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Accountants &
business advisers

PRODUCE BUYING COMPANY LIMITED

FINANCIAL STATEMENTS

30 SEPTEMBER 2009

PRODUCE BUYING COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2009

PRODUCE BUYING COMPANY LIMITED

CORPORATE INFORMATION

YEAR ENDED 30 SEPTEMBER 2009

BOARD OF DIRECTORS	Dr. John Frank Abu	-	Chairman
	Kojo Atta-Krah	-	Managing Director
	Hon. Ernest Kofi Yakah (MP)	-	Director
	Mabel Oseiwa Quakyi (Mrs.)	-	Director
	Ebenezer Tei Quartey	-	Director
	James M. K. Ampaiw	-	Director
	Kofi Graham	-	Director
	Cecilia Nyann (Mrs.)	-	Director
	Nana Kwame Nkrumah I	-	Director
	Alhaji Yakubu Ziblim	-	Director
	Yaw Sarpong	-	Director
SECRETARY	Godfrey Osei Aggrey		
TOP MANAGEMENT	Kojo Atta-Krah	-	Managing Director
	George Kwadwo Boateng	-	DMD-Operations
	Joseph Osei Manu	-	DMD-Finance and Administration

AUDITORS

Pannell Kerr Forster
Chartered Accountants
Farrar Avenue
P. O. Box 1219
Accra

SOLICITOR

Godfrey Osei Aggrey
Olusegun Obasanjo Road
Dzorwulu Junction
Accra

REGISTERED OFFICE

Olusegun Obasanjo Road
Dzorwulu Junction
Accra

BANKERS

Barclays Bank of Ghana Limited
Ecobank Ghana Limited
Ghana Commercial Bank Limited
SG-SSB Bank Limited
Standard Chartered Bank Ghana Limited
Merchant Bank

PRODUCE BUYING COMPANY LIMITED
CHAIRMAN'S REPORT

Distinguished Shareholders,

It is with much pleasure that I welcome you all to the 9th Annual General Meeting of the Produce Buying Company Limited and to respectfully present to you the Annual Report and Statement of Accounts of your Company for the Financial Year Ended September 30, 2009.

The 2008/09 Financial Year has been successful, as evidenced from the significant improvement in the financial performance of the Company, thus affirming the avowed desire of the Board and Management to put the Company on the path of sustained profitability. Indeed, the Company registered a profit-before tax of GH¢7.176 million in the financial year under review as against GH¢2.949 million recorded in the previous year.

The competitive nature of the internal marketing of cocoa coupled with the numerous uncontrollable problems in the cocoa industry continues to pose a serious challenge to the Company's operational and financial capabilities.

It is the resolve of the Board and Management to continue to adopt more proactive strategies to minimize such industry challenges with the aim at increasing revenue and growing profits for higher returns on shareholder's investment.

COCOA PRODUCTION
National Cocoa Production increased by 4% from 680,385 tonnes in 2007/08 to 710,639 tonnes during the year under review. Similarly, your Company increased its tonnage purchased by 19% from 208,482 tonnes in 2007/08 to 247,881 tonnes during the year and achieved a market share of 35%. The significant increase in output impacted positively on both revenue and profits.

OPERATING RESULTS
Dear Shareholders, your Company put in another sterling performance in 2008/09 Financial Year. A net profit before tax of GH¢7.176 million was achieved representing 143% improvement over the GH¢2.949 million recorded last year. The net profit after tax which came up to GH¢5.194 million represents 45.9% after tax return on capital employed.

Our balance sheet also showed yet another strong growth as shareholder's equity jumped by 53.9% from GH¢7.353 million to GH¢11.316 million.

This impressive performance by your Company was achieved through increased volume of cocoa purchases, effective cost control measures, viable investment and operational strategies adopted and more especially the team spirit and effective collaboration between the Board, Management and the staff of the Company.

DIVIDEND
Distinguished Ladies and Gentlemen, the income surplus balance before appropriation as at the end of the year is GH¢5.981 million. In pursuance of our Corporate objective of conducting the Company's business in the most efficient and profitable manner to yield equitable return on investments to shareholders, your Directors have proposed a dividend of GH¢0.0037 per share amounting to GH¢1.776 million for payment. This is an increase of

146% over the previous year's dividend payment. It is worth noting that the amount of dividend payable represents 34% of after tax profit and 30% of balance on the income surplus account.

PBC SHARE BUY BACK
With the hindsight of corporate responsibility towards our valued shareholders, the Company will continue to create enabling environment for shareholders who wish to dispose off their shares. To this end, the Company will continue with the share buyback arrangement for the years ahead. An amount of GH¢150,000 has been spent so far towards the successful implementation of the scheme.

INVESTMENT
Dear Shareholders, the need to strengthen and exploit other aspect of the Company's operational activities to ensure increased revenues and profitability cannot be over emphasized. The redesignation of the Company's core activities to include haulage operations, which necessitated obtaining loans to acquire fleet of vehicles greatly enhanced both operational and financial performance of the Company.

It is worth noting that the revamped Company haulage operations raked in a net revenue of GH¢3.751 million over the previous year's figure of GH¢0.661 million and hauled about 43.5% of the Company's total purchases at the secondary evacuation level.

In our desire to diversify the Company's activities to enhance its revenue base, two investment projects have been undertaken.

First the Company has constructed a very big state of the art Parking Lot at Tema at a cost of GH¢1.9 million. The project which is almost complete will be rented out for use by Cocobod or any other Company as the case may be.

Secondly, at the Company's Extraordinary General Meeting (EGM) held in September 2009, the Board and Management sought approval from distinguished Shareholders for the Company to establish a subsidiary Company for the processing of sheanut for export. The project is on course and all the necessary arrangements towards the successful takeoff has been put in place including the advance payment of $3.699 million towards the acquisition of the state of art processing machine from Brazil. The total cost of the PBC-Shea Project is $10 million which has components of $7 million as the cost of the processing plant and $3 million for infrastructural and other capital expenditure.

An official sod-cutting ceremony towards the commencement of the project was done by His Excellency the Vice-President John Dramani Mahama on the 14th November, 2009 at Buipe in the Northern Region.

Dear Shareholders, all these projects are being embarked upon as stated earlier to diversify the Company's activities, widen the revenue base to ensure sustainable profitability in the years ahead.

SOCIAL SERVICES
The Company continued to support various electrification and water projects in selected cocoa growing communities across the Country. Also, some traditional authorities were

supported in other developmental projects to improve the living standard of their inhabitants.

This assistance was given in addition to the usual supply of cement, roofing sheets and the repair of roads and bridges in the rural communities.

The Company also supported the National Best Farmer Awards through donation of cash and other farming inputs to the Ministry of Agriculture.

OUTLOOK

The Board and Management look into the future of the Company with hope and optimism to grow Produce Buying Company Ltd to become a prosperous and successful Company having been spurred up by the current performance.

Strategies would be put in place to monitor and effectively and efficiently manage the various investment projects being undertaken by the Company to ensure maximum returns.

Distinguished Ladies and Gentlemen,

I wish to conclude by expressing my appreciation to you Shareholders, for your faith and confidence in our Company, loyal and dedicated Cocoa Farmers, Management and Staff of the Company for their untiring efforts to improve performance and profitability of the Company, finally to you my Colleagues on the Board for your tremendous support during the year.

Thank you.

JOHN FRANK ABU (Dr)
CHAIRMAN

PRODUCE BUYING COMPANY LIMITED
MANAGING DIRECTOR'S REVIEW OF OPERATIONS

The 2008/09 Financial Year has been another successful year for the Company. The year under review is the second year of the Company's 3-year Medium Term Corporate plan and the great performance provides assurance that the Company is on course to achieve the set targets in the plan within the timeframe.

The redesignation of Haulage Operations as a core activity and therefore a cost centre which necessitated obtaining loans to acquire a fleet of vehicles greatly enhanced both operational and financial performance of the Company.

Indeed, the redesignation raked in a net revenue of GH¢3.751 million as against the previous year's figure of GH¢0.661 million. The Haulage Unit hauled about 43.5% of the total Company purchases at the secondary evacuation level as against the previous year figure of 31%. It is projected that within the time frame of the Medium Term Plan, the Company will be able to haul about 50% of total Company purchases.

The strategy adopted to reduce operating cost and ensure quick recycling of seed fund worked very well during the year. We hope to build on it in the ensuing years to improve operational efficiency, through the optimal use of Seed Funds.

The review of the Company's operations focuses on comparing key performance indicators, revenue earned and expenditure incurred to that of the previous year to be able to assess how the Company has performed in the year under review.

PEFORMANCE REVIEW

Turnover for cocoa operations increased from GH¢242.324 million to GH¢430.528 million an increase of 77.7% due to increase in the volume of cocoa purchased, the producer price and the buyers take over margin.

With a general increase of 4% in national cocoa production from 680,385 tonnes in 2007/08 to 710,639 tonnes in 2008/09, the Company tonnage purchased increased by a margin of 19% from 208,482 tonnes to 247,881 tonnes, culminating in a market share of 35% as against that of 31% recorded in the previous year.

The increase in the Company's market share and the increase in output percentage that exceeded that of the national output indicated the dedication, commitment and hard work exhibited by the Company in the year under review.

Turnover for Haulage services increased from GH¢3.155 million to GH¢6.878 million, an increase of 118% due to the increase in the quantity of cocoa hauled at the secondary level by our articulated and cargo trucks.

This boost in haulage revenue is mainly attributable to the increase in the Company's share of the secondary level evacuation which now stands at 43.5% of total Company's purchases. This is as a result of the revamping of the haulage operations with the purchase of new fleet of both cargo and articulated trucks last year.

Cost of sales for cocoa operations increased by 81% from GH¢212.275 million to GH¢384.297 million due mainly to increase in producer price and volume of purchases.

Direct cost of haulage service also increased from GH¢2.494 million to GH¢3.127 million, an increase of 25% attributable to increase in the quantity of cocoa carted by the Company's trucks in the secondary level evacuation.

Out of the turnover and the associated cost of sales, the Company recorded a gross profit of GH¢49.982 million as compared to last year's gross profit of GH¢30.709 million, an increase of 62.8%.

Direct Operating Expenses increased by 50.6% over the previous year figure of GH¢10.979 million to GH¢16.538 million. This cost is activity based and therefore the increase in volume of purchases by 19% triggered off a corresponding increase in this cost.

Major cost components in the direct cost that saw increase within the year include:

- Agency Commission,
- Depreciation of operational Equipment and Machines,
- Motor Vehicle Insurance,
- Handling Charges and
- Grading and Sealing Cost.

Agency commission increased by 73% from GH¢4.360 million to GH¢7.546 million mainly due to high volume of cocoa purchased and the need to pay competitive commission to attract and retain loyal Marketing Clerks.

Depreciation of operational equipment and machines increased by 117% from GH¢1.362 million to GH¢2.956 million and motor vehicle insurance also increased by 219% from GH¢97,266 to GH¢309,998 mainly due to the purchase of additional fleet of haulage trucks during the year.

Handling charges increased by 42.8% from GH¢989.659 to GH¢1.413 million and Grading and Sealing cost also increased by 86.4% from GH¢99,591 to GH¢185,635 due mainly to increase in the volume of cocoa purchased during the period.

However, there are other components within the Direct Operating Expenses that saw reduction in Cost. These include Primary Level Road Freight, Guarantee Fees and Akuafo Cheque Commission.

Primary level road freight reduced by 69.7% from GH¢670,486 to GH¢203,346 due to the almost complete take over of the primary level evacuation by the Company's cargo trucks.

Akuafo cheque commission reduced by 30% from GH¢210,727 to GH¢147,223 and guarantee fees also reduced by 17.4% from GH¢210,727 to GH¢616,250 as a results of the reduction of the rate charged by operating Banks following Management negotiation with officials of those Banks.

General and Administrative Expenses which is made up of Staff Cost, Office Cost and Estate and Property rose by 27.4% from GH¢10.576 million to GH¢13.469 million. This is mainly attributable to increase in salaries of staff and payment of bonus to staff approved by the Board during the year under review.

Estate and Property Cost reduced by 6.5% from GH¢1.022 million to GH¢955,178.

Office Cost also increased slightly by 2.4% from GH¢1.980 million to GH¢2.028 million. Significant components that greatly contributed to this increase in Office Cost include Subscription and Donations, Legal and Consultancy fees as well as Software Development and Maintenance.

Total expenses (excluding Financing Cost) increased by 39.2% from GH¢21.555 million to GH¢30.007 million. The Company thus registered an operating profit before financing cost of GH¢21.823 million compared to the previous year's figure of GH¢11.102 million, a significant increase of 96.6%. Net financing cost also increased by 79.6% from GH¢8.153 million to GH¢14.647 million attributable mainly to the Company's continuous heavy reliance on overdraft for cocoa operations and the increase in bank interest rate during the year. The high finance cost is a serious challenge to the Board and Management. All efforts are being made to reduce the finance cost to more acceptable level.

Other income decreased by 5.1% from GH¢1.948 million to GH¢1.848 million during the year mainly due to reduction of shortages recoveries and sundry income.

The net profit before tax for the year came up to GH¢7.176 million as compared to the previous year's figure of GH¢2.949 million, a significant increase of about 143.3%.

As a good Corporate citizen, the Company paid about GH¢209,667 by way of taxes to Internal Revenue Services based on self-assessment of our estimated Corporate Income Tax. The Company intends to pay the appropriate corporate tax based on our current profitability when the final assessment is agreed with the tax authorities.

KEY PERFORMANCE INDICATORS

Key performance indicators of the Company's activities improved in line with the significant increase in the Company's profitability.

Basic Earnings Per Share (EPS) increased by 145.4% from 0.0044 to GH¢0.0108.

Return on Capital Employed (ROCE) also increased from the previous year of 28.7% to 45.9%.

The balance sheet also showed a significant growth with shareholders equity moving from GH¢7.353 million to GH¢11.316 million, an increase of 53.9%.

The Price/Earning (P/E) ratio has also reduced significantly from previous year figure of 50 to 17.6.

SOCIAL SERVICES

In line with our Corporate Social responsibility, the Company supported various electrification and water projects in selected cocoa growing communities across the country. Indeed, two boreholes were sunk to provide portable water supply to two rural communities namely: Gyankobaa in the Atwima District of Ashanti Region and Bodi in the Bia District of the Western Region.

Some traditional authorities were also supported in other developmental projects to improve the living conditions of their inhabitants. These assistance were given in addition to the usual supply of cement, roofing sheets and the repair of roads and bridges in a number of rural communities.

The Company also supported the National Best Farmer Award through donation of cash, cooking utensils and other farming inputs to the Ministry of Agriculture.

The Company shall not neglect its social responsibility and obligations in the years ahead. As the Company's finances continue to improve, we shall expand and increase our donations to rural communities to improve the living conditions of our farmers.

OUTLOOK

The year under review marks the second year of the implementation of our 3-year Medium Term Corporate Plan. Management will be spurred up by the success achieved in the two previous years in the plan period to improve on the operational efficiency and sustain profitability.

The Company will continue to adopt an aggressive marketing posture by expanding our field operations to combat the intense competition in the internal cocoa market in the ensuring years and implementing effective monitoring systems to ensure operational efficiency.

Management shall monitor the various investment projects undertaken by the Company to ensure that the desired results are achieved and also expand the frontiers of its ICT programme for effective, timely and accurate flow of information.

Management shall continue to adequately motivate workers through improvement of working environment to boost job satisfaction and implement result-oriented performance measurement appraisal system to reward exceptional performance.

We wish to re-assure our shareholders and directors of our commitment to our corporate vision of being the market leaders in internal marketing of cocoa in Ghana and continue to provide the necessary leadership through the provision of high quality service to our farmers.

Finally, I wish to thank the Board of Directors, Management and Staff of the Company for the outstanding performance during the year in spite of the challenges and look forward to more successes in the years ahead.

Thank you.

KOJO ATTA-KRAH
MANAGING DIRECTOR

PRODUCE BUYING COMPANY LIMITED
REPORT OF THE DIRECTORS
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2009

In accordance with the requirements of Section 132 of the Companies Code 1963 (Act 179), we the Board of Directors of Produce Buying Company Limited, present herewith the annual report on the state of affairs of the company for the year ended 30 September, 2009.

Results of Operations

	2009	2008
	GH¢	GH¢
Turnover	**437,405,123**	245,478,455
Profit before Tax of	**7,176,133**	2,949,395
From which is deducted provision for The estimated income tax liability of	**(1,982,588)**	(838,945)
Leaving a Net Profit after tax of	**5,193,545**	2,110,450
To which is added the retained Earnings as at 1 October	**1,653,065**	(457,385)
	6,846,610	1,653,065
Dividend paid during the year	**(717,180)**	0
Transfer to share deals account	**(148,118)**	0
Resulting in a balance carried To the Balance Sheet of	**5,981,312**	1,653,065

Dividend

A final dividend of GH¢0.0037 per share amounting to GH¢1,776,000.00 has been proposed by the directors for the year ended 30 September 2009.

Nature of Business

There has not been any change in the nature of business of the Company during the year. The principal activity of the Company during the year continued to be “To buy, collect, store, transport and otherwise deal in cocoa, coffee and sheanuts produced in Ghana on behalf of Ghana Cocoa Board”.

Changes in Financial Reporting Framework

In line with changes in the financial reporting framework announced by the Institute of Chartered Accountants of Ghana in consultation with other regulatory bodies, the company adopted International Financial Reporting Standards (IFRS) as the reporting framework with effect from 1 October 2007; as a result, the attached financial statements have been prepared in accordance with IFRS.

Corporate Status

On the 15 of September 1999, the company was incorporated as a Public Limited liability Company under the Companies Code 1963 (Act 179). On the 19 of May 2000 the company was listed on the Ghana Stock Exchange and 30.2% of its shares were transferred and are currently held by the public.

Authorised Share Capital

There was no change in the Authorised or Issued Share Capital of the Company during the year.

Directors

The Directors of the Company who held office during the year are as follows:

Name		Date of Appointment	Date Resigned/Retired
Nana Timothy Aye Kusi	- Chairman	01 February 2002	23 October 2009
Hon. Mrs. A. Baiden-Amissah		√	√
Mr. J. Buatsie		√	√
Dr. Y. A. Duodu		√	√
Hon. Kofi Frimpong		8 August 2007	√
Mr. K. Ayirebi-Frimpong		27 August 2007	√
Mr. Anthony Osei Boakye	- Managing	01 Sept. 2006	01 Dec.. 2009
Dr. Frank Abu	- Chairman	23 October 2009	
Mrs. Mable Oseiwa Quakyi		√	
Mr. Ebenezer Tei Quartey		√	
Hon. Ernest Kofi Yakah (MP)		√	
Mr. Kofi Graham		√	
Mrs. Cecilia Nyann		√	
Nana Kwame Nkrumah I		√	
Mr. James M. K. Ampaiw		24 April 2009	
Mr. Yaw Sarpong		24 April 2009	
Alhaji Yakubu Ziblim		01 February 2002	
Mr. Kojo Atta-Krah	- Managing	01 December 2009	

Auditors

A resolution proposing the re-appointment of the company's auditors, Messrs Pannell Kerr Forster will be put before the Annual General Meeting in accordance with Section 134(5) of the Companies Code 1963 (Act 179).

Events after Balance Sheet Date

The Directors confirm that no matters have arisen since 30 September 2009, which materially affect the accounts of the Company for the year ended on that date.

BY ORDER OF THE BOARD

…………………………..Director **…………………………Director**

ACCRA

………………………………2009

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Accountants &
business advisers

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
PRODUCE BUYING COMPANY LIMITED
ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2009

Report on the Financial Statements

We have audited the accompanying financial statements of Produce Buying Company Limited which comprise the balance sheet as of September 30, 2009, the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Code, 1963 (Act 179). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We have not had sight of the Title Deed of the sheds and buildings ceded to the company by Ghana Cocoa Board as stated in the Company's books to establish the company's ownership of these assets. However as stated in Note 25, the Government has undertaken to ensure that Ghana Cocoa Board takes all steps required of it under the Ceding Agreement of June 30, 1999 to effectuate the cession of assets to Produce Buying Company Limited.

Opinion

In our opinion, subject to any adjustment that might have been found to be necessary had we been able to satisfy ourselves as to the title deeds referred to above, the financial statements give a true and fair view of the financial position of Produce Buying Company Limited as of September 30, 2009 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Ghana Companies Code, 1963 (Act 179).

Report on Other Legal and Regulatory Requirements

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

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

II In our opinion proper books of accounts have been kept by the company, so far as appears from our examination of those books, and

III The company's balance sheet and profit and loss account are in agreement with the books of accounts.

Farrar Avenue, Accra

PANNELL KERR FORSTER
CHARTERED ACCOUNTANTS

…………………………………… 2009

PRODUCE BUYING COMPANY LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2009

	NOTES	2009 GH¢	2008 GH¢
Revenue	***6***	**437,405,123**	245,478,455
Cost of Sales		**(387,423,274)**	(214,769,353)
Gross Profit		**49,981,849**	30,709,102
Other Income	***8***	**1,848,359**	1,948,415
Direct Operating Expenses		**(16,538,187)**	(10,979,054)
General and Administrative Expenses	***7***	**(13,468,921)**	(10,575,625)
Operating profit before financing cost		**21,823,100**	11,102,838
Net Finance Expenses	***9***	**(14,646,967)**	(8,153,443)
Profit before Taxation		**7,176,133**	2,949,395
Income Tax Expense	***10a***	**(1,982,588)**	(838,945)
Profit for the year transferred to Income Surplus Account		**5,193,545**	2,110,450
Basic earning per share (Ghana cedis per share)		**GH¢0.0108**	GH¢0.0044
Diluted earning per share (Ghana cedis per share)		**GH¢0.0108**	GH¢0.0044

PRODUCE BUYING COMPANY LIMITED
BALANCE SHEET
AS AT 30 SEPTEMBER 2009

	NOTES	2009	2008
Non-Current Assets		**GH¢**	GH¢
Property, plant and equipment	***13a***	**25,496,007**	13,774,901
Intangible assets	***14***	**48,304**	23,126
Long term investment	***12***	**581,818**	945,455
Total non-current assets		**26,126,129**	14,743,482
Current Assets			
Inventories	***15***	**22,505,804**	28,369,610
Income tax assets	***10b***	**0**	430,987
Trade and other receivables	***16***	**32,265,614**	12,474,943
Short term investments	***17***	**5,233,318**	385,218
Cash and cash equivalents	***18***	**10,429,116**	11,063,421
Total current assets		**70,433,852**	52,724,179
Total assets		**96,559,981**	67,467,661
Equity			
Stated capital	***24a***	**4,914,377**	4,914,377
Share deals account	***24c***	**0**	1,882
Retained earnings	***24d***	**5,981,312**	1,653,065
Other reserves	***24f***	**420,454**	784,091
Total equity		**11,316,143**	7,353,415
Non-current liabilities			
Deferred tax liability	***11a***	**1,725,266**	763,853
Finance lease	***23***	**3,282,148**	2,719,793
Medium term loan	***22***	**4,813,049**	4,135,860
Preference share capital	***24b***	**100**	100
Total non-current liabilities		**9,820,563**	7,619,606
Current liabilities			
Bank overdraft	***20***	**16,575,298**	11,220,204
Income tax liability	***10b***	**380,521**	0
Short Term Loan	***21***	**43,179,000**	29,980,000
Medium term loan (current portion)	***22***	**2,676,289**	2,810,551
Finance lease (current portion)	***23***	**439,190**	956,407
Trade and other payables	***19***	**12,172,977**	7,527,478
Total current liabilities		**75,423,275**	52,494,640
Total liabilities		**85,243,838**	60,114,246
Total liabilities and equity		**96,559,981**	67,467,661

Approved by the Board on ……………………………….2009

…………………………….Director **………………………………. Director**

PRODUCE BUYING COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2009

CAPITAL AND RESERVES

2009

	Share Capital	Retained Earnings	Share Deals	Other Reserves	Total Equity
	GH¢	GH¢	GH¢	GH¢	GH¢
Balance at 1 October	4,914,377	1,653,065	1,882	784,091	7,353,415
Dividend paid during the year	0	(717,180)	0	0	(717,180)
Transfer to Share Deals Account	0	(148,118)	148,118	0	0
Payment for Share Buy back	0	0	(150,000)	0	(150,000)
Total recognised Income and Expenses	0	5,193,545	0	0	5,193,545
Movement in available for sale asset	0	0	0	(363,637)	(363,637)
Balance at 30 September	**4,914,377**	**5,981,312**	**0**	**420,454**	**11,316,143**
2008					
Balance at 01.10.06 (Restated)	4,914,377	(581,916)	1,982	282,500	4,616,943
Total recognised Income and Expenses	0	124,531	0	0	124,531
Movement in available for sale asset	0	0	0	247,191	247,191
Reclassification of preference shares	0	0	(100)	0	(100)
Balance at 30.09.07 (Restated)	4,914,377	(457,385)	1,882	529,691	4,988,565
Balance at 01.10.07 (Restated)	4,914,377	(457,385)	1,882	529,691	4,988,565
Total recognised Income and Expenses	0	2,110,450	0	0	2,110,450
Movement in available for sale asset	0	0	0	254,400	254,400
Balance at 30 September	4,914,377	1,653,065	1,882	784,091	7,353,415

PRODUCE BUYING COMPANY LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2009

	2009	2008
	GH¢	GH¢
Cash flows from operating activities		
Profit before taxation	**7,176,133**	2,949,395
Adjustment for:		
Depreciation and Amortisation charges	**3,196,170**	1,809,586
Interest Received	**(376,553)**	(1,209,642)
Profit on Property, Plant and Equipment Disposals	**(399,806)**	(262,308)
Interest expense	**15,023,520**	9,363,085
Operating Profit Before Working Capital Changes	**24,619,464**	12,650,116
Change in inventories	**5,863,806**	(23,031,234)
Change in trade and other receivables	**(19,790,671)**	(4,063,427)
Change in trade and other payables	**4,645,499**	6,613,877
Cash generated from operations	**15,338,098**	(7,830,668)
Income taxes paid	**(209,667)**	(267,105)
Net cash flow from operating activities	**15,128,431**	(8,097,773)
Cash flow from investing activities		
Interest Received	**376,553**	1,209,642
Proceeds from disposal of Assets	**399,806**	314,598
Payment to acquire Intangible Assets	**(38,700)**	(28,908)
Payments to acquire Property, Plant and Equipment	**(14,903,754)**	(10,407,787)
Net Cash used in Investing Activities	**(14,166,095)**	(8,912,455)
Cash flows from Financing Activities		
Interest paid	**(15,023,520)**	(9,363,085)
Payment for Share Buy Back	**(150,000)**	0
Dividend paid during the year	**(717,180)**	0
Short Term Loan	**13,199,000**	15,980,000
Finance Lease	**45,138**	3,676,200
Medium Term Loan	**542,927**	2,491,841
Net Cash used in Financing Activities	**(2,103,635)**	12,784,956
Net Increase in Cash and Cash equivalents	**(1,141,299)**	(4,225,272)
Cash and Cash equivalents at 1 October	**228,435**	4,453,707
Cash and Cash equivalents at 30 September	**(912,864)**	228,435

Cash and Cash Equivalents.

Cash in Hand and at Bank	**10,429,116**	11,063,421
Bank overdraft	**(16,575,298)**	(11,220,204)
Treasury Bills/Call Deposits	**5,233,318**	385,218
	(912,864)	228,435

1.0. REPORTING ENTITY

Produce Buying Company Limited is a company registered and domiciled in Ghana. The address of the company's registered office can be found on page 1 of the annual report. The company is authorised to buy, collect, store, transport and otherwise deal in cocoa, coffee and sheanuts produced in Ghana on behalf of Ghana Cocoa Board.

2.0 BASIS OF PREPARATION

a. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and its interpretations adopted by the International Accounting Standards Board (IASB).

b. Basis of measurement

The financial statements are prepared on the historical cost basis except for financial instruments and other assets that are stated at fair values.

c. Functional and presentational currency

The financial statements are presented in Ghana Cedis (GH¢) which is the company's functional currency.

d. Use of estimates and judgement

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in notes 4 and 29.

3.0 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements by the company and in preparing an opening balance sheet at 1 October 2006 for the purpose of transition to IFRS.

a. Financial Instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investment in shares and treasury bills, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instrument not at fair value through profit and loss, any directly attributable transaction cost. Subsequent to initial recognition non-derivative financial instruments are measured at amortised cost using the effective interest rate method, less any impairment losses, if any.

Non-derivative financial instruments are categorised as follows:

- Loans and receivables these are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are measured at amortised cost using the effective interest rate method, less any impairment losses.

- Financial liabilities measured at amortised cost - this relates to all other liabilities that are not designated at fair value through profit or loss.

- Available-for-sale financial assets - The Company’s investments in shares are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognised directly in equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to profit or loss.

(ii) Off setting

Financial assets and liabilities are set off and the net amount presented in the balance sheet when, and only when, the company has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

(iii) Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

(iv) Stated capital (Share capital)

Ordinary Shares

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

Preference Shares

Preference share capital is classified as equity if it is non-redeemable or is redeemable but only at the company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity upon approval by Board of Directors.

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders or if dividend payments are not discretionary.

Dividends thereon are recognised as distributions within equity upon approval by Board of Directors.

Repurchase of stated capital (treasury shares)

When stated capital recognised as equity is repurchased, the amount of the consideration paid which includes directly attributable costs, is net of any tax effects, and is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on transaction is transferred to/from retained earnings.

(b) Leases

(i) Classification

Leases that the company assumes 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 the 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 the income statement on a straight-line basis over the period 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 as 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.

(c) Property, plant and Equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and 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).

(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 the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in income statement as incurred.

(iii) Depreciation

Depreciation is recognised in the income statement 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. Land is not depreciated.

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

Buildings	-	3%
Plant and Machinery	-	20%
Motor vehicles	-	20%
Operational Vehicles	-	10%
Furniture and equipment	-	20%

Depreciation methods, useful lives and residual values are reassessed at each reporting date. Gains and losses on disposal of property, plant and equipment are included in the income statement.

(d) Intangible Assets

Software

Software acquired by the company is stated at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure on software assets 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.

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life of software is five years.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out 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.

(f) Trade and Other Receivables

Trade receivables are stated at amortised costs, less impairment losses. Specific allowances for doubtful debts are made for receivables of which recovery is doubtful.

Other receivables are stated at their cost less impairment losses.

(g) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and bank balances and these are carried at amortised cost in the balance sheet.

(h) Employee Benefits

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 the income statement when they are due.

(i) Revenue

(i) Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts, taxes and volume rebates. Revenue is recognised when the significant risks and rewards of the ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and 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.

(ii) Sale of services

Revenue from services rendered is recognised in the income statement when the service is performed.

(j) Finance Income and Expense

Finance income comprises interest income on funds invested (including available-for-sale financial assets) and dividend income. Interest income is recognised in the income statement using the effective interest method. Dividend income is recognised in profit or loss on the date that the company’s right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise interest expense on borrowings. All borrowing costs are recognised in the income statement using the effective interest method.

(k) Impairment

(i) Financial assets

A financial asset is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the income statement. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

(ii) Non-financial assets

The carrying amounts of the company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

(l) Income tax

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

Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised 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.

(m) Dividend

Dividend payable is recognised as a liability in the period in which they are declared.

(n) Post Balance Sheet Events

Events subsequent to the balance sheet date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material.

(o) Segment reporting

A segment is a distinguishable component of the company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. Segment information based on the internal reports regularly reviewed by the company's Chief Operating Decision Maker in order to assess each segment's performance and to allocate resources to them. Currently the company presents segment information in respect of its business segments (see note 5). Under the management approach, the company will present segment information in respect of marketing and haulage.

(p) Earnings per share

The company 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 of the company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(q) Comparatives

Where necessary the comparative information has been changed to agree to the current year presentation.

(r) Borrowing Cost

Borrowing costs shall be recognised as an expense in the period in which they are incurred, except to the extent that borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalised as part of the cost of that asset.

The capitalisation of borrowing costs as part of the cost of a qualifying asset shall commence when: expenditures for the asset are being incurred; borrowing costs are being incurred; and activities that are necessary to prepare the asset for its intended use or sale are in progress

Capitalisation of borrowing cost shall be suspended during extended periods in which active development is interrupted. Capitalisation of borrowing costs shall cease when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are completed.

(s) New standards and interpretations not yet adopted

- IFRS 2 amendment Share based payment: vesting conditions and cancellations will become mandatory for the 31 December 2010 financial statements and applies retrospectively. The amendments apply to equity-settled share-based payment transactions and clarify what are vesting and "non-vesting conditions". Vesting conditions are now limited to service conditions (as defined in the current IFRS 2) and performance conditions. Non-vesting conditions are conditions that do not determine whether the entity receives the services that entitle the counterparty to a share-based payment are non-vesting conditions. Non-vesting conditions are taken into account in measuring the grant date fair value and thereafter there is no "true-up" for differences between expected and actual outcomes. These changes will have no impact on the company's financial statements.

- IFRS 3 Business Combinations will become mandatory for the 31 December 2010 financial statements. This standard requires all future transaction costs relating to business combinations to be expensed and contingent purchase consideration recognised at fair value at acquisition date. For successive share purchases, any gain or loss for the difference between the fair value and the carrying amount of the previously held equity interest in the acquiree must be recognised in profit and loss. It is not expected to have any impact on the company's financial statements.

- IFRIC 14 and IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction clarifies when refunds or reductions in future contributions in relation to defined benefit assets should be regarded as available and provides guidance on the impact of minimum funding requirements (MFR) on such assets. It also addresses when a MFR might give rise to a liability. It is not expected to have any impact on the financial statements.

- IAS 32 Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements: Puttable Financial Instruments and Obligations Arising on Liquidation will become mandatory for the 31 December 2010 financial statements. This amendment requires certain puttable instruments that meet the definition of a financial liability to be classified as equity if and only if they meet the required conditions. It is not expected to have any impact on the financial statements.

4.0 DETERMINATION OF FAIR VALUES

A number of the company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the 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 6-month period are not discounted as the carrying values of approximate their fair values.

(ii) Non-derivative financial liabilities

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

(iii) Investments in equity

The fair value of available-for-sale financial assets is determined by reference to their quoted bid price at the reporting date.

5 SEGMENT REPORTING

Segmental information is presented in respect of the company's business segments. The primary format and business segments, is based on the company's management and internal reporting structure.

The company'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.

The two main business segments are:

- Marketing   sale of cocoa beans
- Haulage   transporting of cocoa beans

The company does not have a geographical segment.

PRODUCE BUYING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2009

5b SEGMENT REPORTING

Class of Business

	PRODUCE		HAULAGE		TOTALS	
	2009	2008	**2009**	2008	**2009**	2008
	GH¢	GH¢	**GH¢**	GH¢	**GH¢**	GH¢
Segment Revenue	**430,527,527**	242,323,550	**6,877,596**	3,154,905	**437,405,123**	245,478,455
Segment Results	**46,230,920**	30,048,379	**3,750,929**	660,723	**49,981,849**	30,709,102
Unallocated expenses					**(30,007,108)**	(21,554,679)
Results from Operating activities					**19,974,741**	9,154,423
Other Income					**1,848,359**	1,948,415
Net Finance Cost					**(14,646,967)**	(8,153,443)
Corporate tax expense					**(1,982,588)**	(838,945)
Profit for the year					**5,193,545**	2,110,450
Total Assets	**76,754,810**	55,538,020	**19,805,171**	11,929,641	**96,559,981**	67,467,661
Total Liabilities	**76,709,451**	53,167,835	**8,534,387**	6,946,411	**85,243,838**	60,114,246
Other Segment Items						
Depreciation & Amortisation	**1,307,021**	1,030,303	**1,889,149**	779,283	**3,196,170**	1,809,586

		NOTES	2009 GH¢	2008 GH¢
6	**REVENUE**			
	Sale of Produce		**430,527,527**	242,323,550
	Services (Haulage)		**6,877,596**	3,154,905
			437,405,123	245,478,455
7	**ADMINISTRATIVE AND GENERAL EXPENSES** include the following:-			
	Depreciation and amortisation		**239,829**	447,781
	Auditors Remuneration		**24,150**	20,125
	Directors emoluments		**88,697**	70,208
	Subscriptions and Donations		**86,984**	55,601
8	**OTHER INCOME**			
	Rent Income		**70,712**	72,855
	Recoveries from Shortages		**564,074**	700,451
	Sundry Income		**87,684**	157,684
	Commission on Fertilizer Sales		**0**	745,554
	Asset Disposal Gain	**13c**	**399,806**	262,308
	Cocoa Sweeping Proceeds		**716,520**	0
	Staff Loan Discount Recycle		**9,563**	9,563
			1,848,359	1,948,415
9	**NET FINANCE EXPENSES**			
	Interest Income		**376,553**	1,209,642
	Bank and Produce loan interest		**(15,023,520)**	(9,363,085)
			(14,646,967)	(8,153,443)
10a	**INCOME TAX EXPENSE**			
	Current tax expense	**10b**	**1,021,175**	147,213
	Deferred tax expense	**11a**	**961,413**	691,732
			1,982,588	838,945

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

PRODUCE BUYING COMPANY LIMITED
NOTE TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2009

10b TAXATION

Year of Assessment	Balance at I October	Payments during the year	Charge for the year	Balance at 30 September
Corporate Tax	**GH¢**	**GH¢**	**GH¢**	**GH¢**
1995-2002	5,500	0	0	**5,500**
2003-2007	392,051	0	0	**392,051**
2008	119,892	0	0	**119,892**
2009	0	209,667	(1,021,175)	**(811,508)**
	517,443	209,667	(1,021,175)	**(294,065)**
N R L				
2004	(86,456)	0	0	**(86,456)**
	430,987	**209,667**	**(1,021,175)**	**(380,521)**

Tax liabilities up to and including the 2005 year of assessment have been agreed with the tax authorities. The remaining liabilities are however subject to agreement with the tax authorities.

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

10c Reconciliation of effective tax rate	2009	2008
	GH¢	GH¢
Profit before tax	**7,176,133**	2,949,395
Income tax using the domestic tax rate	**1,794,033**	737,349
Non-deductible expenses	**972,265**	596,136
Tax exempt revenue	**(99,952)**	(65,577)
Tax incentive not recognised in the income statement	**(1,645,173)**	(1,120,695)
Deferred tax	**961,413**	691,732
Current tax charges	**1,982,588**	838,945
Effective tax rate	**27.63%**	28%

PRODUCE BUYING COMPANY LIMITED
NOTE TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2009

11a DEFERRED TAX

	2009	2008
	GH¢	GH¢
Balance at 01 October	763,853	72,121
Charge to the Income Statement	961,413	691,732
Balance at 30 September	1,725,266	763,853

11b RECOGNISED DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities are attributable to the following

	2009			2008		
	Assets	Liabilities	Net	Assets	Liabilities	Net
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Property, plant and equipments	0	1,725,266	1,725,266	0	789,597	789,597
Others	0	0	0	(25,744)	0	(25,744)
	0	1,725,266	1,725,266	(25,744)	789,597	763,853

12 LONG TERM INVESTMENTS

	2009	2008
	GH¢	GH¢
Quoted Equity Investments	581,818	945,455

This represent 727,273 of equity shares of no par value held in Ghana Commercial Bank Limited

13a PROPERTY, PLANT AND EQUIPMENT

2009	Land and Buildings GH¢	Plant and Machinery GH¢	Motor Vehicles GH¢	Furniture & Fitting GH¢	Building W.I.P GH¢	Total GH¢
Cost						
Balance at 1.10.2008:	3,870,444	3,343,918	13,908,927	795,995	736,077	22,655,361
Additions during the year	265,990	1,305,691	11,941,791	172,844	1,217,438	14,903,754
Disposals	0	0	(744,757)	0	0	(744,757)
Balance at 30.9.2009	**4,136,434**	**4,649,609**	**25,105,961**	**968,839**	**1,953,515**	**36,814,358**
Depreciation						
Balance at 1.10.2008:	874,848	2,385,532	4,994,820	625,260	0	8,880,460
Charge for the year	126,094	534,115	2,422,226	100,213	0	3,182,648
Released on Disposals	0	0	(744,757)	0	0	(744,757)
Balance at 30.9.2009	**1,000,942**	**2,919,647**	**6,672,289**	**725,473**	**0**	**11,318,351**
Carrying amounts						
At 30.9.09	**3,135,492**	**1,729,962**	**18,433,672**	**243,366**	**1,953,515**	**25,496,007**
At 30.9.08	2,995,596	958,386	8,914,107	170,735	736,077	13,774,901

Security

At 30 September 2009 properties with a carrying amount of GH¢190,000(2008; GH¢190,000) are subject to a registered debenture to secure bank loans.

PRODUCE BUYING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2009

13b PROPERTY, PLANT AND EQUIPMENT

2008	Land and Buildings GH¢	Plant and Machinery GH¢	Motor Vehicles GH¢	Furniture & Fitting GH¢	Building W.I.P GH¢	Total GH¢
Cost						
Balance at 1.10.2007:	3,473,030	2,527,779	5,703,388	699,498	0	12,403,695
Additions during the year :	464,114	816,139	8,282,250	109,207	736,077	10,407,787
Disposals	(66,700)	0	(76,711)	(12,710)	0	(156,121)
Balance at 30.9.2008	3,870,444	3,343,918	13,908,927	795,995	736,077	22,655,361
Depreciation						
Balance at 1.10.2007:	772,742	2,015,764	3,834,418	557,563	0	7,180,487
Charge for the year	118,114	369,768	1,237,113	78,809	0	1,803,804
Released on Disposals	(16,008)	0	(76,711)	(11,112)	0	(103,831)
Balance at 30.9.2008	874,848	2,385,532	4,994,820	625,260	0	8,880,460
Carrying amount						
At 30.9.08	**2,995,596**	**958,386**	**8,914,107**	**170,735**	**736,077**	**13,774,901**
At 30.9.07	2,700,288	512,015	1,868,970	141,935	0	5,223,208

13c Profit on disposal of Property, Plant and Equipment

	2009 GH¢	2008 GH¢
Cost	**744,757**	156,121
Accumulated Depreciations	**(744,757)**	(103,831)
Net Book Value	**0**	52,290
Sale Proceeds	**(399,806)**	(314,598)
Profit on Disposal	**399,806**	262,308

PRODUCE BUYING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2009

	2009	2008
14 INTANGIBLE ASSETS	**GH¢**	GH¢
Balance at 1 October	**28,908**	0
Acquisition	**38,700**	28,908
Balance at 30 September	**67,608**	28,908
Amortisation		
Balance at 1 October	**5,782**	0
Amortisation for the year	**13,522**	5,782
Balance at 30 September	**19,304**	5,782
Carrying amount		
At 30 September	**48,304**	23,126

This relate to the cost of purchased computer software.

15 INVENTORIES

	2009	2008
Trading		
Cocoa	**18,303,384**	25,025,637
Sheanut	**3,062,509**	2,299,663
Non-Trading		
Spare Parts	**77,582**	110,324
Tarpaulin Stocks	**200,537**	197,665
Jute Sacks/Twine	**0**	174,714
Technical Stores	**39,932**	57,024
Printing Stationery	**276,571**	163,274
Fuel and Lubricants	**135,616**	235,995
Other Stock/Matchets	**7,943**	4,037
Tyres and Batteries	**396,920**	89,917
Stencil Ink	**4,810**	11,360
	22,505,804	28,369,610

	2009	2008
	GH¢	GH¢

16 ACCOUNTS RECEIVABLE

Trade receivables due from customers	**19,585,844**	5,565,978
Other receivables	**11,403,331**	6,111,842
Staff Loans and Advances	**686,149**	675,019
Prepayments	**628,692**	170,069
Staff Loans Discounted	**(38,402)**	(47,965)
	32,265,614	12,474,943

a. Prepayments represent the unexpired portion of certain expenditure spread on time basis.

b. The maximum amount due from employees of the Company during the year did not exceed GH¢ 686,149 (2008 - GH¢675,019).

	GH¢	GH¢

17 SHORT TERM INVESTMENTS

Call & Fixed Deposits	**4,819,608**	69,820
Treasury Bills	**413,710**	315,398
	5,233,318	385,218

18 CASH AND CASH EQUIVALENTS

Bank Balances	**9,996,079**	10,984,515
Cash Balances	**433,037**	78,906
	10,429,116	11,063,421

19 ACCOUNTS PAYABLE

Trade payables due to related parties	**3,548**	11,234
Non-trade payables and accrued expenses	**11,384,582**	1,157,375
Accrued Charges	**784,847**	6,358,869
	12,172,977	7,527,478

	2009	2008
	GH ¢	GH ¢
20 BANK OVERDRAFT		
Intercontnental Bank of Ghana	**42,060**	0
Ecobank Ghana Limited	**5,246,044**	619,957
Standard Chartered Bank	**4,988,561**	311,059
Ghana Commercial Bank	**4,333,605**	7,887,906
Agricultural Development Bank	**0**	586,017
Cal Bank	**0**	4,842
SG-SSB Limited	**1,965,028**	1,810,423
	16,575,298	11,220,204

Ecobank Ghana Limited

The company has an overdraft facility of GH¢5,000,000 with Ecobank Ghana Limited to finance working capital and other operational bills. Interest rate is at the bank's base rate (currently 27.0% per annum) minus a spread of 3.75% per annum payable monthly in arrears. The facility is secure by assignment and domiciliation of take-over margin/receivables commensurate with EBG.s commitment. The facility expires on 30 September 2009.

Standard Chartered Bank

The company has an overdraft facility of GH¢5,000,000 with the bank as a bridging facility pending the conversion of Cocoa Take Over (CTO's) into cash by COCOBOD. Interest rate is at 23.7% per annum subject to review in line with market conditions. The facility is secured by assignment of receivables for GH¢52 million and specific charge over 16 vehicles purchased and financed by SCB stamped for GH¢2,000,000 and General charges over cocoa stocks. Stamped as LVB15881/06 to cover GH¢5,250,000. The facility is due to expire on 31 March 2009.

Ghana Commercial Bank

The company has an overdraft facility of GH¢15,000,000 with the bank to support cocoa purchases operations during 2008/09 cocoa season. Interest rate is at 24.0% per annum or any rate to be determined by the Bank from time to time. The facility is secured by negative pledge over fixed assets of the company valued at GH¢5.2 million and assignment of stocks of cocoa beans to be purchased during the 2008/09 Cocoa season valued GH¢90 million and receivables from Ghana Cocoa Board. The facility expires on 30 September 2009.

SG-SSB Bank

The company has an overdraft facility of GH¢10,000,000 with the bank to support cocoa purchases during the 2008/09 main crop and 2009 light crop seasons. Interest rate is at 18.75% per annum and is subject to review in line with market trends and at the discretion of the Bank. The facility is secured by assignment of receivables on cocoa beans to be purchased and pledge over cocoa stocks. The facility expires on 30 September 2009.

Agricultural Development Bank

The company has an overdraft facility of GH¢3,000,000 with Agricultural Development Bank to finance part purchase of 220,000 metric tones of cocoa during the 2007/08 main crop season. Interest rate is at 14% per annum. The facility is secured by a Negative pledge over present and future assets of the company. The facility expired on 20 September 2007.

	2009	2008
	GH¢	GH¢
21 SHORT TERM LOANS		
Produce Loan (Seed Fund)	**34,179,000**	29,980,000
Bank Short Term Loan	**9,000,000**	0
	43,179,000	29,980,000

Produce Loan (Seed Fund)

The Company has been granted a Short Term Loan of GH¢167,000,000.00 by COCOBOD to finance Cocoa Bean and Sheanuts purchase during the 2009 light and 2008/09 Main Crop Seasons. Interest rate for the 2009 is 11% per annum and 16.5% per annum for the 2008/09. Main Crop Season.

Cal Bank Limited

The Company has been granted a Short Term Loan of GH¢9,000,000 by Cal Bank to continue purchase cocoa bean purchase during the 2008/2009 crop season. The facility is secured by Assignment of the company's stocks and receivables valued at GH¢17,430,951 as at June 30, 2009 The interest rate charge over the facility is at the bank's Base Rate plus 1% margin (currently 32.9% per annum subject to change at the banks option). The facility is for a period of 0ne (1) month and is to determined after the execution of security documentation

	2009	2008
22 MEDIUM TERM LOAN		
Barclays Bank Ghana Limited	**3,375,000**	5,000,000
Standard Chartered Bank	**438,599**	1,318,636
Ghana Commercial Bank Limited	**23,509**	287,768
Ecobank Limited	**3,688,881**	375,000
Processing Fee	**(36,651)**	(34,993)
	7,489,338	6,946,411
Current portion payable within 12 months	**2,676,289**	2,810,551
Long term portion payable after 12 months	**4,813,049**	4,135,860

Standard Chartered Bank

The company has a medium term facility of GH¢2,253,000 with the Bank to finance the acquisition of 8 articulator trucks, 10 cargo trucks, 6 station wagons and 3 salon vehicles for operation. The loan is partly to finance the construction and rehabilitation of sheds and depots for cocoa storage. Interest rate is at SCB base lending rate minus 3% (16.49% per annum) compounded monthly and subject to market conditions. The facility is secured by assignment of receivables for GH¢45 million and a specific charge over 16 vehicles purchased and finance by SCB, stamped for GH¢1,500,000 LVB 5787/04. The facility will be repaid over a 36 month period and expires in October 2009.

MEDIUM TERM LOANS (cont'd)

Barclays Bank Ghana Limited

The Company has been granted a Medium (Flexi) Term Loan of GH¢6,000,000 by Barclays Bank to to finance the purchase of motor vehicles. The facility is secured by a debenture registered over all the motor vehicles purchased and any security that is presently held or received by the bank and other banking facilities will also serve as security for the facility. The interest rate charge over the facility is 15.5% (BBG Cedi Base Rate of 19.5% as at June 2007 minus 4.0%). The facility is for a maximum period of 48 months, expiring on 30 June 2011.

Ghana Commercial Bank

The company has a medium term facility of GH¢500,000 with the Bank to finance the purchase of weighing scales to enhance cocoa purchases. Interest rate is at 13.85% per annum (fixed) or any rate to be determined by the bank from time to time. The facility is secured by a Negative Pledge over fixed assets of the company valued at GH¢4.69 million - net book value of assets as at 30 June 2007, assignment of stocks of cocoa beans to be purchased during the 2007/08 cocoa season valued at GH¢60.0 million and receivables from Ghana Cocoa Board.

Ecobank

The bank has granted a new medium term loan facility of GH¢8,000,000 to the company. The facility is to be use by the company to finance the purchase of Cargo Vehicles, Tractors, Tractor trailers and Articulator trailers to haul projected increase of Cocoa purchases. The facility is payable over 60 months installments commencing from the end of the month of initial disbursement and interest rate is at bank's Base Rate (current 27.0%) minus a spread 3.75% per annum payable monthly in arrears. The facility is secure by Assignment and domiciliation of Take-Over margins/receivables commensurate with EBG's commitment, Charge over the vehicles and Assignment and domiciliation of freight earnings. The facility is due to expire on November, 2013

23 FINANCE LEASE	**2009 GH¢**	2008 GH¢
Current portion payable within 12 months	**439,190**	956,407
Long term portion payable after 12 months	**3,282,148**	2,719,793
	3,721,338	3,676,200

The company has been granted a Finance Lease by SG-SSB of GH¢4,000,000 for the purchase of 5 TGM (4x2) cargo trucks, 10 articulator trucks and 15 BMC cargo trucks. The facility is for a period of (7) years. The interest rate is at the bank's base rate of 20.75% less 2.5% (18.25%). The total Lease rental payable at the prevailing rate of 18.25% shall be GH¢6,606,778.62, and the Bank has granted six (6) months moratorium for the repayment of the principal amount granted.

24 STATED CAPITAL

a Ordinary shares

	2009		2008	
	No. of Shares	**Proceeds**	No. of Shares	Proceeds
		GH¢		GH¢
Authorised Ordinary Shares of no par value	**20,000,000,000**		20,000,000,000	
Issued and fully paid				
For cash	**2,005,000**	**1,586,800**	2,005,000	1,586,800
For consideration other than cash	**477,995,000**	**3,327,477**	477,995,000	3,327,477
	480,000,000	**4,914,277**	480,000,000	4,914,277

The holders of the ordinary shares are entitled to receive dividend declared from time to time and are entitled to one vote per share at meetings of the company.

b Preference shares

No. of preference shares	**1**	**100**	1	100
Total stated capital		**4,914,377**		4,914,377

The preference shares are redeemable (golden cocoa share) allotted to the Ministry of Finance on behalf of Government of Ghana.

c Share in treasury

Shares in Treasury as at 30 September 2009:-1,931,068 (2008 - 1,246,467).

d Income surplus (Retained earning)

This represents the residual of cumulative annual profits that are available for distribution to sharehold

e Share deals

This represents the net effect of shares which the company repurchased into treasury that are availabl for reissue for the consideration of GH¢1,982 and reclassification of the proceeds of redeemable prefe shares of GH¢100 from equity.

f Other reserves

This represents the gain arising from fair value changes of long term investment in Ghana Commercial Limited shares

25 TITLE DEED

a Included in the ordinary shares issued for consideration other than cash is an amount of GH¢954,000 represents part of the value of Property, Plant and Equipment ceded to Produce Buying Company Limi Ghana Cocoa Board. As mentioned in our report , we have not had sight of the Title Deed of the shed buildings as stated in the Company's books to establish the Company's ownership of these assets. However, in a letter dated November 18, 1999 the Government of Ghana gave the following undertaki

b "The Government has taken over the interest of the Ghana Cocoa Board (Cocobod) in PBC and accor undertakes to ensure that Cocobod takes all steps required of it under the Ceding Agreement of June 30, 1999 executed between the Cocobod and PBC including but not limited to the perfection of a interests and the execution of all documents to effectuate the cession of assets to PBC".

c "The Government further assures the investing public that in the event of Cocobod failing its obligatio the cession agreement, it will take such additional steps including but not limited to compulsory acquis arranging of payment of adequate compensation by Cocobod so as to concretise the interest of PBC i said assets".

26 EARNINGS PER SHARE

Basic and Diluted earnings per share

The calculation of basic and diluted earnings per share at 30 September 2009 was based on the profit attributable to ordinary shareholders of GH¢5,193,545 (2008; GH¢2,110,450) and a weighted average number of ordinary shares outstanding of 480 million (2008 ; 480 million)

27 DIVIDEND

Final dividend of GH¢0.0037 per share amounting to GH¢1,776,000.00 has been proposed for the yea ended 30 September 2009.

28 FINANCIAL RISK MANAGEMENT

The company has exposure to the following risks from its use of financial instruments;

^ Credit risk
^ Liquidity risk
^ Market risk

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

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board has established the Audit and Finance committee, which are responsible for developing and monitoring the company's risk management policies in their specified areas. The team includes selected members of executive management and report regularly to the Board of Directors on their activities.

The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations

The company's Audit and Finance Committee is responsible for monitoring compliance with the company's risk management policies and procedures, and for reviewing the adequacy of risk management framework in relation to the risks faced by the company. This committee is assisted in these functions by a risk management structure in all the units of the company which ensures a consistent assessment of risk management control and procedures.

Credit risk

Credit risk is the risk of financial loss to the company 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.

Trade and other receivables

The company's exposure to credit risk is minimised as all sales are made to one individual customer. The company has transacted business with this customer over the years, there has not been much default in payment of outstanding debts.

Allowances for impairment

The company establishes an allowance for impairment losses that represents its estimate of incurred losses in respect of risk and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loan loss allowance established for homogeneous assets in respect of losses that have been incurred but not yet been identified. The collective loss allowance is determined based on historical data of payment for similar financial assets.

Exposure to credit risks

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was;

	2009	2008
	GH¢	GH¢
Available for sale Financial Assets	**581,818**	945,455
Loans and Receivables	**32,265,614**	12,908,126
Cash and Cash Equivalents	**10,429,116**	11,063,421
	43,276,548	24,917,002

The maximum exposure to credit risk for trade receivables at the reporting date by type of customer was;

Public Institutions	**19,585,844**	5,565,978

Impairment Losses

	2009		2008	
	Gross	**Impairment**	Gross	Impairment
	GH¢	**GH¢**	GH¢	GH¢
Past due 0 - 180 days	**19,585,844**	**0**	5,565,978	0

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

	2009	2008
	GH¢	GH¢
Balance at 1 October	**19,585,844**	5,565,978
Impairment loss recognised	**0**	0
	19,585,844	5,565,978

Based on historical default rates, the company believes that no impairment is necessary in respect of trade receivables past due up to 180 days.

Liquidity risk

Liquidity risk is the risk that the company 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 company's approach to managing liquidity is to ensure that it will maintain adequate liquidity to meet its liabilities when due.

The following are contractual maturities of financial liabilities;

30 September 2009

Non-derivative financial liability	**Amount**	**6 mths or less**	**6-12 mths**	**1-3 years**
	GH¢	**GH¢**	**GH¢**	**GH¢**
Secured bank loans	54,389,676	44,736,739	1,557,740	8,095,197
Trade and other payables	12,172,977	12,172,977	0	0
Bank overdraft	16,575,298	16,575,298	0	0
Balance at 30 September 2009	**83,137,951**	**73,485,014**	**1,557,740**	**8,095,197**

30 September 2008

Non-derivative financial liability	**Amount**	**6 mths or less**	**6-12 mths**	**1-3 years**
	GH¢	**GH¢**	**GH¢**	**GH¢**
Secured bank loans	40,602,611	31,863,479	1,883,479	6,855,653
Trade and other payables	7,527,478	7,527,478	0	0
Bank overdraft	11,220,204	11,220,204	0	0
	59,350,293	50,611,161	1,883,479	6,855,653

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 company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk

The company is not exposed to currency risk as there are no transactions and balances denominated in currencies other than the functional currency.

Interest rate risk

Profile

At the reporting date the interest rate profile of the company's interest-bearing financial instruments was;

	Carrying amount	
	2009	2008
Variable rate instrument	**GH¢**	GH¢
Financial liabilities	**70,964,974**	51,822,815

Fair value sensitivity analysis for fixed rate instrument

The company did not have fixed rate instrument at 30 September 2009 and also at 30 September 2008

29 FAIR VALUES

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with carrying amounts shown in the balance sheet are as follows;

	30 September 2009		30 September 2008	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Loans and Receivables	**GH¢**	**GH¢**	GH¢	GH¢
Trade and Other Receivables	**32,265,614**	**32,265,614**	12,474,943	12,474,943
Cash and Cash Equivalents	**10,429,116**	**10,429,116**	11,063,421	11,063,421
Short Term Investments	**5,233,318**	**5,233,318**	385,218	385,218
	47,928,048	**47,928,048**	23,923,582	23,923,582
Available for Sale				
Long Term Investment	**581,818**	**581,818**	945,455	945,455
Other Financial Liabilities				
Secured Bank Loan	**54,389,676**	**54,389,676**	40,602,611	40,602,611
Trade and Other Payables	**12,172,977**	**12,172,977**	7,527,478	7,527,478
Bank Overdraft	**16,575,298**	**16,575,298**	11,220,204	11,220,204
	83,137,951	**83,137,951**	59,350,293	59,350,293

30 CAPITAL COMMITMENTS

There were no commitments for capital expenditure at the balance sheet date and at 30 September 2009

31 EMPLOYEE BENEFITS

Deferred Contribution Plans

Social Security

Under a National Deferred Benefit Pension Scheme, the company contributes 12.5% of employee basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pension. The company's obligation is limited to the relevant contribution, which were settled on due dates. The pension liabilities and obligations however, rest with SSNIT.

Provident Fund

The company has two provident fund schemes for the staff under which the company contribute a total of 10% of staff basic salary. The obligation under the plan is limited to the relevant contribution and these are settle on the dates to the fund manager.

PRODUCE BUYING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2009

34 20 LARGEST SHAREHOLDERS

	Shareholders	Number of Shares	Pe Ho
1	Social Security & National Insurance Trust	182,879,412	
2	Ministry of Finance - Government of Ghana	176,112,259	
3	NTHC/Institutional Investor Consortium	58,746,819	
4	NTHC Limited	8,991,934	
5	Current PBC Employees/Commission Agents	5,506,134	
6	GCCSFA/Farmers - Individuals	1,547,307	
7	GCCFA/Farmers - Association	1,250,000	
8	State Insurance Company Limited	1,000,000	
9	Yirenkyi Samuel Ernest Mr.	1,000,000	
10	DBL/Galtere International Fund	1,000,000	
11	BBGN/SSB Eaton Vance Tax-Managed Emerging Mkts Funds	650,000	
12	BBGN/SSB Eaton Vance Structured Emerging Mkts Funds	582,428	
13	BBGN/Bank of New York Customer Emg. Equity Manager Porti-Paf.	516,618	
14	MSL Portfolio	209,216	
15	Aluworks Limited Staff Provident Fund	200,000	
16	BBGN/Northern Trust Co. Avec 6314B	162,500	
17	BBGN/CITIBANK Wilmington Multi Manager Int. Fund	162,500	
18	BBGN/CITIBANK Balentine Int. Equity Fund Select CP	162,500	
19	Vanguard Assurance Company Limited	140,000	
20	Merban Stock Brokers	132,887	