306,492**	**238,374**
Inventories	16	82,378	69,588	82,026	69,236
Current tax asset	10(ii)	15,530	9,462	15,530	9,462
Trade and other receivables	17	218,734	165,549	216,652	162,868
Amounts due from related companies	25	5,681	2,356	11,171	7,853
Cash and cash equivalents	18	30,281	12,436	28,933	11,739
Total current assets		**352,604**	**259,391**	**354,312**	**261,158**
Total assets		**720,473**	**563,925**	**660,804**	**499,532**
Equity					
Stated capital	19	51,222	51,222	51,222	51,222
Income surplus		113,085	98,116	119,310	103,017
Non-controlling interest	33	(2,835)	(596)	-	-
Total equity		**161,472**	**148,742**	**170,532**	**154,239**
Liabilities					
Bank overdraft	18	79,520	44,880	79,520	44,880
Loans and borrowings	22	7,535	3,558	-	-
Trade and other payables	21	330,128	265,508	326,968	259,297
Amount due to related companies	25	80,208	40,343	76,213	36,863
Total current liabilities		**497,391**	**354,289**	**482,701**	**341,040**
Loans and borrowings	22	54,039	56,641	-	-
Deferred tax liability	11	2,258	-	2,258	-
Provisions	23	5,313	4,253	5,313	4,253
Total non-current liabilities		**61,610**	**60,894**	**7,571**	**4,253**
Total liabilities		**559,001**	**415,183**	**490,272**	**345,293**
Total liabilities and equity		**720,473**	**563,925**	**660,804**	**499,532**

These financial statements were approved by the Board of Directors on 27 March 2018 and signed on their behalf by:



Director

Director

The notes on page 20 to 49 form an integral part of these financial statements.

Statements of Profit or Loss & Other Comprehensive Income

For The Year Ended 31 December 2017

	Note	Group 2017 GH¢'000	Group 2016 GH¢'000	Company 2017 GH¢'000	Company 2016 GH¢'000
Revenue	6	1,858,478	1,661,615	1,848,493	1,652,250
Cost of sales	8	(1,677,236)	(1,499,083)	(1,672,113)	(1,491,717)
Gross profit		181,242	162,532	176,380	160,533
Other income	7	16,415	12,111	16,371	12,111
General, administrative and selling expense	8	(137,770)	(114,108)	(131,999)	(107,544)
Operating profit before financing costs/ income		59,887	60,535	60,752	65,100
Finance income	32	382	114	382	114
Finance costs	32	(16,133)	(23,770)	(12,024)	(13,056)
Share of profit from associate, net of tax	15(a)	1,411	404	-	-
Profit before taxation	8	45,547	37,283	49,110	52,158
Income tax expense	10(i)	(12,915)	(13,881)	(12,915)	(13,881)
Profit for the year		32,632	23,402	36,195	38,277
Other comprehensive income		-	-	-	-
Total comprehensive income		**32,632**	**23,402**	**36,195**	**38,277**
Profit/total comprehensive income attributed to:					
Owners of the Company		34,871	30,277	-	-
Non-controlling interest		(2,239)	(6,875)	-	-
Basic earnings per share (Ghana cedi per share)	20	0.3117	0.2706	0.3235	0.3421
Diluted earnings per share (Ghana cedi per share)	20	0.3117	0.2706	0.3235	0.3421

The notes on page 20 to 49 form an integral part of these financial statements.

Statements of Changes In Equity

For The Year Ended 31 December 2017

Group	Stated Capital GH¢'000	Income Surplus GH¢'000	Non- Controlling Interest GH¢'000	Total Equity GH¢'000
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**
Balance at 1 January 2016	51,222	90,807	6,279	148,308
Total comprehensive income for the year				
Profit for the year	-	30,277	(6,875)	23,402
Total comprehensive income for the year	**-**	**30,277**	**(6,875)**	**23,402**
Transaction with equity holders				
Dividend paid	-	(22,968)	-	(22,968)
Total transactions with equity holders	**-**	**(22,968)**	**-**	**(22,968)**
Balance at 31 December 2016	**51,222**	**98,116**	**(596)**	**148,742**

Company	Stated Capital GH¢'000	Income Surplus GH¢'000	Total Equity GH¢'000
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**
Balance at 1 January 2016	51,222	87,708	138,930
Total comprehensive income for the year			
Profit for the year	-	38,277	38,277
Total comprehensive income for the year	**-**	**38,277**	**38,277**
Transaction with equity holders			
Dividend paid	-	(22,968)	(22,968)
Total transactions with equity holders	**-**	**(22,968)**	**(22,968)**
Balance at 31 December 2016	**51,222**	**103,017**	**154,239**

The notes on page 20 to 49 form an integral part of these financial statements.

Statements of Cash Flows

For The Year Ended 31 December 2017

	Notes	Group 2017 GH¢'000	Group 2016 GH¢'000	Company 2017 GH¢'000	Company 2016 GH¢'000
Cash flows from operating activities					
Profit after taxation		32,632	23,402	36,195	38,277
Adjustments for:					
Foreign exchange loss		4,968	3,035	2,105	3,035
Depreciation charges	12	26,874	21,419	21,619	15,358
Amortisation of leasehold prepayment	14	69	47	69	47
Amortisation of intangible assets	13(a)	198	197	170	169
Amortisation of long term lease	26	2,893	2,175	2,893	2,175
Interest income	32	(382)	(114)	(382)	(114)
Provision	23	1,060	(2,555)	1,060	(2,555)
Interest expense	32	16,133	23,770	12,024	13,056
Tax expense	10(i)	12,915	13,881	12,915	13,881
Profit on disposal of plant and equipment	12	(1,014)	(1,467)	(1,014)	(1,467)
Share of profit from associate	15(a)	(1,411)	(404)	-	-
		94,935	**83,386**	**87,654**	**81,862**
Change in inventories		(12,790)	15,095	(12,790)	15,447
Change in trade and other receivables		(49,750)	(4,424)	(50,744)	(2,099)
Change in trade and other payables		65,757	59,268	67,972	53,339
Change in related party balances		35,515	5,455	35,121	(1,193)
Cash generated from operations		133,667	158,780	127,213	147,356
Interest received	32	382	114	382	114
Interest paid		(15,040)	(23,770)	(12,024)	(13,056)
Income taxes paid	10(ii)	(16,643)	(15,749)	(16,643)	(15,749)
Net cash flow from operating activities		**102,366**	**119,375**	**98,928**	**118,665**
Cash flows from investing activities					
Purchase of property, plant and equipment	12	(74,574)	(84,286)	(74,574)	(78,358)
Purchase of software	13(a)	(32)	(138)	(32)	-
Proceeds from sale of plant and equipment	12	2,296	6,228	2,296	6,228
Payment for leasehold premium	14	(1,309)	-	(1,309)	-
Principal payment for leases contracted	26	(22,731)	(5,725)	(22,731)	(5,725)
Net cash flow used in investing activities		**(96,350)**	**(83,921)**	**(96,350)**	**(77,855)**
Cash flows from financing activities					
Dividend paid		(19,902)	(22,968)	(19,902)	(22,968)
(Payments)/proceeds for new loans		(2,770)	4,518	-	-
Net cash flow used in financing activities		**(22,672)**	**(18,450)**	**(19,902)**	**(22,968)**
Net (decrease)/increase in cash and cash equivalents		**(16,656)**	**17,004**	**(17,324)**	**17,842**
Analysis of changes in cash and cash equivalents during the year					
Balance at 1 January		(32,444)	(50,316)	(33,141)	(51,851)
Net (decrease)/increase in cash and cash equivalents		(16,656)	17,004	(17,324)	17,842
Effect of foreign exchange fluctuation on cash held		(139)	868	(122)	868
Balance at 31 December	18	**(49,239)**	**(32,444)**	**(50,587)**	**(33,141)**
Analysis of balances of cash and cash equivalents as shown in the balance sheet					
Cash and bank balances **(Note 18)** ***		(49,239)	(32,444)	(50,587)	(33,141)

*** Cash and cash equivalents include bank overdrafts that are repayable on demand and form an integral part of the Group and Company's cash management.

The notes on page 20 to 49 form an integral part of these financial statements.

Notes to The Financial Statements

For The Year Ended 31 December 2017

1. Reporting entity

Total Petroleum Ghana Limited ("the Company" or "the Group") 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 financial statements of the Group and Company as at and for the year ended 31 December 2017 comprise the the consolidated and seperate financial statements of the Company.

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.

b. Basis of measurement

These financial statements have been prepared under the historical cost convention except for financial instruments that are measured at fair value.

c. Functional and presentation 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 tax assets
- Note 23 recognition and measurement of provisions, impairment and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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. 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.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

3. Significant accounting policies (cont'd)

a. Basis of consolidation (cont'd)

(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 less any impairment 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 in the consolidated financial statements.

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 (except foreign currency transactions gains or losses) 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.

(i) Non derivative financial assets and financial liabilities – recognition and derecognition

The Group initially recognises loans and receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises 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 is recognised as a separate asset or liability.

The Group derecognises 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 has 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.

(ii) Non derivative financial assets – measurement

Loans and receivables comprise cash and cash equivalents, trade receivables, amounts due from related companies and other receivables. Cash and cash equivalents comprise cash on hand, bank balances, bank overdraft and highly liquid short term investments that are easily convertible into known amounts of cash and are subject to insignificant risks of changes in value.

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.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

3. Significant accounting policies (cont'd)

b. Financial instruments (cont'd)

(iii) Non derivative financial liabilities – measurement

Non derivative financial liabilities include interest bearing loans and borrowings, amounts due to related companies and trade and other payables. Non derivative financial liabilities are recognised at fair value less directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

c. Impairment of financial assets

(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 on terms that the Group 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 considers 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 uses 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 considers 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.

(ii) Non financial assets

At each reporting date, the Group reviews 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 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.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

3. Significant accounting policies (cont'd)

d. Leases

(i) Leased assets

Assets held by the Group under leases that transfer to the Group 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.

(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 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 will obtain ownership by the end of the lease term.

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

Distribution Plants and Service Stations	10 -20 years
Furniture, Equipment and Motor Vehicles	5 -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.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

3. Significant accounting policies (cont'd)

f. Intangible assets (cont'd)

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. Foreign exchange differences arising on translation are recognised in profit 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 has 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 has the following defined contribution schemes:

Social Security and National Insurance Trust

Under a national pension scheme, the Group contributes 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'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 has 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.

j. Provisions

A provision is recognised when the Group has 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.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

3. Significant accounting policies (cont'd)

k. Revenue

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.

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.

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.

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 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 presents 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.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

3. Significant accounting policies (cont'd)

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 standards and interpretations issued not yet effective

There are new or revised Accounting Standards and Interpretations in issue that are not yet effective. These include the following Standards and Interpretations that are applicable to the business of the entity and may have an impact on future financial statements: The Group does not plan to adopt these standards early.

- *IFRS 9 Financial Instruments*

On 24 July 2014, the IASB issued the final IFRS 9 Financial Instruments Standard, which replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement.

This changes to the standard include, changes in the measurement bases of the Group's financial assets to amortised cost, fair value through other comprehensive income or fair value through profit or loss. Even though these measurement categories are similar to IAS 39, the criteria for classification into these categories are significantly different. In addition, the IFRS 9 impairment model has been changed from an "incurred loss" model from IAS 39 to an "expected credit loss" model, which is expected to increase the provision for bad debts recognised by the Group. No assessment has been carried out to determine the impact of the new standard on the Group therefore the impact is unknown.

The standard is effective for annual periods beginning on or after 1 January 2018 with retrospective application, early adoption is permitted.

- *IFRS 15 Revenue from contracts with customers*

This standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC 31 Revenue – Barter of Transactions Involving Advertising Services.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract based five step analysis of transactions to determine whether, how much and when revenue is recognised.

This new standard includes a possible change in the timing of when revenue is recognised and the amount of revenue recognised. No assessment has been carried out to determine the impact of the new standard on the Group therefore the impact is unknown.

The standard is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted.

- *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.

The Group 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.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

3. Significant accounting policies (cont'd)

s. Borrowing costs (cont'd)

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.

4. Determination of fair values

A number of the Group'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 measurement and/or 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

The fair value of trade and other receivables 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) Cash and cash equivalents

Cash and cash equivalents include cash on hand and bank balances and highly liquid financial assets with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments.

(iii) Non derivitive 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.

The Group measures fair values using the following fair value hierarchy, which reflects the significance of inputs used in making the measurements.

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

5. Segment reporting

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

The following describes the operations of each reportable segment.

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

The Group's results, 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.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

5. Segment reporting (cont'd)

The Group does not have a geographical segment.

	Network	Commercial	Others	Group 2017 Total	Company 2017 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	

	Network	Commercial	Others		Total
****Company 2017**	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)

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

5. Segment reporting (cont'd)

	Network	Commercial	Others	Group 2016 Total	Company 2016 Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Revenue	1,089,234	440,037	132,344	1,661,615	1,652,250**
Cost of sales	(983,404)	(397,283)	(118,396)	(1,499,083)	(1,491,717)**
Gross profit				162,532	160,533
Other income				12,111	12,111
Results before general and administrative expenses				174,643	172,644
Unallocated expenses				(114,108)	(107,544)
Results from operating activities				60,535	65,100
Net finance costs				(23,656)	(12,942)
Share of profit from associate				404	-
Profit before tax				37,283	52,158
Income tax				(13,881)	(13,881)
Profit for the year				**23,402**	**38,277**
Total assets				**563,925**	**499,532**
Total liabilities				**415,183**	**345,293**
Other segment items					
Depreciation and amortisation				**23,838**	**17,749**

**Company 2016	Network	Commercial	Others	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Revenue	1,089,234	440,037	122,979	1,652,250
Cost of sales	(983,404)	(397,283)	(111,030)	(1,491,717)

6. Revenue

	Group 2017	Group 2016	Company 2017	Company 2016
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Network	1,263,413	1,089,234	1,263,413	1,089,234
Commercial	478,714	440,037	478,714	440,037
Others	116,351	132,344	106,366	122,979
Gross sales value	**1,858,478**	**1,661,615**	**1,848,493**	**1,652,250**

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

7. Other income

	Group 2017 GH¢'000	Group 2016 GH¢'000	Company 2017 GH¢'000	Company 2016 GH¢'000
Rent income	3,455	4,581	3,455	4,581
Profit on disposal of plant and equipment	1,014	1,467	1,014	1,467
Sundry income	11,946	6,063	11,902	6,063
	16,415	**12,111**	**16,371**	**12,111**

8. Profit before taxation is stated after charging

Cost of sales				
Inventory movement	938,949	743,886	938,949	743,886
Transportation	67,230	52,772	67,230	52,772
Import duties	576,055	640,202	576,055	640,202
Other costs	95,002	62,223	89,879	54,857
	1,677,236	**1,499,083**	**1,672,113**	**1,491,717**
General, administrative and selling expense				
Personnel costs **(note 9)**	35,522	29,484	34,451	28,704
Auditor's remuneration	245	182	179	136
Depreciation	22,061	15,473	21,619	15,357
Amortisation of software	267	244	239	216
Directors' emoluments	1,478	1,308	1,478	1,308
Donations	856	319	856	319
Technical assistance	14,318	11,754	14,318	11,754
Maintenance cost	11,399	11,237	11,279	11,134
Rental cost	9,888	7,514	9,832	7,424
Other cost	41,736	36,593	37,748	31,192
	137,770	**114,108**	**131,999**	**107,544**

9. Personnel costs

Wages and salaries	23,316	19,285	22,442	18,605
Social security contributions	1,359	1,183	1,338	1,163
Provident fund (Defipro)	1,025	901	1,025	901
Other staff expenses	9,822	8,115	9,646	8,035
	35,522	**29,484**	**34,451**	**28,704**

The average number of persons employed by the Group during the year was 182 (2016: 178)

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

10. Taxation

(i) Income tax expense

	Group 2017 GH¢'000	Group 2016 GH¢'000	Company 2017 GH¢'000	Company 2016 GH¢'000
Current tax expense **(note 10(ii))**	10,575	12,293	10,575	12,293
Deferred tax expense **(note 11)**	2,340	1,588	2,340	1,588
	12,915	13,881	12,915	13,881

Deferred tax expense relates to the origination and reversals of temporary differences.

Group and Company

(ii) Taxation payable/ (receivable)

	Balance at 01/01/2017 GH¢'000	Payments during the year GH¢'000	Charged to P/L account GH¢'000	Balance at 31/12/2017 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 liabilities 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 2017 GH¢'000	Group 2016 GH¢'000	Company 2017 GH¢'000	Company 2016 GH¢'000
Profit before taxation	45,547	37,283	49,110	52,158
Income tax using the domestic tax rate (25%)	11,387	9,321	12,278	13,040
Non-deductible expenses	1,528	4,560	637	841
Total tax charge	12,915	13,881	12,915	13,881
Effective tax rate	28%	37%	26%	27%

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

11. Deferred Taxation

	Group 2017 GH¢'000	Group 2016 GH¢'000	Company 2017 GH¢'000	Company 2016 GH¢'000
Balance at 1 January	(82)	(1,670)	(82)	(1,670)
Credit/(charge) to profit or loss for the year	2,340	1,588	2,340	1,588
Balance at 31 December	2,258	(82)	2,258	(82)

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

	2017			2016		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Group	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Property, plant and equipment	-	8,384	8,384	-	5,091	5,091
Other items	(6,126)	-	(6,126)	(5,173)	-	(5,173)
Net tax (assets)/liabilities	(6,126)	8,384	2,258	(5,173)	5,091	(82)
Company						
Property, plant and equipment	-	8,384	8,384	-	5,091	5,091
Provisions	(6,126)	-	(6,126)	(5,173)	-	(5,173)
Net tax (assets)/liabilities	**(6,126)**	**8,384**	**2,258**	**(5,173)**	**5,091**	**(82)**

12. Property, plant and equipment

Group	Leasehold properties	Distribution plants & Service stations	Motor vehicles	Furniture & Equipment	Capital work-in-progress	Total
2017	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 Limited which has been assessed by the Ghana Revenue Authority as claimable in current year. The amount has therefore been adjusted from the cost of property, plant and equipment.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

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

Group

2016	Leasehold properties GH¢'000	Distribution plants & Service stations GH¢'000	Motor vehicles GH¢'000	Furniture & Equipment GH¢'000	Capital work-in-progress GH¢'000	Total GH¢'000
Cost						
At 1/1/2016	49,158	159,230	4,841	11,213	41,578	266,020
Additions	5,108	22,991	1,591	469	54,127	84,286
Transfers	13,643	18,899	1,292	692	(34,526)	-
Disposals	(983)	(3,869)	(306)	(589)	-	(5,747)
At 31/12/2016	**66,926**	**197,251**	**7,418**	**11,785**	**61,179**	**344,559**
Accumulated depreciation						
At 1/1/2016	15,026	40,895	1,504	6,588	-	64,013
Charge for the year	3,785	14,879	1,652	1,103	-	21,419
Released on disposals	(72)	(870)	(41)	(3)	-	(986)
At 31/12/2016	**18,739**	**54,904**	**3,115**	**7,688**	**-**	**84,446**
Carrying amount						
At 31/12/2016	**48,187**	**142,347**	**4,303**	**4,097**	**61,179**	**260,113**

Company

2017	Leasehold properties GH¢'000	Distribution plants & Service stations GH¢'000	Motor vehicles GH¢'000	Furniture & Equipment GH¢'000	Capital work-in-progress GH¢'000	Total 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**

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

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

Company

2016	Leasehold properties	Distribution plants & Service stations	Motor vehicles	Furniture & Equipment	Capital work-in-progress	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Cost						
At 1/1/2016	49,158	89,247	4,619	11,055	41,578	195,657
Additions	5,108	17,397	1,591	409	53,853	78,358
Transfers	13,643	18,899	1,292	692	(34,526)	-
Disposals	(983)	(3,869)	(306)	(589)	-	(5,747)
At 31/12/2016	**66,926**	**121,674**	**7,196**	**11,567**	**60,905**	**268,268**
Accumulated depreciation						
At 1/1/2016	15,026	40,894	1,499	6,585	-	64,004
Charge for the year	3,058	9,661	1,596	1,043	-	15,358
Released on disposals	(72)	(870)	(41)	(3)	-	(986)
At 31/12/2016	**18,012**	**49,685**	**3,054**	**7,625**	**-**	**78,376**
A Carrying amount t 31/12/2016	**48,914**	**71,989**	**4,142**	**3,942**	**60,905**	**189,892**

Profit on disposal of plant and equipment

	Group and Company	
	2017	2016
	GH¢'000	GH¢'000
Cost	1,403	5,747
Accumulated depreciation	(121)	(986)
Net book value	1,282	4,761
Sale proceeds	(2,296)	(6,228)
Profit on disposal	**(1,014)**	**(1,467)**

(a) Assets under construction (capital work-in-progress)

The balance of GH¢ 55,604,000 (2016: GH¢60,905,000) for the Company relates to the construction of new service stations and major renovations to existing service stations.

(b) Security

Ghanstock Limited's Tank Farm, amounting to GH¢ 59,445,431 has been pledged as a security for the bank loan (see note 22).

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

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

13. Intangible assets and goodwill

	Group 2017 GH¢'000	Group 2016 GH¢'000	Company 2017 GH¢'000	Company 2016 GH¢'000
Software (Note 13[a])	1,115	1,281	1,033	1,171
Goodwill (Note 13[b])	12,083	12,083	12,083	12,083
	13,198	**13,364**	**13,116**	**13,254**

(a) Software

Group

	2017 GH¢'000	2016 GH¢'000
Cost		
Balance at 1 January	2,976	2,838
Additions	32	138
Balance at 31 December	**3,008**	**2,976**
Amortisation		
Balance at 1 January	1,695	1,498
Amortisation for the year	198	197
Balance at 31 December	**1,893**	**1,695**
Carrying amount at 31 December	**1,115**	**1,281**
Company		
Cost		
Balance at 1 January	2,838	2,838
Additions	32	-
Balance at 31 December	**2,870**	**2,838**
Amortisation		
Balance at 1 January	1,667	1,498
Amortisation for the year	170	169
Balance at 31 December	**1,837**	**1,667**
Carrying amount at 31 December	**1,033**	**1,171**

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

13. Intangible assets and goodwill cont'd

(b) Goodwill

	Group and Company	
	2017	2016
Cost	GH¢'000	GH¢'000
Balance at 1 January	15,092	15,092
Balance at 31 December	15,092	15,092
Impairment		
Balance at 1 January	3,009	3,009
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	
	2017	2016
Cost	GH¢'000	GH¢'000
Balance at 1 January	467	467
Additions	1,309	-
Balance at 31 December	1,776	467
Amortisation		
Balance at 1 January	255	208
Amortisation for the year	69	47
Balance at 31 December	324	255
Carrying amount at 31 December	1,452	212

15. Investment in associates and subsidiaries

(a) Associates

	Group		Company	
	2017	2016	2017	2016
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Investments in associated companies				
At 1 January:				
Ghana Bunkering Services Limited (GBS)	2,115	1,711	12	12
Road Safety Limited (RSL) *	-	-	-	-
Share of profit from GBS	1,411	404	-	-
At 31 December	3,526	2,115	12	12

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

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

15. Investment in associates and subsidiaries cont'd

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 investment in associates is represented by:

Ghana Bunkering Services Limited (GBS)

The investment in Ghana Bunkering Services 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 trucks hauling petroleum products.

The table below summarises the net income and net assets of all the associates at the end of the year.

	Total 2017 GH¢'000	Group's Share 2017 GH¢'000	Total 2016 GH¢'000	Group's share 2016 GH¢'000
Net income:				
Ghana Bunkering Services Limited	2,909	1,411	793	385
Road Safety Limited	76	38	90	45
	2,985	**1,449**	**883**	**430**
Net assets:				
Ghana Bunkering Services Limited	7,369	3,574	4,652	2,256
Road Safety Limited	772	386	667	334
	8,141	**3,960**	**5,319**	**2,590**

(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

	2017 GH¢'000	2016 GH¢'000	2017	2016
Investment in subsidiary	**6,274**	**6,274**	**55%**	**55%**

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

16. Inventories

	Group 2017 GH¢'000	Group 2016 GH¢'000	Company 2017 GH¢'000	Company 2016 GH¢'000
Trading				
Lubricants	45,245	34,826	45,245	34,826
Bitumen	1,530	3,718	1,530	3,718
Fuel	4,861	7,913	4,861	7,913
Additives	13,963	10,731	13,963	10,731
Stock in transit	7,770	4,192	7,770	4,192
Special fluid	1,840	1,489	1,840	1,489
	75,209	**62,869**	**75,209**	**62,869**
Non-Trading				
Consumables	3,025	3,001	2,673	2,649
Packing materials	4,144	3,718	4,144	3,718
	82,378	**69,588**	**82,026**	**69,236**

17. Trade & other receivables

Trade receivables	201,285	153,438	199,556	151,013
Other receivables	9,464	11,716	9,406	11,716
Prepayments	7,985	395	7,690	139
	218,734	**165,549**	**216,652**	**162,868**

The maximum amount due from staff during the year was approximately GH¢2,310,280 (2016: GH¢2,439,560).
Information about the Group exposure to credit and market risk and impairment loss for trade and other receivables is included in note 24(ii)

18. Cash and cash equivalents

	Group 2017 GH¢'000	Group 2016 GH¢'000	Company 2017 GH¢'000	Company 2016 GH¢'000
Cash at hand**	3	-	-	-
Cash at bank	30,278	12,436	28,933	11,739
Cash and bank balances	30,281	12,436	28,933	11,739
Bank overdrafts used for cash management	(79,520)	(44,880)	(79,520)	(44,880)
Cash and cash equivalents in statements of cash flows	(49,239)	(32,444)	(50,587)	(33,141)

**Cash at hand for both Group and Company for the year ended 31 December 2016 was less than GH¢ 1,000 and is showing as nil as a result of rounding.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

19. Stated capital

	Group and Company		Group and Company	
	2017	2017	2016	2016
		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.

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 2017	Group 2016	Company 2017	Company 2016
Profit attributable to equity holders of the Company (expressed in GH¢'000)	34,871	30,277	36,195	38,277
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)	0.3117	0.2706	0.3235	0.3421
Diluted earnings per share (expressed in GH¢ per share)	0.3117	0.2706	0.3235	0.3421

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 2017 and 2016, the Group and Company had no dilutive potential ordinary shares.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

21. Trade and other payables

	Group 2017 GH¢'000	Group 2016 GH¢'000	Company 2017 GH¢'000	Company 2016 GH¢'000
Trade payables	200,079	180,569	197,653	180,569
Non-trade payables	122,267	77,996	121,742	72,360
Accrued expenses	7,782	6,943	7,573	6,368
	330,128	**265,508**	**326,968**	**259,297**

22. Loans and borrowings

Current				
Secured bank loans	**7,535**	**3,558**	-	-
Non-current				
Secured bank loans	**54,039**	**56,641**	-	-

Terms and debt repayment schedule

Group

	Nominal interest	Currency	Year of maturity	31-Dec-17 Carrying value GH¢'000	Fair value GH¢'000
Secured bank loans	7.19%	US$	2023	61,574	62,312

	Nominal interest	Currency	Year of maturity	31-Dec-16 Carrying value GH¢'000	Fair value GH¢'000
Secured bank loans	7.16%	US$	2023	60,199	62,412

The loan is a Barclays Bank (Ghana) Limited facility obtained for the construction of a Tank Farm at Takoradi, Ghana. Management renegotiated and converted the facility from Ghana cedi to United States Dollar loan in 2016. The amended 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 property title WR.412/13 situated at Takoradi, Ghana

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

23. Provisions

	Group and Company	
	2017	2016
	GH¢'000	GH¢'000
Balance at 1 January	4,253	6,808
Provisions made during the year	1,285	-
Amounts utilised	(225)	(2,555)
	5,313	4,253

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

The outstanding provision represents leave accrual and legal provision of GH¢2,757,000 (2016:1,697,000) and provision for long term service awards of GH¢2,556,000 (2016:2,556,000).

24. Financial instruments

(i) Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

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

Risk management framework

The Group's board of directors has 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's risk management policies are established to identify and analyse risks faced by the Group, 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, 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'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's key risks and risk management capability; sets standards on governance and compliance; and provides assurance over the quality of the Group's internal control and management of key risks.

(ii) Credit risk

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

Exposure to credit risk

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

Trade and other receivables

The Group'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's standard payment terms and conditions are offered. The Group generally trades with pre-defined 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

The Group establishes 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.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

24. Financial instruments cont'd

The aging of trade receivables at the reporting date was:

	Group 2017 Gross GH¢'000	Group 2016 Gross GH¢'000	Company 2017 Gross GH¢'000	Company 2016 Gross GH¢'000
Neither past due nor impaired (less than 30 days)	157,873	150,096	156,144	150,096
Past due (30-90 days)	32,340	18,002	32,340	18,002
Individually impaired (more than 90 days)	30,263	32,664	30,263	32,664
Gross receivable	220,476	200,762	218,747	200,762
Impairment	(19,191)	(16,440)	(19,191)	(16,440)
	201,285	**184,322**	**199,556**	**184,322**

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.

The movement in the allowance in respect of trade receivables during the year was as follows:

	Group and Company 2017 GH¢'000	Group and Company 2016 GH¢'000
Balance at 1 January	16,440	13,170
Impairment loss recognised in profit or loss	2,751	3,270
Balance at 31 December	**19,191**	**16,440**

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

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¢ 30,281,000 (2016: GH¢12,436,000) 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¢ 28,933,000 (2016: GH¢11,739,000) at the reporting date with banks which are assessed as having a relatively good credit rating.

Amounts 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:

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

24. Financial instruments cont'd

(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 2018.

(b) Standard Chartered Bank Ghana Limited

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 February 2018.

(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 January 2018.

(d) Barclays Bank Ghana Limited

The Company has an unsecured overdraft facility of GH¢10 million with Barclays Bank Ghana Limited to finance working capital.

(e) Stanbic Bank Limited

The Company has an unsecured overdraft facility of GH¢18 million with Stanbic Bank Limited to finance working capital.

(f) GCB Bank Limited

The Company has an unsecured overdraft facility of GH¢17 million with Ghana Commercial Bank Limited to finance working capital. The facility expires on 8 December 2018.

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	Carrying amounts	Contractual Cashflows	1 year or less	1 to 2 years	2 to 5 years	5 years and over
2017	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Non-derivative financial liabilities						
Loans and borrowings	61,574	75,616	11,581	13,790	42,056	8,189
Amounts due to related companies	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
2016						
Non-derivative financial liabilities						
Loans and borrowings	60,199	78,867	8,849	9,152	39,690	21,176
Amounts due to related companies	40,343	40,343	40,343	-	-	-
Bank overdrafts	44,880	44,880	44,880	-	-	-
Trade and other payables	262,142	262,142	262,142	-	-	-
	407,564	**426,232**	**356,214**	**9,152**	**39,690**	**21,176**
Company						
2017						
Non-derivative financial liabilities						
Amounts due to related companies	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	-	-	-

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

24. Financial instruments cont'd

Company 2016	Carrying amounts GH¢'000	Contractual Cashflows GH¢'000	1 year or less GH¢'000	1 to 2 years GH¢'000	2 to 5 years GH¢'000	5 years and over GH¢'000
Non-derivative financial liabilities						
Amount due to related companies	36,863	36,863	36,863	-	-	-
Bank overdrafts	44,880	44,880	44,880	-	-	-
Trade and other payables	255,931	255,931	255,931	-	-	-
	337,674	**337,674**	**337,674**	**-**	**-**	**-**

(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'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 is exposed to currency risk on purchases and borrowings that are denominated in currencies other than the functional currency. These transactions are primarily denominated in Euro and US Dollar currencies.

Exposure to currency risk

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

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

Group and Company 31 December 2016	EURO €'000	USD $'000	CFA CFA'000	CHF CHF'000
Trade and other payables	(2,652)	(8,064)	(7,628)	-
Amounts due to related parties	(2,034)	(5,248)	(152)	(31)
Cash and cash equivalents	33	2,513	-	-
Amounts due from related parties	71	708	-	-
Trade and other receivables	8	4,976	-	-
Gross exposure	**(4,574)**	**(5,115)**	**(7,780)**	**(31)**

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

24. Financial instruments cont'd

The following exchange rates applied during the year:

	Average Rate		Reporting Rate	
	2017	2016	2017	2016
Ghana Cedi:				
Euro1	4.9727	4.3261	5.4831	4.4394
USD 1	4.3784	3.9112	4.5300	4.2023
CFA 1	0.0074	0.0066	0.0079	0.0068
CHF 1	4.4630	3.9696	4.7011	4.1328

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.

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.

At 31 December	2017			2016		
	% 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	17%	1,445	(1,445)	3%	(693)	693
US$	5%	164	(164)	7%	1,600	(1,600)
CFA	10%	1	(1)	3%	2	(2)
CHF	6%	7	(7)	4%	-	-

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 and Company		Group and Company	
	2017 Increase GH¢'000	2017 Decrease GH¢'000	2016 Increase GH¢'000	2016 Decrease GH¢'000
Interest income impact	89	(89)	1	1
Interest expense impact	(795)	795	(238)	(130)
	(706)	706	(237)	(129)

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

24. Financial instruments cont'd

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 values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	Group		Group		Company		Company	
	2017		2016		2017		2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
(i) Financial assets								
Trade and other receivables	210,749	210,749	165,154	165,154	208,962	208,962	162,729	162,729
Amounts due from related parties	5,681	5,681	2,356	2,356	11,171	11,171	7,853	7,853
Cash and cash equivalents	30,281	30,281	12,436	12,436	28,933	28,933	11,739	11,739
Total financial assets	**246,711**	**246,711**	**179,946**	**179,946**	**249,066**	**249,066**	**182,321**	**182,321**
(ii) Financial liabilities								
Financial liabilities not measured at fair value								
Loans and borrowings	61,574	62,312	60,199	62,412	-	-	-	-
Trade and other payables	327,659	327,659	262,142	262,142	324,669	324,669	255,931	255,931
Amounts due to related parties	80,208	80,208	40,343	40,343	76,213	76,213	36,863	36,863
Bank overdraft	79,520	79,520	44,880	44,880	79,520	79,520	44,880	44,880
Total financial liabilities not measured at fair value	**548,961**	**549,699**	**407,564**	**409,777**	**480,402**	**480,402**	**337,674**	**337,674**

25. Related party transactions

- 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.
- Chemical additives, bitumen and consumables costing GH¢ 81,535,875 (2016: GH¢82,545,923) were procured from Total Outre Mer S. A. during the year.
- Included in general and administrative expenses is an amount of GH¢12,055,949 (2016: GH¢11,753,506) in respect of technical assistance fee payable to Total Outre-Mer S.A.
- Total amount paid to key management personnel was GH¢3,797,888 (2016: GH¢3,964,003). The compensation of the Group's directors includes salaries, allowances and contribution to defined contribution pension scheme.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

25. Related party transactions cont'd

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

	Group	Group	Company	Company
	2017	2016	2017	2016
Amount due from related parties	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Ghanstock	-	-	5,490	5,045
Other related parties	5,681	2,356	5,681	2,808
	5,681	**2,356**	**11,171**	**7,853**
Amount due to related parties				
Total Outre-Mer	53,448	28,118	53,448	28,118
Other related parties	26,760	12,225	22,765	8,745
	80,208	**40,343**	**76,213**	**36,863**

All transactions are to be settled in cash before the end of the next reporting date. 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	
	2017	2016
	GH¢'000	GH¢'000
Balance at 1 January	28,648	25,098
Additions for the year	22,731	5,725
Amortisation for the year	(2,893)	(2,175)
Current portion of long term leases	(4,413)	-
Balance at 31 December	**44,073**	**28,648**

The long term leases relate to payments made for lands acquired for the construction of various service stations. The lease terms ranges from 3 years to 50 years. 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	
	2017	2016
	GH¢'000	GH¢'000
Capital commitments	**2,138**	**3,963**

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:

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

28. Employee benefits cont'd

	2017 GH¢'000	2016 GH¢'000
Group	1,359	1,183
Company	1,338	1,163

(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.

Group and Company	1,025	901

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 2017 GH¢'000	Group 2016 GH¢'000	Company 2017 GH¢'000	Company 2016 GH¢'000
Total liabilities	559,001	415,183	490,272	345,293
Less: Cash and cash equivalents	30,281	12,436	28,933	11,739
Net debt	528,720	402,747	461,339	333,554
Total equity	161,472	148,742	170,532	154,239
Net debt to equity ratio	3.27	2.71	2.71	2.16

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 2017 (2016: Nil).

31. Going concern

The Group's current liabilities exceeded its current assets by GH¢ 144,787,000 (2016: GH¢ 94,898,000) at year ended 31 December 2017. As at that date, the Company's current liabilities also exceeded its current assets by GH¢ 128,389,000 (2016: GH¢ 79,882,000).

The net current liability position at the year end is as a result of increased investments which are expected to generate future revenues for the Company. 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 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.

Notes to The Financial Statements cont'd

For The Year Ended 31 December 2017

32. Finance cost and income

	Group 2017 GH¢'000	Group 2016 GH¢'000	Company 2017 GH¢'000	Company 2016 GH¢'000
Bank interest earned	382	114	382	114
Interest on loans and borrowings	16,133	23,770	12,024	13,056

33. Non-controlling interest (NCI)

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

	2017 GH¢'000	2016 GH¢'000
	45%	45%
Non-current assets	64,137	70,331
Current assets	3,782	3,730
Non-current liabilities	(54,039)	(60,199)
Current Liabilities	(20,180)	(14,613)
Net assets	(6,300)	(751)
Net assets attributable to NCI	(2,835)	(338)
Revenue	9,985	9,365
Loss	(4,975)	(15,278)
Othe Comprehensive Income (OCI)	-	-
Loss allocated to NCI	(2,239)	(6,875)
OCI allocated to NCI	-	-
Cash flows from operating activities	3,438	(585)
Cash flows from investments activities	-	(4,770)
Cash flows from financing activities	(2,770)	4,517
Net increase/(decrease) in cash and cash equivalents	668	(838)

Appendix 1

Shareholding information

(i) Number of shares in issue

Earnings and dividend per share are based on 111,874,072 (2016: 111,874,072) ordinary shares in issue during the year.

(ii) Number of shareholders

The Company had 111,874,072 ordinary shares at 31 December 2017 distributed as follows:

Holding	No. of holders	Total Shares	% Holding
1 - 1,000	2,685	942,145	0.84
1,001 - 5,000	1,596	3,913,602	3.50
5,001 - 10,000	278	1,808,292	1.62
10,001 and over	150	105,210,033	94.04
	4,709	**111,874,072**	**100**

(iii) List of twenty largest shareholders at 31 December 2017

	Number of shares	% Holdings
Total Outre Mer S.A.	48,802,560	43.62
Total Africa Limited	37,047,592	33.12
Security & National Insurance Trust	3,084,664	2.76
SCGN/ Enterprise Life Association Co	2,079,800	1.86
SCGN/CACEI France RE HMG Globtro	1,803,000	1.61
SCGN/ EPACK Investment Fund	1,635,508	1.46
Ghana Oil Company Limited	1,040,528	0.93
SCGN/SS LUX C/O SSB & T CO, BOSTON	860,000	0.77
HFCN/EDC Ghana Balanced Fund Ltd	518,543	0.46
SCGN/Enterprise Tier 2 Occupational	408,810	0.37
SCBN/DATABANK Balanced Fund Ltd	399,308	0.36
SCGN/Enterprise Life	335,500	0.30
SCGN/GH. MED. ASSOC. Pension Fund	332,700	0.30
Mr. M.K. Afedo	310,200	0.28
STD NOM/METLIFE Classic Fund	302,439	0.27
SCGN/Enterprise Tier 2 Occupational	255,000	0.23
Damsel/Dorothy Taylor Kwabi	208,580	0.19
Damsel/Oteng-Gyasi Anthony	203,816	0.18
Estate of The Late DR. Joseph A. Blankson	201,992	0.18
STD NOM TVL PTY/Enterprise Tier 3	154,075	0.14
REPORTED TOTALS	**99,984,615**	**89.39**
NOT REPORTED	**11,889,457**	**10.61**
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 2017, there were no material changes to the shareholding structure of the Group.

Appendix 2

Corporate Social Responsibility

Total Petroleum Ghana Limited regards Corporate Social Responsibility as a fundamental contribution to the society; thus, it consistently seeks sustainable ways to support the economy in which it operates. The key areas of concentration of the Company are Safety, Education, Entrepreneurship, Health and Sports.

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 organised yearly in partnership with 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 to the benefit of various local community groups.

Education and Training

The Company invests in many educational projects and initiatives. In 2017, the Company constructed a school facility in the Upper West Region, giving the community a 3-unit classroom block, offices, a borehole, a toilet facility and a play ground. It went further to make computer donations to schools.

The Company is continuously investing in a Young Graduate Programme, an 18-month working opportunity for recent Young Ghanaian Graduates to discover the professional world and gain on-field experience while benefiting from international exposure. For the past two years, the Company has successfully developed eight (8) local young graduates. A group of four Ghanaian Graduates are to continue their training in other Total Affiliates in Africa.

A partnership with three Ghanaian tertiary institutions namely, University of Mines and Tecnology (UMAT), Kwame Nkrumah University of Science and Technology (KNUST) and Ashesi has been established to provide opportunities for scholarships, internships and employment for some of its brilliant students. The Company also offers several training programmes for its dealers, customer attendants and transporters.

Entrepreneurship

The Company started the StartUpper competition to support new and growing startups of young innovative Ghanaian entrepreneurs. In 2016, a sum of GH¢160,000 was offered to three winners in the sectors of agriculture and food processing.

Health and Sports

The Company promotes health by organizing a yearly anti-Malaria intervention program for the public. It also holds health forums and organizes quarterly sporting activities for staff and their families. The Company sponsors other sporting activities such as the Damang Golf tournament among others.

Extract of Code of Conduct

Code of Conduct

The Code of Conduct;

- Sets out the values guiding the Group's conduct.
- States Total's business principles and commitments to our different stakeholders.
- Defines our expectations towards employees in their day-to-day decision-making and in their relationships with other stakeholders.

All employees must understand and respect the business principles contained in our Code of Conduct.

Suppliers, contractors and business partners are expected to apply standards that are equivalent to ours, in particular towards their employees.

Business Principals

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.

The following business principles are a reference point and go hand-in-hand with our goals of continued growth, benefiting shareholders, customers and employees whilst contributing to the economic and social development of the countries in which we operate;

- Total seeks to ensure the highest Safety, Health, Security and Environmental standards wherever we operate.
- Total has a rigorous Compliance Program based on a "zero tolerance" principle designed to prevent and detect violations of applicable anti-trust, anti-fraud, anti-bribery and anti-corruption laws worldwide.
- Total is committed to respecting internationally recognized Human Rights standards within its operations.

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 employees 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 carryout their daily activities in compliance with the Code of Conduct.

Customers

Total provides customers with quality products and services, and strives at all times to offer them good performance at competitive prices for their particular requirements. We are attentive to our customers' needs.

We continuously monitor, assess and improve our products, services, technology and procedures to deliver quality, safety, energy efficiency and innovation at every stage of the development, production and distribution process.

Suppliers and Contractors

Total's policy regarding suppliers and contractors is to respect each party's interests with transparent and fairly negotiated contract terms. It is built on three pillars: dialogue, professionalism and respect of commitments.

We expect our suppliers to;

- To adhere to principles equivalent to those in our Code of Conduct, which are specified in the Purchasing Fundamental Business Principles, and to accept to be audited.
- To make sure that their own suppliers and subcontractors respect equivalent principles to ours.
- To pay particular attention to their Human Rights standards and procedures, including their employees' working conditions.

Host Countries

The Guiding Principles on Business and Human Rights as endorsed by the UN Human Rights Council in 2011 recognize States' existing obligation to respect, protect and fulfill Human Rights.

In conducting our operations, we respect the natural environment and the culture of host countries.

Total respects the sovereignty of host countries and refrains from intervening in or funding the political processes. We reserve the right to express to governments, when necessary, our position concerning our operations, employees and shareholders and our belief in the importance of respecting Human Rights.

Extract of Code of Conduct cont'd

Local Communities

Total undertakes operations that have social and environmental impacts at the local level and consults with the communities regularly.

Through our operations, we contribute to the social and economic development in countries where we operate. We pay particular attention to development opportunities for local communities.

We respect the rights of communities by identifying, preventing and mitigating impacts in particular on their environment and way of life and, where appropriate, by providing remedy. We seek to establish dialogue and lasting relationships with these communities at a very early stage.

We design and implement effective local grievance mechanisms and remediation processes in particular towards vulnerable groups, including indigenous peoples.

Business Partners

We apply our Code of Conduct whenever we control a joint venture. In other situations, we will make ongoing efforts so that the partner who controls the joint venture applies principles that are equivalent to our Code of Conduct.

Shareholders

We strive to earn the confidence of our shareholders, with the objective of providing them with a profitable and sustainable investment.

We comply with applicable stock exchange regulations and report our activities accurately in our financial statements.

We regularly provide full and transparent information to all shareholders. We maintain an ongoing and constructive dialogue with them through diverse communication channels. We are attentive to their expectations, concerns and questions on any subject.

All our stakeholders are encouraged to inform or report any breach of Company procedure or wrongdoing to the following whistle-blowing email address which is accessible only by the chairperson of the ethics committee:

suggestion@total-ghana.com

Business Development

Total Petroleum Ghana Limited launches TOTAL QUARTZ INEO

The Company officially launched two new lubricant products in the TOTAL QUARTZ range: TOTAL QUARTZ INEO MC3 5W30 and TOTAL QUARTZ INEO Long life 5W30, in April, 2017.

These high grade lubricants were introduced to meet the fast growing technological trends in the automotive market; and to offer high performing lubricants to satisfy the needs of Ghanaian vehicle users. Total assures its customers of its commitment and continuous effort to innovate and deliver quality products and services.

Total Petroleum Ghana Limited re-introduces ELF lubricants in Ghana

ELF lubricants, a brand of Total, has proven and measurable benefits with regards to longevity and engine protection. It has a strong brand awareness amongst automotive experts globally and offers customers enhanced performance for their vehicle and motorcycle engines.

In July 2017, the Company officially lauched four ranges of ELF lubricants in Ghana: ELF Evolution 400 20W-50, PERFO HD X 400, Elfmatic IID and FRELUB 450 DOT 4. These products are sold through exclusive ELF Distributors across the country to provide customers with a wider range of products.

Business Development cont'd

Total Petroleum Ghana Limited embarks on a 'thank you' tour

As a leading Oil Marketing Company in the country, the Company engaged its customers during the Christmas season to appreciate them for their trust in the Total brand throughout the year. The tour was specifically to thank customers for their high patronage of the TOTAL B2C CARD and TOTAL EXCELLIUM range of fuel since their launch in 2016. The tour was also to remind customers of the benefit of the Excellium range of products such as the protection and cleaning of the engine.

During this nine-day tour dubbed 'Aseda Tour', the Tour team visited selected service stations across seven regions in the country. Customers were rewarded with branded Total gifts and souvenirs as they purchased fuel on the forecourt. The value the Company places on each customer propels it to continuously introduce innovative products with the satisfaction of the customer in mind.

Business Development cont'd

Total Petroleum Ghana Limited opens ultra-modern Service Stations

The Company since 2013 has made substantial investments in its retail network to offer the best of products and services to customers. Last year, the Company constructed three (3) new service stations and renovated twenty-two (22) service stations as part of its major investment projects to modernize its retail network.

The Company also introduced Car Wash centers to three of its service stations, namely; Oxford Street, Liberty Avenue and Liberation Road Service Stations. With the customer's convenience in mind, a well-known hospitality brand, Tante Marie Restaurant, was opened at the Tema Industrial Area Service Station to offer both African and Continental dishes. This adds up to other food corners such as KFC and Mugg & Bean which were introduced in 2016. With these constant innovative concepts, Total service stations are not only transit points but destination points now for the general public.


Inchaaban - Before

Inchaaban - After

La Beach - Before

La Beach - After


Obuasi Wawase - Before

Obuasi Wawase - After

Total Petroleum Ghana Limited embarks on Lubricants Promotion

In November 2017, the Company launched a promotion for its TOTAL QUARTZ and TOTAL RUBIA Lubricants to reward customers with instant prizes. As part of the promotion, the Lubricants team visited lorry parks in Accra and interacted with commercial drivers. This was aimed at educating commercial drivers on the benefits of the TOTAL QUARTZ Lubricants, a protection for their vehicle engines.

Corporate Social Responsibility

Awards and Recognition

Total Petroleum Ghana Limited was once again recognized for its outstanding performance in 2017. The Company was adjudged the **Best in Quality** by the Association of Ghana Industry (AGI). Other awards received were:

- **10th Best Company in Ghana** - Ghana Club 100 Awards
- **Best in Corporate Social Responsibility** - Ghana Energy Awards.
- **Best in Customer Service** and **Best Brand in Environment and Safety** - The Chamber of Petroleum Consumers Ghana (COPEC – Ghana).
- **Best Lubricant of the Year** (TOTAL QUARTZ 9000)- Ghana Oil and Gas Awards (GOGA).

Corporate Social Responsibility cont'd

CSR - YOUTH, EDUCATION, HEALTH, SAFETY AND SPORTS

Total Petroleum Ghana Limited builds School facility in the Upper West Region

The Company constructed a school facility for the Tigboro Jeffiiri District Assembly Kindergarten & Primary School located in the Upper West Region. The project was commissioned on 17th November, 2017 with the presence of the School Authority and District Assembly Heads. The facility comprises of a fully furnished 3-unit classroom block with offices for the Headmistress and Teachers, a playground, a toilet facility and a mechanized borehole to provide potable water for the School.

The aim of the project is to create a conducive learning atmosphere for both Teachers and Students and to promote quality education as a sustainable development goal.

The Company has educational support at the center of its Corporate Social Responsibility and is concerned with improving the lives of local communities.

Corporate Social Responsibility cont'd

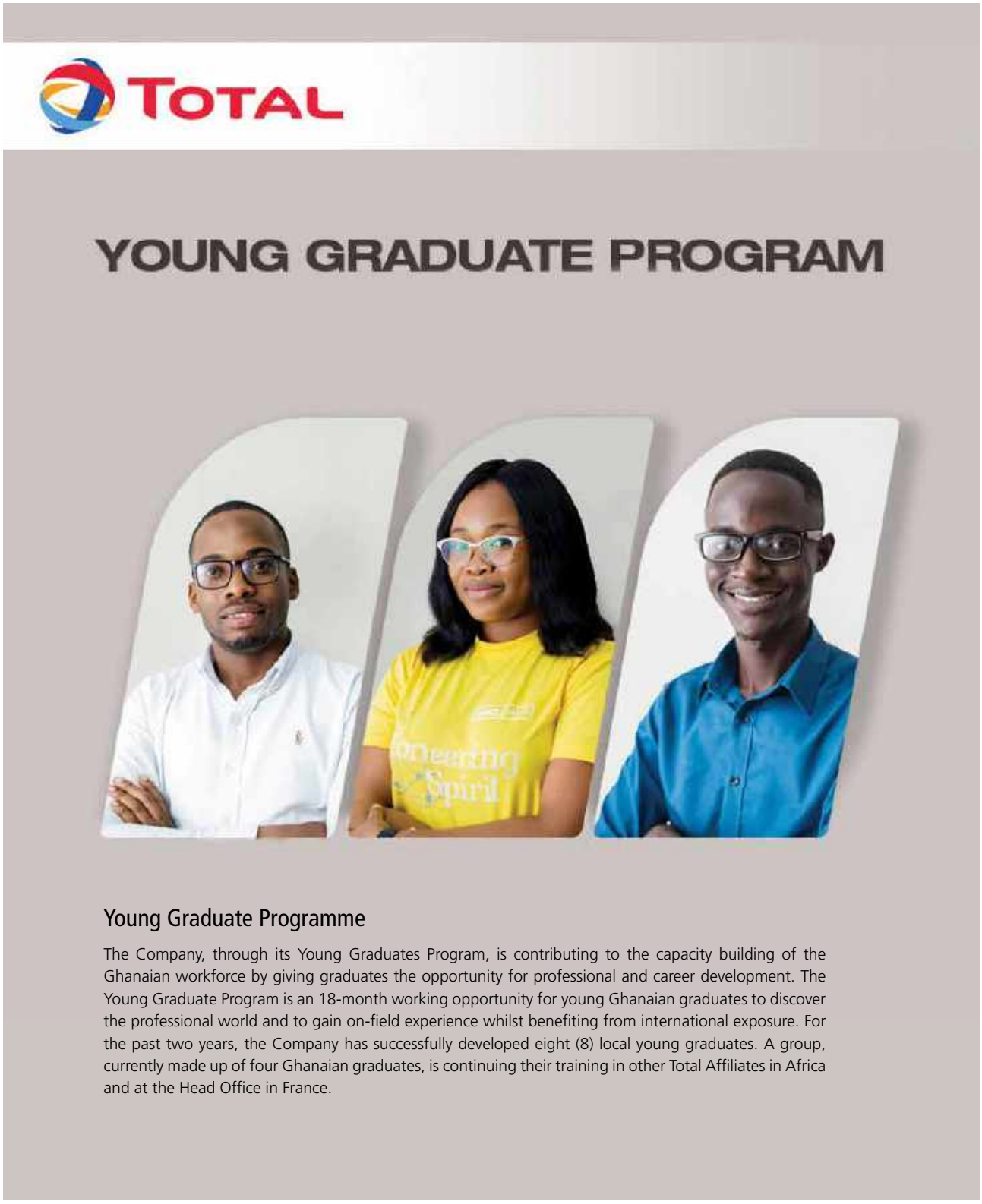
CSR - YOUTH, EDUCATION, HEALTH, SAFETY AND SPORTS

Total Petroleum Ghana Limited donates to Public Institutions

In line with educational support, the Company donated some computers and accessories to the Osu Presbyterian Preparatory and Primary School. Aside from this, the Company supported the University of Ghana Sports Directorate in its Inter-hall Athletic Competition with an amount of GHs 20,000. This was the Company's widow's mite to assist in the development of the youth through sports.

Corporate Social Responsibility cont'd

CSR - YOUTH, EDUCATION, HEALTH, SAFETY AND SPORTS



Young Graduate Programme

The Company, through its Young Graduates Program, is contributing to the capacity building of the Ghanaian workforce by giving graduates the opportunity for professional and career development. The Young Graduate Program is an 18-month working opportunity for young Ghanaian graduates to discover the professional world and to gain on-field experience whilst benefiting from international exposure. For the past two years, the Company has successfully developed eight (8) local young graduates. A group, currently made up of four Ghanaian graduates, is continuing their training in other Total Affiliates in Africa and at the Head Office in France.

Corporate Social Responsibility cont'd

CSR - YOUTH, EDUCATION, HEALTH, SAFETY AND SPORTS

Total Petroleum Ghana Limited lights up Legon Campus with the Awango Race

The Company organized an innovative race, dubbed 'Awango Race', with the Total Solar Lamp on the Legon Campus of the University of Ghana in September 2017. The Campus was lit up by passionate runners comprising students and members of the general public who participated in a 5km, 8km and 10km race using the bright lightening from the 100% Total Solar Lamps. The objective of the event was to show how efficient the Solar Lamps are for both indoor and outdoor activities. Through the Solar Lamps sustainable energy can be provided to hundreds of people in Ghana and millions of people across Africa. A participatory fee was charged for the race and the revenue was donated to a charitable cause.

Corporate Social Responsibility cont'd

CSR - YOUTH, EDUCATION, HEALTH, SAFETY AND SPORTS

Total Health at Heart initiative

To encourage staff and their families to remain physically and mentally fit, the Company has instituted a quarterly health programme. Three editions of the programme were held last year at the University of Ghana Legon Campus where staff and their families went on health walks of 5km, 8km and 10km. Subsequent events included games such as Athletics, Soccer,Table Tennis, Tug of Peace, Lime and Spoon etc. children were equally included in the activities to ensure that they develop a healthy lifestyle.

The Company through this programme and other internal health talks, ensures that both staff and family have the necessary information from health experts on how to maintain physical fitness.

Corporate Social Responsibility cont'd

CSR - YOUTH, EDUCATION, HEALTH, SAFETY AND SPORTS

Donation to Ghana National Fire Service

Safety is of paramount value to the Company. Therefore, on a yearly basis, the Company donates fuel to the Ghana National Fire Service. The objective is to assist in equipping the Agency in its mission to protect lives and properties of the citizenry.

Total Petroleum Ghana initiates Road Safety Education for the Hearing-Impaired

The Company organized a unique Road Safety Education programme for the School for the Deaf in the Savelugu District in the Northern Region as part of its Total Safety Cube programme. This exercise was organized in collaboration with the National Road Safety Commission (NRSC) and Global Road Safety Partnership on 28th September, 2017 to create and reinforce road safety awareness amongst School Children and Teachers in high-risk areas.

With the assistance of a sign language interpreter, the pupils and teachers of the School were taught how to interpret road signs effectively and were taken through Road Safety exercises. The Total Safety Cube campaign was held over a period of two weeks in Bolgatanga for approximately 4000 school children in schools located along the Bolga-Navrongo highway. This was further extended to the Northern Regional capital, Tamale, where an additional 4,200 pupils in the Lamashegu, Tishigu and Chogu cluster of public schools also benefited. Each school received a Total Safety Cube kit for their own use during their extracurricular activities.

Proxy Form

PROXY FORM FOR USE AT THE ANNUAL GENERAL MEETING TO BE HELD AT THE NATIONAL THEATRE, LIBERIA ROAD, ACCRA ON 29TH DAY OF MAY, 2018 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 Tuesday, 29th May, 2018 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, Auditors and the Financial Statements of the Company for the year ended 31st December, 2017.
2.	*in favour of against	The Resolution to declare final dividend for the year ended 31st December, 2017 as recommended by the Directors.
3.	*in favour of against	The Resolution to appoint Mr. Samba Salfal Seye as a Director of the Company.
4.	*in favour of against	The Resolution to appoint Mr. Eric Fanchini as a Director of the Company.
5.	*in favour of against	The Resolution to appoint Mr. John Mawuli Ababio as a Director of the Company.
6.	*in favour of against	The Resolution to re-elect Madame Sandrine Saboureau as a Director of the Company.
7.	*in favour of against	The Resolution to re-elect Mr. Rexford Adomako-Bonsu as a Director of the Company.
8.	*in favour of against	The Resolution to approve the remuneration of the Directors.
9.	*in favour of against	The Resolution to authorise the Directors to fix the remuneration of the External Auditor.

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 ..... 2018 .....

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

Proxy Form cont'd

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 25th of May, 2018.
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

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+233-302-611555 | 611556

Totalgh Total Ghana Total Ghana