



PBC LTD

Annual Report

2013 / 2014

Premium Quality Service

GOLDEN BEAN HOTEL

at Nhyiaeso, Kumasi



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Accountants &
business advisers

PBC LIMITED

FINANCIAL STATEMENTS

30TH SEPTEMBER 2014

PBC LIMITED
FINANCIAL STATEMENTS

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PBC LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 14th Annual General Meeting of **PBC LIMITED** will be held at the Ebenezer Presbyterian Church Hall, Osu, Accra on **Wednesday, 24th June, 2015** at **10 O'clock in the forenoon.**

AGENDA

ORDINARY BUSINESS

Ordinary Resolution(s)

1. (a) To receive, consider and adopt the Report of the Directors, Auditors and Financial Statements for the year ended 30th September, 2014
(b) Managing Director's review of Operations
2. To approve changes in Directorship
 - i. Mr. Yaw Sarpong – Retiring by rotation
 - ii. Mrs. Mabel Quakyi – Retiring by rotation
 - iii. Mr. Stephen Baba Kumasi – Retiring by rotation
3. To re-elect the following Directors retiring by rotation
 - i. Mrs. Mabel Quakyi
 - ii. Mr. Stephen Baba Kumasi
4. To ratify the appointment of Directors
 - i. Mr. Hayford Kofi Nimoh
 - ii. Prof. Mohammed Salifu
5. To appoint Mr. Karikari Gyamfi, nominee of PBC Staff/Employees as Director to fill a vacancy
6. To authorise the Directors to fix the remuneration of the Auditors

SPECIAL BUSINESS

Special Resolution

7. To amend the Company's Regulations

Dated this Thursday, the 14th day of May, 2015

By Order of the Board

**EDEM AMA SEKYI (MRS.)
COMPANY SECRETARY**

NOTE:

A member of the Company entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of him/her. A Proxy need not be a member of the Company. A Form of Proxy, for it to be valid for the purpose of the meeting, must be completed and deposited at the offices of the **REGISTRARS, NTHC LIMITED, MARTCO HOUSE, NO. D.542/4, OKAI MENSAH LINK, ADABRAKA, ACCRA, P. O. BOX KIA 9563, AIRPORT, ACCRA** not later than 48 hours before the appointed time of the meeting.

PBC LIMITED
CORPORATE INFORMATION
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

| | | |
|---------------------------|--|---|
| BOARD OF DIRECTORS | Capt. Kwadjo Adunkwa Butah (Rtd.) Maxwell Kojo Atta-Krah Prof. Basil Clarence Frans' Lokko Mabel Oseiwa Quakyi (Mrs.) Abraham Amaliba Hayford Kofi Nimoh Matthew Boadu Adujai Thomas Dzoleto Kwami Yaw Sarpong Stephen Baba Kumasi Prof. Mohammed Salifu | - Chairman - Managing Director - Director - Director - Director - Director - Director - Director - Director - Director - Director |
| SECRETARY | Edem Ama Sekyi (Mrs.) | |
| TOP MANAGEMENT | Maxwell Kojo Atta-Krah Joseph Osei Manu Nana Agyenim Boateng I | - Managing Director - DMD (Finance and Administration) - DMD (Operations) |
| AUDITORS | PKF Chartered Accountants Farrar Avenue P. O. Box 1219 Accra | |
| SOLICITOR | Edem Ama Sekyi (Mrs.) PBC Limited No. 106, Olusegun Obasanjo Way Dzorwulu Junction Accra | |
| REGISTERED OFFICE | No. 106, Olusegun Obasanjo Way Dzorwulu Junction Accra | |
| REGISTRAR | NTHC Limited Martco House, Adabraka P. O. Box KIA 9563 Airport, Accra | |
| BANKERS | Barclays Bank of Ghana Limited Ecobank Ghana Limited GCB Bank Societe General Ghana Limited Standard Chartered Bank Ghana Limited Universal Merchant Bank ADB Bank Cal Bank Limited NIB Bank Limited Stanbic Bank Ghana Limited | |

CHAIRMAN'S REPORT

Distinguished Shareholders, Ladies and Gentlemen,

I welcome you once again to the Annual General Meeting of PBC Ltd, the 14th in its history and present to you the Annual Report and Statement of Accounts of the company for the financial year ended 30th September, 2014.

The unfavorable international cocoa environment that had depressed the price of the crop, continued well into the year under review. This presented the industry with a not too impressive market prognosis with very low expectation for price increases. It was therefore only possible for some marginal increase to be made to the Producer Price of the crop for farmers.

The Buyer's Margin for Licensed Buying Companies (LBCs) however was kept yet still at the same level for the 4th year in succession amidst an operating environment in which costs kept rising at all fronts of the operational chain and process. This presented a most uncomfortable situation for all LBCs. PBC Ltd however, being the largest player in the field unavoidably suffered the heaviest impact as a result.

The Total Revenue earned could invariably not accommodate the Total Costs on the company leading to the registering of an End of Year Loss.

OPERATIONAL RESULTS

The national cocoa output for the year under review was 896,917 tonnes, a 7.3% increase over the previous year's output of 835,466 tonnes. Of this output, PBC's total purchases for the year was 294,261 tonnes, a single percentage increase over the previous year's performance of 291,425 tonnes.

This presented Total Earnings of GH¢ 1,138,631,772 a marginal 1.4% increase over that of the previous year figure of GH¢1,123,237,029. The proportion of this Earning to the Cost of Sales was maintained as was for the previous year at 90% of the Revenue, instead of the high 95% achieved in the year 2012.

The company further, within the constraints of increasing operational costs performed creditably with only a 1% increase in Direct Operating Expenses. This obviously is attributed to the positive gain in efficiency attained out of the prudent management practices instituted during the year.

A 16% increase in General and Administrative Expenses, mainly arising from Utility and Staff cost increases, presented an Operating profit of GH¢34,729,261, 15.5% lower than that of year 2013.

Finance costs continued to be the "hangman's noose" of the company as it increased by 18% from GH¢ 51,955,632 to GH¢ 61,359,299. This naturally, could not be contained by the Operating profit established and thus landed the company regrettably into the loss of GH¢ 25,430,187.

EXPLANATION FOR LOSS

Your company thrives on Margins paid by the Industry Regulator i.e. the Ghana Cocoa Board (COCOBOD) and on its ability to lessen Costs especially Finance cost to the barest minimum. Where Margins could not suffer any increase for the year but Finance cost uncontrollably headed upwards, the situation presented a most unfavorable operating condition which invariably led to the negative End of Year result.

The current Board of the company populated as per best practice, for the first time, through proportional representation of Shareholders has plunged into full gear with the aim to improve both parameters and present the company with more comforting Margins and Finance Costs that will place the company on a path we all envisage.

Already, positive developments originating from expectations of increase in cocoa/chocolate consumption from the emerging markets of Asia leading to higher industry needs show strong prospects for increased prices on the international platform. This has undoubtedly fuelled the positive consideration by the Regulator, which has culminated in a 95% increase in the Buyer's margin. This has presented a more accommodating operating range that gives prospects for a far brighter and promising season.

INVESTMENTS

The rehabilitation and remodeling of the Head Office building mentioned at the last General Meeting has been successfully completed. This has saved the original structure from the serious state of structural deterioration as a result of its location in a low gradient and water logged area.

It has further also made possible the development of the compound with provision of underground storm drains to carry flood runoffs safely from the premises. In addition it has also made possible the relocation of the office's main gate to facilitate access to and from the premises.

The company can consequently, proudly boast of the ownership of a modern office complex that shall serve it well into the many years to come. The company's 3-star Hotel christened the Golden Bean Hotel was completed during the year. A number of shareholders participated in the Dedication ceremony for the hotel that took place in Kumasi.

The hotel has been fully operational capturing most impressive patronage and has in fact been tagged as the Best Hospitality facility in the Kumasi Metropolis. We are hopeful that it will continue to operate and enjoy this accolade and optimize its earnings for the benefit of the Company and shareholders.

The PBC Shea factory, though has been operational has not functioned at full capacity. The plant still has components that need refinement and refabrication and every effort is being put in to attain the perfect situation at the earliest time possible. Operations nevertheless continue albeit at a lower capacity, in order to meet current contracts for the butter entered into with buyers.

It is noteworthy though to mention, that PBC's role in the shea nut market has given positive transformation of the market to the benefit of the citizenry of the shea producing areas. We are therefore hopeful of their continued involvement for the sustenance of supply to the factory.

SOCIAL SERVICES

Though the company was not in the best of financial circumstances during the year, we nevertheless found it necessary to maintain the traditional links to our partners particularly farmers. The company therefore extended support and granted the following as its Corporate Social Responsibility.

- i. Assistance to the Ghana Police Command and Staff College to renovate an existing structure into a twelve (12) unit accommodation block
- ii. Support in the building of the Asawinso Palace of the Western North, Sefwi Wiawso Region
- iii. Support to the Akyem Kwamang Community-Kade District to roof their Community Clinic
- iv. Support to the Achiase Catholic Basic School JHS Block and ICT laboratory, Dunkwa-on-offin.
- v. Sponsorship to the 2014 MOMIC outreach to farmers by medical students of the University of Ghana Medical School
- vi. Support to the funeral of the late Kasapreko Kwame Bassanyin III of Wasa Akropong
- vii. Support to the National Polio Immunization Day organized by the District Health Directorate, Dadieso in the Enchi Region.
- viii. Sponsorship to 2014 Stakeholders' Conference of the Ghana National Service Scheme
- ix. Sponsorship towards 2014 Farmers' Award programme for Ten (10) Districts of the Eastern Region
- x. Sponsorship to the Kotobabi MTTU to renovate their offices
- xi. Sponsorship to 2014 Ghana Cocoa Festival
- xii. Donation toward the celebration of the 2014 Ohumkan Festival by the people of Akyem Abuakwa Traditional Area.
- xiii. Support for a medical exchange programme organized by the University of Ghana Medical School and the International Federation of Medical Students' Association (IFMSA)
- xiv. Support to the Asantehene Gold Cup Tournament
- xv. Medical assistance to accident victim who is a CMC of Akyerekyere Society, Manso Amenfi District
- xvi. Sponsorship for the 2013 Ghana Cocoa Festival
- xvii. Sponsorship to the Dunkwa West Circuit Education Service to organize their maiden reading and quiz competitions
- xviii. Support for the renovation of the Police District Office/Police Station, New Edubiase in the Ashanti Region and
- xix. Sponsorship to the Ghana Education Service, Dunkwa West Circuit, Dunkwa-on-Offin.

We do believe that such interactions, maintains the company in the good standings of the society and assists it in the carriage of its objectives.

DIVIDEND

The Board regrettably is unable once again, to recommend the payment of any dividend for obvious reasons. This negative End of Year results naturally creates a setback to Investor expectations, which must be curtailed forthwith. With ample knowledge of the causes, your Directors intend to reverse the trend during the ensuing year to assure Shareholders of some respectable return subsequently.

OUTLOOK

The company's financial stance is still fragile and calls for an injection of Equity Capital first, to strengthen its Balance Sheet and secondly, to provide the permanent Working Capital that has eluded the company for all these years.

The Board has taken on this as a major assignment, to do the utmost to have the company gain some ground in this endeavor. In the meantime the Board shall aim at committing the company to least credit from the banks to help lessen the burden of high Interest charges on the company.

The company's trials into the Speciality Cocoa trade through the Certification and Traceability programmes in some districts of Eastern, Ashanti and Brong Ahafo regions have been most successful.

While providing some extra income to the company, it has in the main, provided extra premium that was paid to farmers and also made possible, provision of logistics to the participating farmers. It is the intention of the company going forward, to expand its involvement and enlarge the farmer participating base.

Close attention shall be given to the activities of the two subsidiaries as they are weaned-off from the PBC Ltd finances and support to become fully self-financing. They are expected to operate efficiently to provide positive contributions to the general corporate effort of PBC Ltd.



**CAPTAIN (Rtd) KWADJO ADUNKWA BUTAH
CHAIRMAN OF THE BOARD**

MANAGING DIRECTOR'S REVIEW OF OPERATIONS

The 2013/14 Financial Year experienced an unfavorable general economic situation catapulted by dwindling commodity prices on the international market and high inflation, exchange and interest rates regimes locally. These factors obviously impacted negatively on the business activities in the country through higher than expected operational costs particularly that of borrowing.

Against the background of all these challenges therefore, the Company recorded a net loss of GH¢25.4 million in the year under review as compared to the net loss of GH¢8.8 million recorded in the previous year.

The main cause of this state of affairs has been the following:

1. The Buyers Margin per tonne is the main revenue earned from the delivery of cocoa which had remained the same for the last four years, despite the high inflation and interest rates and their attendant effect on cost of inputs and services. It was therefore difficult for the Company's huge cost structure to be contained in such a tight revenue regime, hence the loss experienced.
2. The company's continued reliance on borrowings from the market to supplement funds for cocoa purchases still presents it with a cost outlay too heavy to bear. Lack of adequate working capital and funding from the traditional COCOBOD source continued to place the operations of the company on excessive short-term borrowings at high interest charges. It is worthy to note that in the year under review the Company spent about 55.3% of its Gross Earnings in servicing Finance Cost.

In spite of these challenges which had culminated in this precarious financial state of the Company, the Board and Management will continue to manage the current situation with the right strategies, policies and decisions to bring the Company back on track for sustained profitability in the coming years.

Performance Review

The review of the Company's operations focuses on comparing key performance indicators, revenue earned and expenditure incurred, and the financial stance of the Company to that of the previous year.

Turnover for Cocoa operations increased marginally from GH¢1.107 billion to GH¢1.123 billion, an increase of 1.4% due to a slight increase in the volume of Cocoa purchased and delivered. With an increase of 7.83% in National Cocoa purchases from 835,466 tonnes in 2012/13 to 896,917 tonnes in 2013/14, the Company's purchases increased slightly by 0.97% from 291,425 tonnes in 2012/13 to 294,261 tonnes in 2013/14. Turnover for the haulage services decreased from GH¢15.523 million to GH¢14.704 million, a decrease of 5.27% due to the decrease in the quantity of Cocoa hauled at the secondary level by our articulated and cargo trucks.

Cost of Sales of Cocoa operations increased marginally by 3.85% from GH¢1.003 billion to GH¢1.014 billion to correspond to the slight increase in the quantity of Cocoa purchased and delivered.

Direct cost of haulage services however increased by 62.4% from GH¢8.326 to GH¢13.525 million due to an increase in cost of inputs, fuel, tyres, spare parts etc. and the increased usage of third party hauliers at the society level due to the poor condition of most of the company's cargo trucks used for the purpose.

Out of the Turnover and the associated Cost of sales, the company registered a gross profit of GH¢110.830 million as compared to last year's figure of GH¢112.223 million, a decrease of about 1.7%.

Direct operating expenses increased slightly by 1.0% over the previous year's figure of GH¢48.594 million to GH¢49.084 million.

General and administration expenses which are made up of staff, office and estate costs rose by 16.4 % from GH¢ 30.212 million to GH¢35.176 million. The break down is as follows:

- i. Staff Cost increased by 13.3% from GH¢23.205 to GH¢26.266 million due to increase in the salaries and allowances of staff to meet living condition cost increases.
- ii. Office Cost increased by 21.9% from GH¢4,808 million to GH¢5,863 million attributable to general price increases in the country.
- iii. Estate and property cost increased by 37.6% from GH¢2.198 million to GH¢3.024 million as a result of rehabilitation of some of the Company's dilapidated sheds and depots.

Total Expenses (excluding financing cost) increased by 6.9% from GH¢78.806 million to GH¢84,259 million. The Company thus recorded an operating profit before Financing cost of GH¢34.729 million as compared to a previous figure of GH¢41.100 million a decrease of about 15.5%.

Other income increased by 6.3% from GH¢7.674 million to GH¢8.158 million during the year due mainly to increase in rent income, shortages recoveries and other sundry incomes.

Net finance cost increased by 18% from GH¢51.956 million to GH¢61.359 million mainly due to the Company's continuous and persistent reliance on Short Term borrowings for cocoa purchases because of inadequate funding from the traditional COCOBOD source.

The relatively high cost associated with such borrowings in the regime of increased interest rates accounted for the high Finance cost. The Finance cost constituted 55.3% of Gross Operational Earnings an increase over the previous year figure of 46.3%.

The complete unavailability of any Working Capital for the company since its inception continues to plague it immensely. Over the years the Company has to rely mainly on borrowed funds, both from COCOBOD and financial institutions to finance its operations. This precarious arrangement accumulates a huge finance cost which consumes a significant portion of the Company's Gross Earnings leading to the loss state.

The proposal to raise some Equity Capital for the company through a RIGHTS ISSUE or PRIVATE PLACEMENT, which has been discussed by the General Meeting remains outstanding.

This was intended to avail the Company with the opportunity to access GH¢200 million that would be used to reduce short term borrowing and subsequently reduce finance cost. The proposal is still under serious consideration with the major Shareholders and it is expected that some grounds will be gained towards it within the year.

Key Financial Performance Indicators

Key Financial indicators on the Company's activities retrogressed in line with the decrease in the company's level of profitability.

- i. Basic Earnings per Share(EPS) decreased 186% from (GH¢0.0184) to (GH¢0.0527)
- ii. Return on Capital employed (ROCE) decreased further from the previous year's figure of (22.34%) to (180.25%)
- iii. The balance sheet showed a negative growth in shareholder's equity by 64.4% from GH¢39.520 million to GH¢14.039 million.

Outlook

The current financial state of the Company coupled with the continued erosion of Capital poses a serious challenge to the Company's operational set up and calls for the actualization of its recapitalization plans. The new Board finds this a most-needed action and intends to work diligently towards its attainment. In our determination to reverse the downward trend imposed by the high finance cost, the Board and Management will endeavor to operate within the limit of the minimum funds obtained from the market.

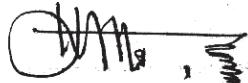
The Company will continue to put in place the needed strategies to improve its operational capacities and efficiency to be able to recycle Seed Funds as much as possible, increase its Market share to enhance its revenue and boost its profit levels in the years ahead.

The Company will continue to participate in the Specialty Cocoa Trade through the Certification programme with TOUTON International Company and will exploit the opportunity to expand it with other Companies for the benefit of our farmers.

Again the Company will put in place appropriate strategies to monitor and effectively and efficiently manage the various Investment projects being undertaken to ensure maximum returns. It is our hope that the two subsidiaries of the Company, PBC Shea Ltd and the Golden Bean Hotel Ltd will be weaned off to make them self sufficient and have them contribute meaningfully to the total corporate effort.

Finally, I wish to thank the Board of Directors, Management and the general staff of the Company for their immense support and contribution during the year in spite of the challenges.

I look forward to a heightened performance from all, as we strive to overcome our challenges and propel the company back into the profit-making mode.



**MAXWELL KOJO ATTA-KRAH
MANAGING DIRECTOR**

PBC LIMITED
REPORT OF THE DIRECTORS
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

In accordance with the requirements of Section 132 of the Companies Act 1963 (Act 179), we the Board of Directors of PBC Limited, present herewith the annual report on the state of affairs of the company for the year ended 30th September, 2014.

| Results of Operations | 2014 GH¢ | 2013 GH¢ |
|---|---------------------------|---------------------------|
| Turnover | 1,138,631,772 | 1,123,237,029 |
| Loss before tax of | (26,633,513) | (10,854,826) |
| From which is deducted provision for the estimated income tax liability of, | 1,323,488 | 2,023,204 |
| Leaving a net loss after tax of | (25,310,025) | (8,831,622) |
| To which is added the retained earnings as at 1 st October | 20,896,831 | 32,692,630 |
| | (4,413,194) | 23,861,008 |
| Dividend paid during the year and a prior year adjustment of | 0 | (2,964,177) |
| | (50,901) | 0 |
| Resulting in a balance carried to the balance sheet of | (4,464,095) | 20,896,831 |

Dividend

No dividends are recommended by the directors for the year ended 30th September, 2014.

Nature of Business

The nature of the business which the company is authorised to carry on is;

- to acquire and take over as a going concern the activities and business of the Produce Buying Division of the Ghana Cocoa Marketing Board and all or any of the assets and liabilities of the said Produce Buying Division of Ghana Cocoa Marketing Board;
- to buy, collect, store, transport, process or otherwise deal in cocoa, coffee and sheanuts and shea butter and any other agricultural produce;

- to carry out arrangements, financial or otherwise for the purchase and sale of coffee, sheanuts, shea butter and other agricultural produce;
- to carry on business related and incidental to agricultural inputs, supply and services and estate development, and
- to appoint agents or enter into arrangement with any company, firm or any person or group of persons with the view to carrying on the business of the company.

Corporate Status

On the 15th of September 1999, the company was incorporated as a Limited liability Company under the Companies Act 1963 (Act 179). On the 19th 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:

| Names | | Date of appointment | Date of retirement |
|------------------------------------|---------------------|----------------------------|---------------------------|
| Captain (Rtd) Kwadjo Adunkwa Butah | - Chairman | 28.03.2014 | - |
| Mr. Maxwell Kojo Atta-Krah | - Managing Director | 01.12.2009 | - |
| Prof. Basil Clarence Frans' Lokko | - Member | 28.03.2014 | - |
| Mr. Abraham Amaliba | - Member | 28.03.2014 | - |
| Mrs. Mabel Oseiwa Quakyi | - Member | 23.10.2009 | - |
| Mr. Hayford Kofi Nimoh | - Member | 15.04.2014 | - |
| Mr. Stephen Baba Kumasi | - Member | 25.03.2011 | - |
| Mr. Mathew Boadu Adjei | - Member | 28.03.2014 | - |
| Mr. Thomas Dzoleto Kwami | - Member | 28.03.2014 | - |
| Mr. Yaw Sarpong | - Member | 24.04.2009 | - |
| Prof. Mohammed Salifu | Member | 11.11.2014 | - |
| Dr. Frank John Abu | - " | 23.10.2009 | 28.03.2014 |
| Mr. Michael Owusu Manu | - " | 28.03.2012 | 28.03.2014 |
| Mr. Sebastian Kofi Graham | - " | 23.10.2009 | 28.03.2014 |
| Mrs. Juliana Asante | - " | 28.03.2012 | 28.03.2014 |
| Hon. Ernest Kofi Yakah | - " | 23.10.2009 | 28.03.2014 |
| Hon. Sampson Ahi | - " | 28.03.2012 | 28.03.2014 |
| Mr. Abraham T. D. Okine | - " | 25.03.2011 | 12.05.2014 |

Auditors

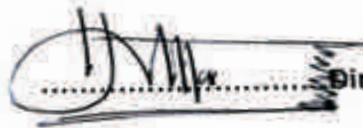
A resolution authorising the Director to fix the remuneration of the company's auditors, PKF will be put before the Annual General Meeting in accordance with Section 134(10) of the Companies Act, 1963 (Act 179).

Events after Reporting Date

The Directors confirm that no matters have arisen since 30th September 2014, which materially affect the financial statements of the Company for the year ended on that date.

BY ORDER OF THE BOARD


.....
A. Butah
Director


.....
H. M. W.
Director

30th December.....2014

PROPOSED AMMENDMENTS TO PBC LIMITED'S COMPANY REGULATIONS

PBC Limited (hereinafter referred to as 'PBC') has embarked on a mission to revise its Company Regulations at its impending 14th Annual General Meeting (AGM). The objective is to reflect previous amendments to the Company Regulations which are in effect but not yet incorporated into the Company Regulations. It is further to provide for best practice for global trends in Corporate Governance and prospects for the future in terms of the PBC's Governance Structures and Procedures.

After exhaustive consultations with Major Stakeholders on the new ingredients to PBC's Company Regulations, taking into consideration the strategic role that PBC plays in national development, a compilation of the input from these Stakeholders have been duly incorporated into the Special Resolution to amend the Company Regulations.

The proposed Special Resolution for consideration and approval by Members in General Meeting has the approval of the Social Security and National Insurance Trust (SSNIT) as well as the Ministry of Finance (MoF) which acts on behalf of the Government of Ghana.

Input from MoF and SSNIT have been carefully juxtaposed with that from other key Shareholders with particular reference to the Companies Act, 1963 (Act 179) bearing in mind also the prospects for the future position of the Law as captured in the Companies Bill currently before Parliament.

It may appear therefore that not every input gathered from the consultative process may have been duly incorporated into the Special Resolution since there is the need to maintain a balance acceptable to all Shareholders within the confines of the Law.

Noteworthy is the fact that PBC has adopted a gradualist approach to fine-tuning its corporate governance structures and processes in order that in the short to medium term, global best practices shall be incorporated not only in its Company Regulations but also in its institutional and operational fabric.

PBC's Company Regulations provide under **Regulation 84** on Alterations and Additions that the Company's Regulations may be altered, rescinded or added to by a Special Resolution of Members in General Meeting. In addition, the Company **shall not** delete, amend or add to any Regulations which have previously been approved by the Ghana Stock Exchange **unless prior written permission** has been sought and obtained from Ghana Stock Exchange (GSE) for such deletion, amendment or addition.

Further to the above, **Section 22(f) of the Companies Act, 1963 (Act 179)** provides inter-alia that where the Company Regulations provide or impose conditions for the alteration of or addition to the said Regulations then the Regulations may not be altered or added to except in accordance with the provisions thereof.

To this end the prior written permission of the Ghana Stock Exchange has been sought and/or obtained to enable the Company's Regulations to be amended as proposed.

Again the Securities and Exchange Commission (SEC) has been gracious to provide recommendations based on their 'Corporate Governance Guidelines on Best Practices' which the Company is committed to fully incorporating into its Company Regulations progressively.

The Company therefore wishes to take the opportunity available at the impending 14th AGM of the Company to elicit the support of all Shareholders of the Company in carrying the Special Resolution for the amendment of PBC's Company Regulations details of which are outlined as an extract here-under as follows:

PROPOSED AMENDMENTS BY ALTERATIONS AND/OR ADDITIONS TO PBC LIMITED'S COMPANY REGULATIONS

REGULATION 1 - AUTHORISED BUSINESS

To introduce a new omnibus provision under Regulations 1 on the Authorized Business to allow future investments by the Company in its diversification bid from its core mandate of produce buying.

- 1(g)** To undertake such other businesses or investments as shall be given prior approval by Members of the Company in General Meeting.

The current provisions of the Regulations provide for Directors as follows:

“DIRECTORS

58. The number of Directors, not being less than five (5) or more than twelve (12), shall be determined by ordinary resolution of the members in a general meeting and until so determined shall be nine (9).
58.1 The quorum for Board meetings shall be four (4).”

The alterations and/or additions proposed to enhance the Corporate Governance of the Company are as follows:

REGULATION 58 - CORPORATE GOVERNANCE

The Company shall apply best practices in corporate governance and adhere to standards in the Act which include transparency, accountability and the rights of all Shareholders.

REGULATION 58A - DIRECTORS

The number of Directors until otherwise determined by Ordinary Resolution by Members in General Meeting, shall be eleven (11).

REGULATION 58B - QUORUM FOR BOARD MEETINGS

Seven (7) members of the Board shall form a quorum for any meeting of the Board until otherwise determined by Ordinary Resolution of Members in General Meeting.

REGULATION 58C - COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors of the company shall be composed based on representation of Shareholders' Holding and Interests in the Company and until otherwise determined by Ordinary Resolution of the Members in a General Meeting shall be as follows:

| | | |
|------|---|---------|
| i) | Government of Ghana (MoF) | 3 Seats |
| ii) | SSNIT | 3 Seats |
| iii) | Minority Shareholders (Institutions) | 1 Seat |
| iv) | Minority Shareholders (Individuals) | 1 Seat |
| v) | Cocoa, Coffee and Shea nut Farmers Assoc. | 1 Seat |
| vi) | PBC Staff/Employees | 1 Seat |
| vii) | Managing Director | 1 Seat |

REGULATION 58D - CASUAL VACANCY

A casual vacancy on the Board may be filled by the Board or by the entitled Shareholder(s) pending the nominee Director's approval and appointment by Members in General Meeting.

REGULATION 58E - NOMINATION OF DIRECTORS

Proposals of nominee Director(s) for election by the various shareholders' responsible for the composition of the Board of Directors shall be in accordance with Section 298(f) of the Act.

REGULATION 58F - NOMINATION AND ENDORSEMENT OF BOARD CHAIRPERSON

The largest shareholders, together holding at least fifty per cent (50%) of the shareholding of the company shall nominate the Board Chairperson from among the Directors appointed by Members in General Meeting.

The nomination of the Board Chairperson shall be communicated to the Company Secretary in writing, before the notice for the ensuing first Board meeting after the General Meeting, during which the said Board Chairperson nominee shall be endorsed by members of the Board.

REGULATION 58G - APPOINTMENT OF BOARD MEMBERS TO THE COMPANY'S SUBSIDIARIES

The Board of Directors of the company shall appoint Board Members to the Company's subsidiaries in accordance with the company regulations of the respective subsidiary companies for a definite tenure with an option for re-election once for a second term of the said tenure.

REGULATION 58H - BOARD COMMITTEES

The following shall until otherwise determined by the Board, be the Committees of the Board of Directors:

- i) Audit and Finance Committee
- ii) Operations and Projects Committee
- iii) Human Resource, Governance and Legal Committee
- iv) Remuneration Committee

REGULATION 58I - CHAIRPERSONS OF BOARD COMMITTEES

All Board Committees shall have Non-Executive Directors as their Chairpersons.

REGULATION 58J - MEMBERSHIP OF BOARD COMMITTEES

- i) Board Committees shall be made of a minimum of three (3) Non-Executive Directors.
- ii) All Board members excluding the Board Chairman shall belong to at least two (2) committees.
- iii) The Board Chairman may be in attendance in any of the Board Committee(s) Meeting(s).

REGULATION 58K - QUORUM FOR BOARD COMMITTEE MEETINGS

The quorum for Board Committee meetings shall be a simple majority of the total membership of the said Committee.

CONCLUSION

Further details on the proposed amendments to the Company Regulations highlighted within the original text of the Company Regulations have been posted on the Company's website at www.pbcgh.com for the attention of all Shareholders.

PROFILE OF MR HAYFORD KOFI NIMOH

Mr. Hayford Kofi Nimoh represents the Social Security and National Insurance Trust (SSNIT) on the PBC Board of Directors.

Mr. Hayford Nimoh was born on 20th September, 1960 and had both his 'O' and 'A' Levels at the Ghana Secondary School, Tamale. In 1987 he graduated from the Kwame Nkrumah University of Science and Technology with BA (Hons) in Social Sciences and specialised in Economics and Law.

He holds a Postgraduate Diploma in Law from Wolverhampton University and a Postgraduate Diploma in Legal Practice from the BPP Law School, London which he obtained in the years 1997 and 2000 respectively.

Mr. Nimoh has a Certificate in Management and Leadership from the Middlesex University, a Registered Managers Certificate from the Thames Valley University and a Teaching Certificate from the College of North East London.

Mr. Hayford Kofi Nimoh is currently a Legal Consultant at Sterling Partnership – Legal Practitioners & Consultants (Ghana), a Law Partnership which specialises in commercial arbitration, employment, private client work, residential conveyancing and immigration.

He is the Managing Director of Coocyno Limited, a construction firm which is located in Accra. With over ten years experience in the Legal setting and over fifteen years experience in a senior management positions, he is in charge of Employment Law and has joint responsibility for the overall management of the above mentioned Firms.

Mr. Hayford Kofi Nimoh worked with the London Borough of Enfield as a Service Manager and a Lawyer at Bluett & Co Solicitors, a Legal firm in London.

He was also a Director at the Hospitaller Order of Saint John, a voluntary sector which specialises in housing and social issues. Prior to that his posts have included teaching at the Kumasi Polytechnic and Jackie Pramso Senior High School.

He is married with children and loves to listen to music at his leisure time.

PROFILE OF PROF. MOHAMMED SALIFU

Prof. Mohammed Salifu represents the Social Security and National Insurance Trust (SSNIT) on the PBC Limited Board of Directors. He has over twenty years of experience in research and service to industry and the community as a transportation and road transport safety and logistics expert.

He is a Professor of Transport Engineering and immediate past Head of the Department of Civil Engineering at the Kwame Nkrumah University of Science and Technology (KNUST). Prior to this, he was also Principal Research Scientist at the CSIR-Building and Road Research Institute and Head of its Traffic and Transportation Division from 2004 to 2006. He holds a Doctorate Degree in Transport Engineering from the University of Newcastle upon Tyne, United Kingdom and has other training in finance for non-finance managers, Corporate Governance for Directors as well as in team building and appraisal.

Prof. Salifu served as a member of the Governing Council of the Ghana Institution of Engineers over the ten year period 2002 to 2012 and in 2011/2012 was the National Vice President and Chairman of the Education and Training Committee of the Institution.

Prof. Salifu is professionally active and recognized both at home and abroad. He is a Fellow of the Ghana Institution of Engineers, Life Member of the Indian Roads Congress and active member of the International Road Federation Group of Experts on Road Safety, tasked with reviewing the progress and advising on attainment of objectives of the United Nations Decade of Action for Road Safety in Developing Countries. He has led and managed numerous research and academic projects and programmes, the more recent ones being safety auditing of Accra Kumasi Road Dualisation Project and directing Road Condition Surveys and Inventory Data Collection for maintenance management of Urban Roads in Ghana. Prof. Salifu is also member of the Ministerial Advisory Board for the Ministry of Transport.

In addition to his technical expertise, Prof. Salifu has over the years served as the patron and sole sponsor of the Dagbon Thesis Assistance Fund which was instituted in the year 2000 for the most promising Final Year Project Work at KNUST which is aimed at addressing poverty in the Dagbon Traditional Area. He has been a Patron of the KNUST Old Tamascans Association (OTA) since the year 2002.

Prof. Mohammed Salifu is married and has been blessed with three boys. He is an avid tennis enthusiast and staunch supporter of Arsenal Football Club.

PROFILE OF MR. EMMANUEL KARIKARI GYAMFI

Mr. Emmanuel Gyamfi has been nominated by the Staff of PBD Ltd for their representation on the PBC Board of Directors.

Mr. Gyamfi was born on the 15th August, 1978 in Kumasi and hails from Adankwame in the Ashanti Region.

He had his secondary school education at Premeh College and continued to Kumasi Polytechnic where he obtained a Higher National Diploma in Accountancy in 2001. He is currently studying to become a chartered accountant with ACCA-UK.

He joined PBC Ltd in the year 2002 as a Principal Audit Clerk and has risen through the ranks to the position of Principal Audit Officer.

In his thirteen (13) year work experience as an Internal Audit Officer at PBC Ltd, he has been to almost every Region and District of the company and as such has become much acquainted with the system, operation, practices and the staff of PBC.

He is married with two children, an avid football Fan and listens to gospel music at his leisure time.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
PBC LIMITED
ON THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30TH SEPTEMBER 2014**

Report on the Financial Statements

We have audited the accompanying financial statements of PBC Limited which comprise the Statement of financial position as of 30th September, 2014, the statement of Comprehensive Income, Statement of changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory 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 Act, 1963 (Act 179) Securities and Exchange Commission Regulations, 2003 (LI 1728) and Ghana Stock Exchange Membership Regulations, 1991 (LI 1510) as amended. 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 the 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 for 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 30th June, 1999 to effectuate the cession of assets to PBC 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 PBC Limited as of 30TH September, 2014 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 Companies Act, 1963 (Act 179), Securities and Exchange Commission Regulations, 2003. (LI 1728) and Ghana Stock Exchange Membership Regulations, 1991 (LI 1510) as amended.

Report on Other Legal and Regulatory Requirements

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

- I Except for the Title Deeds of the sheds and buildings ceded to the company by Ghana Cocoa Board, 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 statement of financial position and statement of comprehensive

PKF

.....
Signed by: F. Bruce-Tagoe (ICAG/P/1087)
For and on behalf of
PKF: (ICAG/F/039)
Chartered Accountants
Farrar Avenue
P. O. Box GP 1219,
Accra.

18th December..... 2014

PBC LIMITED
STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

| | NOTES | 2014 GH¢ | 2013 GH¢ |
|--|----------|----------------------|-----------------|
| Revenue | 6 | 1,138,631,772 | 1,123,237,029 |
| Cost of Sales | | (1,027,800,920) | (1,011,004,274) |
| Gross Profit | | 110,830,852 | 112,232,755 |
| Other Income | 8 | 8,158,203 | 7,674,913 |
| Direct Operating Expenses | | (49,083,922) | (48,594,404) |
| General and Administrative Expenses | 7 | (35,179,347) | (30,212,458) |
| Operating profit before financing cost | | 34,725,786 | 41,100,806 |
| Net Finance Expenses | 9 | (61,359,299) | (51,955,632) |
| Loss before Taxation | | (26,633,513) | (10,854,826) |
| Income Tax Expense | 10a | 1,323,488 | 2,023,204 |
| Loss for the year transferred to Income Surplus Account | | (25,310,025) | (8,831,622) |
| Other Comprehensive Income | | | |
| Available -for-Sale Financial Assets | | (123,637) | 2,400,001 |
| Total Other Comprehensive Income | | (123,637) | 2,400,001 |
| Total Comprehensive Income for the year | | (25,433,662) | (6,431,621) |
| Basic earning per share (GH¢) | | (0.0527) | (0.0184) |
| Diluted earning per share (GH¢) | | (0.0527) | (0.0184) |

PBC LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30TH SEPTEMBER 2014

| | NOTES | 2014 GH¢ | 2013 GH¢ |
|--------------------------------------|-------|--------------------|--------------------|
| Non-Current Assets | | | |
| Property, plant and equipment | 13a | 75,419,148 | 81,922,569 |
| Investment in Subsidiaries | 14 | 57,533,966 | 20,838,055 |
| Available for sale financial asset | 12 | 3,730,870 | 3,854,547 |
| Total non-current assets | | 136,683,984 | 106,615,171 |
| Current Assets | | | |
| Inventories | 15 | 34,775,878 | 56,914,785 |
| Trade and other receivables | 16 | 86,854,473 | 54,575,799 |
| Short term investments | 17 | 47,537,137 | 99,329,000 |
| Cash and cash equivalents | 18 | 27,986,677 | 9,384,898 |
| Total current assets | | 197,154,165 | 220,204,482 |
| Total assets | | 333,838,149 | 326,819,653 |
| Equity | | | |
| Stated capital | 24a | 15,000,000 | 15,000,000 |
| Retained earnings | 24c | (4,460,620) | 20,896,831 |
| Other reserves | 24d | 3,500,467 | 3,624,104 |
| Total equity | | 14,039,847 | 39,520,935 |
| Non-current liabilities | | | |
| Deferred tax liability | 11a | 468,481 | 1,791,969 |
| Finance lease | 23 | 4,546,891 | 0 |
| Medium term loan | 22a | 10,453,232 | 10,767,492 |
| Long term loan | 22b | 8,334,072 | 5,262,033 |
| Preference share capital | 24b | 100 | 100 |
| Total non-current liabilities | | 23,802,776 | 17,821,594 |
| Current liabilities | | | |
| Bank overdraft | 20 | 159,123,779 | 200,770,767 |
| Income tax liability | 10b | 0 | 1,840,788 |
| Short Term Loan | 21 | 118,195,000 | 49,812,500 |
| Medium term loan (current portion) | 22a | 5,854,018 | 6,059,317 |
| Finance lease (current portion) | 23 | 1,166,803 | 1,040,475 |
| Trade and other payables | 19 | 11,655,925 | 9,953,277 |
| Total current liabilities | | 295,995,526 | 269,477,124 |
| Total liabilities | | 319,798,302 | 287,298,718 |
| Total liabilities and equity | | 333,838,149 | 326,819,653 |

Approved by the Board on, 2014

..... Director

..... Director

PBC LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

CAPITAL AND RESERVES

2014

| | Stated Capital GH¢ | Retained Earnings GH¢ | Other Reserves GH¢ | Total Equity GH¢ |
|--------------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|-----------------------------|
| Balance at 1 October | 15,000,000 | 20,896,831 | 3,624,104 | 39,520,935 |
| Prior year adjustment | 0 | (50,901) | 0 | (50,901) |
| Loss for the year | 0 | (25,310,025) | 0 | (25,310,025) |
| Movement in available for sale asset | 0 | 0 | (123,637) | (123,637) |
| Balance at 30 September | 15,000,000 | (4,464,095) | 3,500,467 | 14,036,372 |

2013

| | | | | |
|--------------------------------------|-------------------|-------------------|------------------|-------------------|
| Balance at 1 October | 15,000,000 | 32,692,630 | 1,224,103 | 48,916,733 |
| Dividend paid during the year | 0 | (2,964,177) | 0 | (2,964,177) |
| Loss for the year | 0 | (8,831,622) | 0 | (8,831,622) |
| Movement in available for sale asset | 0 | 0 | 2,400,001 | 2,400,001 |
| Balance at 30 September | 15,000,000 | 20,896,831 | 3,624,104 | 39,520,935 |

PBC LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

| | 2014 GH¢ | 2013 GH¢ |
|--|---------------------|---------------|
| Cash flows from operating activities | | |
| Profit before taxation | (26,630,038) | (10,854,826) |
| <u>Adjustment for:</u> | | |
| Depreciation and Amortisation charges | 8,479,294 | 8,143,516 |
| Interest Received | (1,464,180) | (453,875) |
| Profit on Property, Plant and Equipment Disposals | (65,698) | (42,952) |
| Interest expense | 62,823,479 | 52,409,507 |
| Operating profit before working capital changes | <u>43,142,857</u> | 49,201,370 |
| Change in inventories | 22,138,907 | 14,791,971 |
| Change in trade and other receivables | (32,278,674) | 66,857,936 |
| Changes in Investment in Subsidiaries | (20,801,523) | (5,485,196) |
| Change in trade and other payables | 1,702,648 | (646,653) |
| Cash generated from operations | <u>13,904,215</u> | 124,719,428 |
| Income taxes paid | (1,891,689) | (2,000,000) |
| Net cash flow from operating activities | <u>12,012,526</u> | 122,719,428 |
| Cash flow from investing activities | | |
| Interest Received | 1,464,180 | 453,875 |
| Proceeds from disposal of Assets | 622,836 | 42,952 |
| Payments to acquire Property, Plant and Equipment | (18,427,359) | (33,757,822) |
| Net Cash used in Investing Activities | <u>(16,340,343)</u> | (33,260,995) |
| Cash flows from Financing Activities | | |
| Interest paid | (62,823,479) | (52,409,507) |
| Dividend paid during the year | 0 | (2,964,177) |
| Changes in Short Term Loan | 68,382,500 | (60,823,402) |
| Changes in Finance Lease | 4,673,219 | (907,899) |
| Changes in Medium Term Loan | (519,558) | 2,473,549 |
| Changes in Long Term Loan | 3,072,039 | 0 |
| Net Cash flows from Financing Activities | <u>12,784,721</u> | (114,631,436) |
| Net Decrease in Cash and Cash equivalents | <u>8,456,904</u> | (25,173,003) |
| Cash and Cash equivalents at 1 October | <u>(92,056,869)</u> | (66,883,866) |
| Cash and Cash equivalents at 30 September | <u>(83,599,965)</u> | (92,056,869) |
| Cash and Cash Equivalents. | | |
| Cash in Hand and at Bank | 27,986,677 | 9,384,898 |
| Bank overdraft | (159,123,779) | (200,770,767) |
| Treasury Bills/Call Deposits | 47,537,137 | 99,329,000 |
| | <u>(83,599,965)</u> | (92,056,869) |

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

1.0. REPORTING ENTITY

PBC 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 acquire and take over as a going concern the activities and business of the Produce Buying Division of the Ghana Cocoa Marketing Board and all or any of the assets and liabilities of the said Produce Buying Division of Ghana Cocoa Marketing Board;
- to buy, collect, store, transport, process or otherwise deal in cocoa, coffee and sheanuts and shea butter and any agricultural produce;
- to carry out arrangements, financial or otherwise for the purchase of cocoa and sell same to the Ghana Cocoa Board;
- to carry out arrangements, financial or otherwise for the purchase and sale of coffee, sheanuts, shea butter and other agricultural produce;
- to carry on business related and incidental to agricultural inputs, supply and services and estate development, and;
- to appoint agents or enter into arrangement with any company, firm or any person or group of persons with the view to carrying on the business of the company.

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.

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 the statement of comprehensive income statement 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.

(I) 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) Event after reporting date

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) 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.

(r) New standards and interpretations not yet adopted:

| | Amendments/Improvements | Effective date |
|--------|--|------------------------------|
| IAS 16 | Property, Plant and Equipment - Amendments regarding the clarification of acceptable methods of depreciation and amortisation (May 2014) Amendments bringing bearer plants into the scope of IAS 16 (June 2014) | 1 st January 2016 |
| IAS 19 | Employee Benefits - Amended Standard resulting from the Post-Employment Benefits and Termination Benefits projects. | 1 st January 2016 |
| IAS 38 | Intangible Assets - Amendments regarding the clarification of acceptable methods of depreciation and amortisation | 1 st January 2016 |
| IFRS 9 | Financial Instruments IFRS 9 introduces new requirements for classifying and measuring financial assets and financial liabilities.. | 1 st January 2016 |
| | | |

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 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.

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

5b SEGMENT REPORTING

Class of Business

| | PRODUCE | | HAULAGE | | TOTALS |
|-----------------------------------|--------------------|--------------------|-------------------|-------------------|--------------------|
| | 2014 GH¢ | 2013 GH¢ | 2014 GH¢ | 2013 GH¢ | |
| Segment Revenue | 1,123,927,223 | 1,107,713,884 | 14,704,549 | 15,523,145 | 1,138,631,772 |
| Segment Cost | (1,014,275,534) | (1,002,677,950) | (13,525,386) | (8,326,324) | (1,027,800,920) |
| Segment Results | 109,651,689 | 105,035,934 | 1,179,163 | 7,196,821 | 110,830,852 |
| | | | | | 112,232,755 |
| Unallocated expenses | | | | | |
| Results from Operating activities | | | | | (84,259,794) |
| Other Income | | | | | 26,571,058 |
| Net Finance Cost | | | | | 8,158,203 |
| Corporate tax expense | | | | | (61,359,299) |
| Profit for the year | | | | | 1,323,488 |
| Total Assets | 292,288,419 | 285,852,085 | 41,549,730 | 40,967,568 | 333,838,149 |
| Total Liabilities | 297,777,357 | 269,431,434 | 22,020,945 | 17,867,284 | 319,798,302 |
| Other Segment Items | | | | | |
| Depreciation & Amortisation | 3,745,912 | 4,733,382 | 4,675,990 | 8,479,294 | 8,143,516 |

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

| | NOTES | 2014 GH¢ | 2013 GH¢ |
|--|-------------------------|----------------------|----------------------|
| 6 REVENUE | | | |
| Sale of Produce | | 1,123,927,223 | 1,107,713,884 |
| Services (Haulage) | | 14,704,549 | 15,523,145 |
| | | 1,138,631,772 | 1,123,237,029 |
| 7 ADMINISTRATIVE AND GENERAL EXPENSES | include the following:- | | |
| Depreciation and amortisation | | 1,063,816 | 786,870 |
| Auditors Remuneration | | 43,475 | 36,000 |
| Directors emoluments | | 288,986 | 271,930 |
| Subscriptions and Donations | | 200,315 | 179,887 |
| 8 OTHER INCOME | | | |
| Rent Income | | 2,474,315 | 1,842,511 |
| Recoveries from Shortages | | 1,627,324 | 1,394,818 |
| Sundry Income | | 2,642,336 | 175,685 |
| Asset Disposal Gain | 13c | 65,698 | 42,952 |
| Cocoa Sweeping Proceeds | | 970,319 | 2,518,084 |
| Commission on Fertilizer Sales | | 377,520 | 1,691,300 |
| Staff Loan Discount Recycle | | 691 | 9,563 |
| | | 8,158,203 | 7,674,913 |
| 9 NET FINANCE EXPENSES | | | |
| Interest Income | | 1,464,180 | 453,875 |
| Bank and Produce loan interest | | (62,823,479) | (52,409,507) |
| | | (61,359,299) | (51,955,632) |
| 10a INCOME TAX EXPENSE | | | |
| Current tax expense | 10b | 0 | 0 |
| Deferred tax expense | 11a | 1,323,488 | 2,023,204 |
| | | 1,323,488 | 2,023,204 |

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

PBC LIMITED
NOTE TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

10b TAXATION

| Year of Assessment | Balance at 1 October | Prior year adjustment | Payments during the year | Charge for the year | Balance at 30 September |
|--------------------|----------------------|-----------------------|--------------------------|---------------------|-------------------------|
| Corporate Tax | GH¢ | GH¢ | GH¢ | GH¢ | GH¢ |
| 2012 | (1,840,788) | (50,901) | 1,891,689 | 0 | 0 |
| 2014 | 0 | 0 | 0 | 0 | 0 |
| | (1,840,788) | (50,901) | 1,891,689 | 0 | 0 |

Tax liabilities up to and including the 2012 year of assessment have been agreed with the tax authorities. The remaining liabilities are however subject to agreement with the tax authorities.

10c Reconciliation of effective tax rate

The tax charge in the Income Statement differs from the hypothetical amount that would arise using the statutory income tax rate. This is explained as follows:

| | 2014 GH¢ | 2013 GH¢ |
|--|---------------------|---------------------|
| (Loss)/Profit before tax | (26,633,513) | (10,854,826) |
| Income tax using the domestic tax rate | (6,658,378) | (2,713,707) |
| Non-deductible expenses | 2,305,881 | 2,069,040 |
| Tax exempt revenue | (16,425) | (10,738) |
| Tax incentive not recognised in the income statement | 4,368,053 | 655,404 |
| Deferred tax | 1,323,488 | 2,023,204 |
| Current tax charges | 1,322,619 | 2,023,204 |
| Effective tax rate (%) | (4.97) | (18.64) |

PBC LIMITED
NOTE TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

11a DEFERRED TAX

| | 2013 GH¢ | 2014 GH¢ |
|--------------------------------|-------------|-----------------------|
| Balance at 01 October | | 1,791,969 |
| Charge to the Income Statement | | (1,323,488) |
| Balance at 30 September | | <u><u>468,481</u></u> |

11b RECOGNISED DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities are attributable to the following

| | 2014 Assets GH¢ | Liabilities GH¢ | Net GH¢ | Assets GH¢ | Liabilities GH¢ | Net GH¢ |
|--------------------------------|-----------------------|-----------------------|-----------------------|------------------------|-------------------------|-------------------------|
| Property, plant and equipments | 0 | 343,897 | 343,897 | 0 | 1,748,634 | 1,748,634 |
| Others | 0 | 124,584 | 124,584 | (25,744) | 69,079 | 43,335 |
| | <u><u>0</u></u> | <u><u>468,481</u></u> | <u><u>468,481</u></u> | <u><u>(25,744)</u></u> | <u><u>1,817,713</u></u> | <u><u>1,791,969</u></u> |

12 AVAILABLE FOR SALE FINANCIAL ASSET

| | GH¢ | GH¢ |
|---------------------------|-------------------------|-------------------------|
| Quoted Equity Investments | <u><u>3,730,870</u></u> | <u><u>3,854,547</u></u> |

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

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

13a PROPERTY, PLANT AND EQUIPMENT

| | 2014 | Land and Buildings GH¢ | Plant and Machinery GH¢ | Motor Vehicles GH¢ | Furnit./Fitt. & Equip. GH¢ | Building W.I.P. GH¢ | Total GH¢ |
|---|-------------------|-------------------------------|--------------------------------|---------------------------|---------------------------------------|----------------------------|--------------------|
| Cost | | | | | | | |
| Balance at 1.10.2013: | | | | | | | |
| Additions during the year | | | | | | | |
| Transfers to Land and Buildings | 378,029 | 2,116,048 | 700,635 | 361,834 | 14,870,813 | 0 | 18,427,359 |
| Transfers to Investment in Subsidiaries | 7,851,509 | 0 | 0 | 0 | (7,851,509) | 0 | 0 |
| Disposals | 0 | 0 | 0 | 0 | (15,894,347) | (15,894,347) | (15,894,347) |
| | 0 | 0 | (1,217,654) | 0 | 0 | 0 | (1,217,654) |
| Balance at 30.9.2014 | 21,206,947 | 14,078,403 | 50,596,045 | 3,173,281 | 29,582,894 | 118,637,570 | |
| Depreciation | | | | | | | |
| Balance at 1.10.2013 | 2,143,808 | 8,188,087 | 23,233,308 | 1,834,440 | 0 | 35,399,643 | |
| Charge for the year | 636,449 | 1,938,907 | 5,476,571 | 427,367 | 0 | 8,479,294 | |
| Released on Disposals | 0 | 0 | (660,515) | 0 | 0 | (660,515) | |
| Balance at 30.9.2014 | 2,780,257 | 10,126,994 | 28,049,364 | 2,261,807 | 0 | 43,218,422 | |
| Carrying amounts | | | | | | | |
| At 30.9.2014 | 18,426,690 | 3,951,409 | 22,546,681 | 911,474 | 29,582,894 | 75,419,148 | |
| At 30.9.2013 | 10,833,601 | 3,774,268 | 27,879,756 | 977,007 | 38,457,937 | 81,922,569 | |

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

13b PROPERTY, PLANT AND EQUIPMENT

| | Land and Buildings GH¢ | Plant and Machinery GH¢ | Motor Vehicles GH¢ | Furnit./Fitt. & Equip. GH¢ | Building W.I.P. GH¢ | Total GH¢ |
|--|------------------------------|-------------------------------|--------------------------|----------------------------------|---------------------------|-------------------|
| Cost | | | | | | |
| Balance at 1.10.2012: | | | | | | |
| Additions during the year | 11,316,245 | 9,541,590 | 45,311,637 | 2,163,956 | 15,289,312 | 83,622,740 |
| Transfer | 58,727 | 2,420,765 | 5,859,777 | 647,491 | 24,771,062 | 33,757,822 |
| Disposals | 1,602,437 | 0 | 0 | 0 | (1,602,437) | 0 |
| Balance at 30.9.2013 | 0 | 0 | (58,350) | 0 | 0 | (58,350) |
| Depreciation | | | | | | |
| Balance at 1.10.2012: | | | | | | |
| Charge for the year | 1,754,247 | 6,345,173 | 17,777,926 | 1,444,869 | 0 | 27,322,215 |
| Released on Disposals | 389,561 | 1,842,914 | 5,513,732 | 389,571 | 0 | 8,135,778 |
| Balance at 30.9.2013 | 0 | 0 | (58,350) | 0 | 0 | (58,350) |
| Carrying amount | | | | | | |
| At 30.9.2013 | 10,833,601 | 3,774,268 | 27,879,756 | 977,007 | 38,457,937 | 81,922,569 |
| At 30.9.2012 | 9,561,998 | 3,196,417 | 27,533,711 | 719,087 | 15,289,312 | 56,300,525 |
| 13c Profit on disposal of Property, Plant and Equipment | | | | | | |
| Cost | | | | | | |
| Accumulated Depreciation | | | | | | |
| Net Book Value | | | | | | |
| Sale Proceeds | | | | | | |
| Profit on Disposal | | | | | | |
| 2014 | GH¢ | | | | | |
| Cost | 1,217,654 | | | | | |
| Accumulated Depreciation | (660,516) | | | | | |
| Net Book Value | | | | | | |
| Sale Proceeds | | | | | | |
| Profit on Disposal | 557,138 | | | | | |
| | (622,836) | | | | | |
| | 65,698 | | | | | |

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

| | 2014 GH¢ | 2013 GH¢ |
|---|-------------------|-------------|
| 14 INVESTMENT IN SUBSIDIARIES | | |
| PBC Shea Limited | 28,901,966 | 20,838,055 |
| Golden Bean Hotel Limited | 28,632,000 | 0 |
| Balance at 30th September | 57,533,966 | 20,838,055 |

This represent PBC Limited's investment in its two subsidiaries, namely PBC Shea Limited and Golden Bean Hotel Limited. The PBC Shea Ltd is a state of the art factory established to process sheanut into shea butter for export and it is located at Buipe in the Central Gonja District. The Golden Bean Hotel is a fifty two (52) Room hospitality facility located at Nhyiaeso in the Kumasi Metropolis.

Both companies are not yet in operation to warrant their consolidation with the financial statements.

15 INVENTORIES

Trading

| | | |
|----------|-------------------|------------|
| Cocoa | 12,408,996 | 41,716,899 |
| Shea nut | 15,471,937 | 10,941,283 |

Non-Trading

| | | |
|---------------------|-------------------|------------|
| Spare Parts | 1,569,301 | 665,673 |
| Tarpaulin Stocks | 2,034,727 | 830,234 |
| Technical Stores | 663,151 | 598,043 |
| Printing Stationery | 696,546 | 321,439 |
| Fuel and Lubricants | 727,502 | 616,865 |
| Tyres and Batteries | 1,201,300 | 1,220,772 |
| Stencil Ink | 2,418 | 3,577 |
| | 34,775,878 | 56,914,785 |

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

| | 2014 GH¢ | 2013 GH¢ |
|--------------------------------------|-------------------|-------------|
| 16 ACCOUNTS RECEIVABLE | | |
| Trade receivables due from customers | 42,449,336 | 23,443,084 |
| Other receivables | 39,106,799 | 26,728,103 |
| Staff Loans and Advances | 4,178,413 | 3,312,216 |
| Prepayments | 1,126,266 | 1,093,087 |
| Staff Loans Discounted | (6,341) | (691) |
| | 86,854,473 | 54,575,799 |

- 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¢4,178,413** (2013 - GH¢3,312,216).

17 SHORT TERM INVESTMENTS

| | | |
|---------------|-------------------|------------|
| Fixed Deposit | 46,352,148 | 98,252,687 |
| Call | 1,184,989 | 1,076,313 |
| | 47,537,137 | 99,329,000 |

18 CASH AND CASH EQUIVALENTS

| | | |
|--------------------------------|-------------------|-----------|
| Bank Balances | 17,193,690 | 6,665,657 |
| RCPA Account and Cash Balances | 10,792,987 | 2,719,241 |
| | 27,986,677 | 9,384,898 |

19 ACCOUNTS PAYABLE

| | | |
|---|-------------------|-----------|
| Non-trade payables and accrued expenses | 10,567,540 | 8,684,614 |
| Accrued Charges | 1,091,860 | 1,268,663 |
| | 11,659,400 | 9,953,277 |

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

| | 2014 GH¢ | 2013 GH¢ |
|-------------------------------|-------------|-------------|
| 20 BANK OVERDRAFT | | |
| Ecobank Ghana Limited | 89,923 | 0 |
| GCB Bank | 49,890,659 | 51,792,524 |
| Barclays Bank Ghana Limited | 49,600,431 | 49,767,111 |
| Societe General Ghana Limited | 19,713,498 | 25,403,512 |
| Stanbic Bank | 0 | 32,946,094 |
| Standard Chartered Bank | 18,549,984 | 18,882,267 |
| HFC Bank Limited | 201 | 21,979,259 |
| Energy Bank Ghana Limited | 899,238 | 0 |
| Zenith Bank Ghana Limited | 20,379,762 | 0 |
| Others | 83 | 0 |
| | 159,123,779 | 200,770,767 |

Ecobank Ghana Limited

The company has an overdraft facility of GH¢5,000,000 with the bank. The facility expires on 30th September, 2015 at an interest rate of 26.95%.

GCB Bank

The company has an overdraft facility of GH¢50,000,000 with the bank. The facility is to support Cocoa purchases. The facility expires on 31st December, 2014 at an interest rate of 22.26%.

Barclays Bank Ghana Limited

The company has an overdraft facility of GH¢50,000,000 with Barclays Bank Ghana Limited. Interest rate is at 4.0% per annum above the Bank's Base Rate. The effective rate shall not fall below the BOG 182 Treasury Bill Rate at the commencement of each month the facility remains utilised.

Societé General

The company has an overdraft facility of GH¢25,000,000 with the bank. Interest rate is at 24.0% per annum. The facility expires on 30th September, 2015.

Standard Chartered Bank

The company has an overdraft facility of GH¢19,000,000 with the bank. Interest rate is at 25.0% per annum. The facility expires on 30th September, 2014.

Energy Bank Ghana Limited

The company has an overdraft facility of GH¢5,000,000 with Energy Bank Ghana Limited at an interest rate of 24.5% and the facility expires on 30th September, 2014.

Zenith Bank Ghana Limited

The company has an overdraft facility of GH¢25,000,000 with Zenith Bank Ghana Limited. Interest rate is at 25.75% per annum. The facility expires on 4th February, 2015.

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

| | 2014 | 2013 |
|-----------------------------------|--------------------|------------|
| | GH¢ | GH¢ |
| 21 SHORT TERM LOANS | | |
| Ecobank Ghana Limited | 20,000,000 | 50,000,000 |
| First Atlantic Bank Ghana Limited | 10,000,000 | 0 |
| Produce Loan (Seed Fund) | 88,270,000 | 0 |
| | 118,270,000 | 50,000,000 |
| Processing Fee | (75,000) | (187,500) |
| | 118,195,000 | 49,812,500 |

Ecobank Ghana Limited

The Company has been granted a Revolving Short Term Loan facility of GH¢60,000,000 by Ecobank Ghana Limited. The facility expires on 30th September, 2015.

First Atlantic Bank Ghana Limited

The Company has been granted a Short Term Loan facility of GH¢20,000,000.00 by the financial institution. The facility expires on 31st August, 2015.

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

| | 2014 GH¢ | 2013 GH¢ |
|---|-------------|-------------|
| 22a MEDIUM TERM LOAN | | |
| Ecobank Limited | 1,849,671 | 2,458,763 |
| NIB Bank | 4,800,604 | 4,750,711 |
| Socite General | 9,676,170 | 9,654,432 |
| | <hr/> | <hr/> |
| Processing Fee | 16,326,445 | 16,863,906 |
| | (19,194) | (37,097) |
| | <hr/> | <hr/> |
| Current portion payable within 12 months | 16,307,251 | 16,826,809 |
| | <hr/> | <hr/> |
| Long term portion payable after 12 months | 5,854,018 | 6,059,317 |
| | <hr/> | <hr/> |
| | 10,453,232 | 10,767,492 |
| | <hr/> | <hr/> |

Ecobank

The bank granted a medium term loan facility of GH¢8,000,000 to the company. The facility is due to expire in November, 2015 and interest rate was at bank's Base Rate (current 24.0%) minus a spread of 3.75% per annum payable monthly in arrears.

An additional loan of USD2,413,793.10 was granted by the bank to the company. The interest rate is at the bank's Dollar Base Rate of 11.0% per annum minus a spread of 3.0% payable monthly in arrears. The facility is for a tenor of 60 months expiring in November 2015.

NIB Bank

The company has a medium term facility of USD2,413,793.10 (equivalent of GH¢3,500,000) The facility is to be repaid by a monthly installments over a period of sixty (60) months and will expire in November 2015. Interest rate is at 8.0%.

An additional loan of GH¢5,500,000 was granted by the bank to the company at an interest rate of 16.0%. The facility is for a tenor of 60 months expiring in November, 2016.

Societe General

The company has a medium term facility of GH¢10,000,000 with the bank. Interest rate is at 17.5% per annum. The facility expires on 30th September, 2017.

| | 2014 GH¢ | 2013 GH¢ |
|---------------------------|-------------|-------------|
| 22b LONG TERM LOAN | | |
| Ghana Cocoa Board | <hr/> | <hr/> |

The company was granted a long term loan of US\$10,000,000 by Ghana Cocoa Board, towards the establishment of PBC Shea Limited a subsidiary of the company. The facility is for a period of eight (8) years with a two (2) year moratorium, and it is secured by Cocoa Take Over receivables, Butter proceeds from the factory and charge over the plant and equipment of PBC Shea Limited. Interest rate is at 8.5% on a reducing balance basis.

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

| | 2014 | 2013 |
|---|-----------|-----------|
| | GH¢ | GH¢ |
| 23 FINANCE LEASE | | |
| Current portion payable within 12 months | 1,166,803 | 1,040,475 |
| Long term portion payable after 12 months | 4,546,891 | 0 |
| | 5,713,694 | 1,040,475 |

Societe General

The company was granted a new Finance Lease by SG-SSB Bank Ghana Limited of GH¢6,191,946. The facility was used to re-financed the purchase of twenty (20) Articulated Tractor Unit Heads and twenty (20) Massey Ferguson Tractors and Trailers purchased by PBC Limited with their own Funds. The facility is for a period of (60) months from initial drawing of the facility with an interest rate of 24% per annum fixed over the tenor.

The company was on 30th August, 2013 granted a Finance Lease by Societe General 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 | 2014 | | 2013 | |
|---|-----------------------|-------------------|-----------------------|-------------------|
| | No. of Shares | Proceeds GH¢ | No. of Shares | Proceeds GH¢ |
| Authorised Ordinary Shares of no par value | <u>20,000,000,000</u> | | <u>20,000,000,000</u> | |
| Issued and fully paid | | | | |
| For cash | 2,005,000 | 1,586,800 | 2,005,000 | 1,586,800 |
| For consideration other than cash | <u>477,995,000</u> | <u>13,413,200</u> | <u>477,995,000</u> | <u>13,413,200</u> |
| | <u>480,000,000</u> | <u>15,000,000</u> | <u>480,000,000</u> | <u>15,000,000</u> |

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 |
| | <u>1</u> | <u>100</u> | <u>1</u> | <u>100</u> |

The preference share(s) is redeemable (golden cocoa share) and allotted to the Ministry of Finance on behalf of the Government of Ghana.

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2014

c Retained earning/(Income surplus)

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

d Other reserves

This represent gains arising from fair value changes of available for sale financial asset held in GCB Bank.

| | 2014 | 2013 |
|---------------------------|------------------|------------------|
| | GH¢ | GH¢ |
| Balance at 1st October | 3,624,104 | 1,224,103 |
| Revaluation | (123,637) | 2,400,001 |
| Balance at 30th September | <u>3,500,467</u> | <u>3,624,104</u> |

e Share in treasury

Shares in Treasury as at 30th September 2014:-1,877,370 (2013 - 1,907,170).

25 TITLE DEEDS

- a Included in the ordinary shares issued for consideration other than cash is an amount of GH¢954,000 which represents part of the value of Property, Plant and Equipment ceded to PBC Limited by Ghana Cocoa Board. As mentioned in our report , we have not had sight of the Title Deeds of the sheds and buildings as stated in the Company's books to establish the Company's ownership of these assets. However, in a letter dated 18th November, 1999 the Government of Ghana gave the following undertaking :
- b "The Government has taken over the interest of the Ghana Cocoa Board (Cocobod) in PBC Limited and accordingly 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 all interests and the execution of all documents to effectuate the cession of assets to PBC Limited".
- c "The Government further assures the investing public that in the event of Cocobod failing its obligations under the cession agreement, it will take such additional steps including but not limited to compulsory acquisition and arranging of payment of adequate compensation by Cocobod so as to concretise the interest of PBC Limited in the said assets".

26 EARNINGS PER SHARE

Basic and Diluted earnings per share

The calculation of basic and diluted earnings per share at 30th September 2014 was based on the loss attributable to ordinary shareholders of (GH¢25,266,550), (2013; Loss GH¢8,831,622) and a weighted average number of ordinary shares outstanding of 480 million (2013 ; 480 million)

27 DIVIDEND

No dividends are recommended by the Directors for the year ended 30th September, 2014

PBC LIMITED
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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 is 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.

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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;

| | 2014 GH¢ | 2013 GH¢ |
|-------------------------------------|---------------------------|--------------------------|
| Available for sale Financial Assets | 3,730,870 | 3,854,547 |
| Investment in Subsidiaries | 57,533,966 | 20,838,055 |
| Loans and Receivables | 86,854,473 | 54,575,799 |
| Cash and Cash Equivalents | <u>27,986,677</u> | <u>9,384,898</u> |
| | <u>176,105,986</u> | <u>88,653,299</u> |

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

| | | |
|----------------------------|--------------------------|--------------------------|
| Public Institutions | <u>42,449,336</u> | <u>23,443,084</u> |
|----------------------------|--------------------------|--------------------------|

Impairment Losses

| | 2014 Gross GH¢ | 2014 Impairment GH¢ | 2013 Gross GH¢ | 2013 Impairment GH¢ |
|-----------------------|----------------------|---------------------------|----------------------|---------------------------|
| Past due 0 - 180 days | <u>42,449,336</u> | <u>0</u> | <u>23,443,084</u> | <u>0</u> |

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

| | 2014 GH¢ | 2013 GH¢ |
|----------------------------|--------------------------|--------------------------|
| Balance at 1 October | 42,449,336 | 23,443,084 |
| Impairment loss recognised | 0 | 0 |
| | <u>42,449,336</u> | <u>23,443,084</u> |

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.

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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The following are contractual maturities of financial liabilities;

30th September 2014

| Non-derivative financial liability | Amount GH¢ | 6 mths or less | 6-12 mths | 1-3 years |
|---------------------------------------|--------------------|--------------------|------------------|-------------------|
| | | GH¢ | GH¢ | GH¢ |
| Secured bank loans | 148,550,016 | 121,705,411 | 3,510,411 | 23,334,195 |
| Trade and other payables | 11,655,925 | 11,655,925 | 0 | 0 |
| Bank overdraft | 159,123,779 | 159,123,779 | 0 | 0 |
| Balance at 30th September 2014 | 319,329,720 | 292,485,115 | 3,510,411 | 23,334,195 |

30th September 2013

| | | | | |
|---------------------------------------|--------------------|--------------------|------------------|-------------------|
| Secured bank loans | 72,941,817 | 53,362,396 | 3,549,896 | 16,029,525 |
| Trade and other payables | 9,953,277 | 9,953,277 | 0 | 0 |
| Bank overdraft | 200,770,767 | 200,770,767 | 0 | 0 |
| Balance at 30th September 2013 | 283,665,861 | 264,086,440 | 3,549,896 | 16,029,525 |

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;

| <i>Variable rate instrument</i> | Carrying amount | |
|---------------------------------|---------------------------|---------------------------|
| | 2014 | 2013 |
| Financial liabilities | GH¢ <u>307,673,795</u> | GH¢ <u>273,712,584</u> |

Fair value sensitivity analysis for fixed rate instrument

The company did not have fixed rate instrument at 30th September 2014 and also at 30th September, 2013

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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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:

| | 30th September 2014 | | 30th September 2013 | |
|------------------------------------|---------------------|--------------------|---------------------|--------------------|
| | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| Loans and Receivables | | | | |
| Trade and Other Receivables | 86,854,473 | 86,854,473 | 54,575,799 | 54,575,799 |
| Cash and Cash Equivalents | 27,986,677 | 27,986,677 | 9,384,898 | 9,384,898 |
| Short Term Investments | 47,537,137 | 47,537,137 | 99,329,000 | 99,329,000 |
| | 162,378,287 | 162,378,287 | 163,289,697 | 163,289,697 |
| Available for Sale | | | | |
| Long Term Investment | 3,730,870 | 3,730,870 | 3,854,547 | 3,854,547 |
| Investment in Subsidiaries | 57,533,966 | 57,533,966 | 20,838,055 | 20,838,055 |
| | 61,264,836 | 61,264,836 | 24,692,602 | 24,692,602 |
| Other Financial Liabilities | | | | |
| Secured Bank Loan | 148,550,016 | 148,550,016 | 72,941,817 | 72,941,817 |
| Trade and Other Payables | 11,655,925 | 11,655,925 | 9,953,277 | 9,953,277 |
| Bank Overdraft | 159,123,779 | 159,123,779 | 200,770,767 | 200,770,767 |
| | 319,329,720 | 319,329,720 | 283,665,861 | 283,665,861 |

30 CAPITAL COMMITMENTS

There were no commitments for capital expenditure at the balance sheet date and at 30th September 2014

31 EMPLOYEE BENEFITS

Deferred Contribution Plans

Social Security

Under a National Deferred Benefit Pension Scheme, the company contributes 13.0% 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 provident fund schemes for the staff under which the company contributes a total of 10% of staff basic salary. The obligation under the plan is limited to the relevant contribution and these are settled on the dates to the fund manager.

32 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

33 PRIOR YEAR ADJUSTMENT

This represents additional corporate taxes resulting from Ghana Revenue Authority Tax Audit from year 2010 to 2012.

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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34 SHAREHOLDING DISTRIBUTION

| Category | Total Holding | Percentage Holding (%) |
|-----------------|---------------------------|-------------------------------|
| 1 - 1,000 | 5,109,278 | 1.06 |
| 1,001 - 10,000 | 20,285,786 | 4.23 |
| Over 10,001 | 454,604,936 | 94.71 |
| Total | <u>480,000,000</u> | <u>100.00</u> |

35 DIRECTORS SHAREHOLDING

The Directors named below held the following number of shares in the company as at 30th September 2014.

| Names | 2014 | 2013 |
|----------------------------|-----------------------|----------------------|
| Mr. Maxwel Kojo Attah-Krah | 69,750 | 9,750 |
| Mr. Yaw Sarpong | 31,959 | 31,959 |
| Mrs. Mabel Oseiwa Quakyi | 4,000 | 4,000 |
| Mr. Thomas Dzoleto Kwami | 100,737 | 0 |
| | <u>206,446</u> | <u>45,709</u> |

PBC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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36 TWENTY LARGEST SHAREHOLDERS

| Shareholders | Number of Shares | Percentage Holding (%) |
|--|-------------------------|-------------------------------|
| 1 Social Security & National Insurance Trust | 182,879,412 | 38.10 |
| 2 Ministry of Finance - Government of Ghana | 176,112,259 | 36.69 |
| 3 African Tiger Mutual Fund Limited | 38,000,000 | 7.92 |
| 4 NTHC/Institutional Investor Consortium | 14,050,719 | 2.93 |
| 5 SCBN/Mauritius Re Altree Custody Services Limited | 12,008,105 | 2.50 |
| 6 Current PBC Employees/Commission Agents | 5,140,575 | 1.07 |
| 7 NTHC Limited | 4,891,934 | 1.02 |
| 8 GCCSFA/Farmers - Individuals | 1,547,307 | 0.32 |
| 9 GCCFA/Farmers - Association | 1,250,000 | 0.26 |
| 10 Yirenkyi Samuel Ernest Mr. | 1,014,172 | 0.21 |
| 11 SCBN/SSB Eaton Vance Tax-Manager Emerging Market Fund | 650,000 | 0.14 |
| 12 SCBN/Parametric - EVSEMF | 582,428 | 0.12 |
| 13 STD Noms TVL PTY/BNYM SANV/Em'ing Mkt Eqty Mgr Port 1-P'mtric | 516,618 | 0.11 |
| 14 STD Noms TVL PTY/Databank Ark Fund | 400,000 | 0.08 |
| 15 STD Noms TVL PTY/BNYM SANV/Wilmington Multi-Manager Int. Fund | 288,000 | 0.06 |
| 16 Equity Focus Company Limited | 223,000 | 0.05 |
| 17 Hoffmann Gerhard Ernest | 215,000 | 0.04 |
| 18 Ansah Micheal Owusu | 172,025 | 0.04 |
| 19 SCBN/JP Morgan Chase Offshore 6178C | 162,500 | 0.03 |
| 20 EGH/Aluworks Tier 3 Provident Fund Scheme Master Distr. | 158,800 | 0.03 |
| Total Holding by twenty largest Shareholders | 440,262,854 | 91.72 |
| Totals of others | 39,737,146 | 8.28 |
| | 480,000,000 | 100.00 |