PRESS RELEASE

PR. No. 387/2023

COCOA PROCESSING COMPANY LTD (CPC)-

UNAUDITED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED SEPTEMBER 30, 2023

CPC has released its Unaudited Financial Statements for the fourth quarter ended September 30, 2023, as per the attached.

Issued at Accra, this 31st
Day of October 2023.

- E N D -

att'd.

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

For enquiries, contact:
Head of Listing, GSE on 0302 669908, 669914, 669935
*JD

COCOA PROCESSING COMPANY LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE FORTH QUARTER ENDED
30TH SEPTEMBER 2023

COCOA PROCESSING COMPANY LIMITED

REPORTS AND FINANCIAL STATEMENTS

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COCOA PROCESSING COMPANY LIMITED
CORPORATE INFORMATION

BOARD OF DIRECTORS	Kweku Owusu Baah (Chairman) Hon. Francis Manu-Adabor Philomena Okyere Alexandria Gloria Totoe Ray Ankrah Vincent Akomea Prof Douglas Boateng Theodore Matey Tackey
REGISTERED OFFICE	Cocoa Processing Company Limited Heavy Industrial Area Private Mail Bag Tema
SOLICITOR/ SECRETARY	Sheila Minkah-Premo Apex Law Consult Ring road Labone Box GP 4889 Accra
AUDITOR	Ernst & Young Chartered Accountants 60 Rangoon Lane P. O. Box KA16009, Airport Accra
BANKERS	Barclays Bank (Ghana) Limited Ecobank Ghana Limited GCB Bank Limited Prudential Bank Limited SG-SSB Bank Limited
REGISTRAR	NTHC Limited Martco House P O Box 9563 Airport Accra

COCOA PROCESSING COMPANY LIMITED

FINANCIAL AND OPERATIONS HIGHLIGHTS
FOR THE FORTH QUARTER ENDED 30TH SEPTEMBER 2023

	SEPT 2023	SEPT 2022
	US$	US$
FINANCIALS		
Turnover	32,245,516	43,489,657
Loss from Operations	(10,195,872)	(7,211,831)
Loss for the year	(11,528,021)	(12,058,965)
Total Assets	131,027,795	140,964,348
Net Assets per Share	0.0052	0.0109
No of Shares Ranking for Dividend	2,038,074,176	2,038,074,176
Earnings per Share	(0.0057)	(0.0059)
Diluted Earnings per Share	(0.0057)	(0.0059)

	SEPT 2023	SEPT 2022
OPERATIONS	MT	MT
Cocoa Beans Processed	7,051	13,097
Semi - Finished Products Packed	5,836	10,908
Confectionary products Packed	1,699	2,181

COCOA PROCESSING COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2023

		Sep-23 US$	Sep-22 US$
ASSETS			
Property, plant and equipment	7	109,621,365	114,290,527
Total non-current assets		**109,621,365**	**114,290,527**
Inventories	8	14,185,703	17,673,939
Current tax assets	6c		-
Trade and other receivables	9	2,041,183	4,953,059
Prepayment	10	455,637	528,524
Fixed Deposit	11	2,726,140	2,707,841
Cash and bank balances	12a	1,997,767	810,458
Total current assets		**21,406,430**	**26,673,821**
Total assets		**131,027,795**	**140,964,348**
EQUITY AND LIABILITIES			
Equity			
Share capital	14a	26,071,630	26,071,630
Deposit for Shares		87,000,000	87,000,000
Revaluation Reserve	14b	53,113,126	53,113,126
Fair Value Reserve	14b	7,041,211	7,041,211
Retained earnings	14d	(162,559,887)	(151,031,866)
Total equity		**10,666,080**	**22,194,101**
Liabilities			
Borrowings	12b	4,449,256	1,985,300
Employee benefit obligations	13b	2,871,072	2,871,650
Deferred Tax Liability		17,899,918	17,899,918
Non current liabilities		25,220,246	22,756,868
Bank overdraft	10b	1,745,913	1,932,743
Trade and other payables	11	46,632,499	47,317,579
Borrowings	12a	46,763,057	46,763,057
Total current liabilities		**95,141,469**	**96,013,379**
Total liabilities		120,361,715	118,770,247
Total equity and liabilities		**131,027,795**	**140,964,348**

KOFI TEKYI
DIRECTOR (FIN & IT)

DR FRANK ASANTE
AG. MANAGING DIRECTOR

The accompaning accounting policies and notes form an integral parts of these financial statements

COCOA PROCESSING COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE FORTH QUARTER ENDED 30TH SEPTEMBER 2023

		Sep-23 US$	Sep-22 US$
Revenue	17	32,245,516	43,489,657
Cost of Sales	18	(36,878,148)	(47,363,968)
Gross Profit		(4,632,632)	(3,874,311)
Other income	19	12,415	1,502,886
Selling and distribution costs	29	(584,906)	(804,574)
General and administrative expenses	30	(3,470,913)	(4,569,682)
Impairment Loss	27	(1,519,836)	533,851
Operating loss		(10,195,872)	(7,211,831)
Finance income	23	2,395,581	50,072
Finance costs	24	(3,727,730)	(5,784,067)
Loss before tax	20	**(11,528,021)**	**(12,945,826)**
Income tax expense	6		886,861
Loss		(11,528,021)	(12,058,965)
Other comprehensive income			
Revaluation of PPE			
Defined benefit plan actuarial gains/ (loss)			
Related Tax			
Total other comprehensive income		-	-
Total comprehensive income		(11,528,021)	(12,058,965)
		-	
Earnings per share			
Basic earnings per share	22	(0.0057)	(0.0059)
Diluted earnings per share	22	(0.0057)	(0.0059)

PROPERTY PLANT & EQUIPMENT
FOR THE FORTH QUARTER ENDED 30TH SEPTEMBER 2023

Description	Capital Work In Progress	Land, Buildings & Roadworks	Staff Bungalows & Flats	Plant & Machinery	Motor Vehicles	Office Furniture & Equipment	Laboratory Equipment	Total
Note 7	USD	USD	USD	USD	USD	USD	USD	USD
Cost/Valuation								
Balance at 1 October 2022	3,968,787	37,235,919	413,519	89,874,227	234,070	699,525	116,607	132,542,654
Additions	555,811	0	(0)	61,432	(0)	0	0	617,242
Disposals								-
Transfers								-
Balance at								
Balance at 30th September 2023	**4,524,598**	**37,235,919**	**413,519**	**89,935,659**	**234,070**	**699,525**	**116,607**	**133,159,896**
Depreciation								
Balance at 1 October 2022		1,419,683	27,694	16,140,807	234,070	359,341	70,532	18,252,127
Disposals						-		-
Depreciation Charge		744,718	8,270	4,466,539	-	46,814	20,062	5,286,404
		2,164,401	35,964	20,607,346	234,070	406,155	90,594	23,538,531
Balance at 30th September 2023	**4,524,598**	**35,071,518**	**377,554**	**69,328,313**	**(0)**	**293,370**	**26,013**	**109,621,365**

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COCOA PROCESSING COMPANY LIMITED
STATEMENT OF CASH FLOW
FOR THE FORTH QUARTER ENDED 30TH SEPTEMBER 2023

	Sep-23 US$	Sep-22 US$
Operating activities		
Loss	(11,528,021)	(12,058,965)
Adjustments for:		
Depreciation charges	5,286,404	6,022,040
Effect of movement in exchange rates		
	(6,241,616)	**(6,036,925)**
Changes in		
Inventories	3,488,236	9,113,624
Trade and other receivables	2,911,876	3,884,900
Prepayments	72,887	(93,335)
Trade and other payables	(685,081)	(9,221,397)
Employee benefit obligations	(578)	189,482
Cash (used in)/generated from operating activities	**(454,276)**	**(2,163,651)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(617,242)	(223,993)
Fixed Deposit		2,644,194
Net cash flow in investing activities	**(617,242)**	**2,420,201**
Financing activities		
Fair Value	(0)	-
Deposit for Shares	-	-
Loans and borrowings	2,463,956	(256,549)
Net cash flow in financing activities	**2,463,956**	**(256,549)**
Net increase / (decrease) in cash and cash equivalents	1,392,438	-
Cash and cash equivalents at 1 October	1,585,556	1,585,556
Balance as at 30th September 2023	**2,977,994**	**1,585,556**
Analysis of balances of cash and cash equivalents as shown in the balance sheet		
Cash and bank balances	4,723,907	3,518,299
Bank overdraft	(1,745,913)	(1,932,743)
Cash and cash equivalents at 30th September 2023	**2,977,994**	**1,585,556**

COCOA PROCESSING COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE FORTH QUARTER ENDED 30TH SEPTEMBER 2023

Note 16	Share Capital US$	Deposit for Shares US$	Revaluation Reserve US$	Fair Value Reserve US$	Retained Earnings US$	Total Equity US$
Balance at 1 October 2022	26,071,630	87,000,000	53,113,126	7,041,211	(151,031,866)	22,194,1
Total comprehensive income for the year						
Loss					(11,528,021)	(11,528,(
Transfer from Fair Value						
Transfer from Payables						
Transfer from Longterm Loan						
Total comprehensive income	-	-	-	-	(11,528,021)	(11,528,(
Transferred to Deposit for Shares	-				-	
Balance at 30th September 2023	26,071,630	87,000,000	53,113,126	7,041,211	(162,559,887)	10,666,(

COCOA PROCESSING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 30TH SEPTEMBER 2023

1. REPORTING ENTITY

Cocoa Processing Company Limited is a Company registered and domiciled in Ghana. The financial statements for the Second quarter ended 30th September 2023 relates to the individual financial statements of the Company.

2. BASIS OF PREPARATION

a. Statement of compliance

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

b. Basis of measurement

The financial statements have been prepared under the historical cost convention, except for the following material items in the statement of financial position:

- Property, plant and equipment, measured at revalued amounts
- Defined benefit obligations measured at the present value of the future benefit to employees.

c. Functional and presentation currency

The financial statements are presented in US Dollar (US$) which is the Company's functional currency. Except otherwise indicated, the financial information presented has been rounded off to the nearest US Dollar.

d. Use of estimates and judgement

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

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

3. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss under operating expenses or other income depending on whether it is a net loss or gain.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

(B) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are initially recognised at cost. They are carried at revalued amounts less subsequent 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, capitalised borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss, as incurred.

(iii) Spare parts

Spare parts, stand-by and servicing equipment held by the Company generally are classified as inventories. However, if major spare parts and stand-by equipment are expected to be used for more than one period or can be used only in connection with an item of property, plant and equipment, then they are classified as property, plant and equipment.

(iv) Capital work in progress

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

(v) Depreciation

Items of property, plant and equipment are depreciated from the date they are installed and ready for use, or in respect of self-constructed assets, from the date assets is completed and ready for use.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight -line method over their estimated useful lives. Depreciation is generally recognised in profit or loss unless the amount is included in the carrying amount of another asset.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

• Land, Buildings and Road Works	-	50 years
• Staff Bungalows and Flats	-	50 years
• Plant and Machinery	-	20 years
• Motor Vehicles	-	4 years
• Laboratory Equipment	-	5 years
• Office Furniture and Equipment	-	5 years

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

(vi) Revaluation gain/loss

Increases in the carrying amount of land and buildings arising on revaluation are credited to a revaluation reserve. Decreases that offset previous increases of the same asset are charged against the revaluation reserve. All other decreases are charged to profit or loss.

The surplus on revaluation is transferred to retained earnings on use of the relevant revalued assets.

(c) Inventories

All inventories with the exception of finished goods are initially recognised at the lower of cost and net realisable value. Finished goods are initially recognised at the total cost of raw materials consumed and production overheads. Inventories are measured at the lower of cost or net realisable value.

The cost of inventories is based on the first-in-first-out principle for raw materials and weighted average principle for all other inventories and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale. Inventories are recognised in profit or loss when goods are sold or there is a write down of inventories.

(d) Revenue

Revenue is measured at the fair value of the consideration received or receivable, net of VAT, returns, discounts, and other similar deductions.

No revenue is recognised if recovery of the consideration is not considered probable or the revenue and associated costs cannot be measured reliably.

Revenue - Sale of goods

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

(e) Finance income and finance costs

Finance income comprises interest income on funds invested or held in bank accounts. Interest income is recognised in profit or loss using the effective interest method.

Finance costs comprise interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(C) 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 risks 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 Audit Committee is responsible for monitoring compliance with the Company's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to risks faced by the Company.

The Audit Committee gains assurances on the effectiveness of internal control and risk management from summary information relating to the management of identified risks; detailed reviews of the effectiveness of management of selected key risks; results of management's self assessment processes over internal control; and independent work carried out by the Audit and Risk function, which provide the audit committee and management with results of procedures carried out on key risks, including extent of compliance with standards set on governance; and assurances over the quality of the Company's internal control.

The Company also has a control, compliance and ethics function in place, which monitors compliance with internal procedures and processes and assesses the effectiveness of internal controls.

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

(i) 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 receivable from customers.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The marketing department has established a credit policy under which new customers are assessed individually for credit worthiness before the Company's standard payment terms and conditions are offered. The Company generally trades with pre-defined and selected customers. Credit exposure on trade receivable is covered by customers issuing post-dated cheques to cover amounts owed, as well as using landed properties as collateral and bank guarantees.

Allowances for impairment

The Company establishes an allowance for impairment losses that represents its estimate of incurred losses in respect of trade 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 have not yet been identified. The collective loss allowance is determined based on historical data of payment for similar financial assets.

(ii) **Liquidity risk**

Liquidity risk is the risk that the Company would either 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 maintains adequate liquidity to meet its liabilities as and when they fall due. The Company assesses its debt position every month. The Company also monitors the level of expected cash inflows on trade and other receivables on a daily basis. The Company however has a net liability position. Measures have been put in place as disclosed in note 28 to manage this position.

(iii) **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates 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 exposed to currency risk on sales, purchases and borrowing that are denominated in a currency other than the functional currency of the Company, the US Dollar. The Company has no policy on its exposure to foreign currency risk relating to its financial assets and financial liabilities. Currency risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consist of equity. The Board of Directors monitors return on capital as well as the level of dividends to ordinary shareholders.

The Board seeks to maintain a balance between higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

The Board monitors capital using an adjusted net debt to equity ratio, which is the adjusted net debt divided by the adjusted equity. For this purpose, adjusted net debt is defined as total liabilities (which includes interest bearing loans and borrowings) unaccrued proposed dividends less cash and cash equivalents. Adjusted equity comprise all components of equity less unaccrued proposed dividends.

GOING CONCERN CONSIDERATION

The Directors have also been in discussions with African Export-Import Bank (Afreximbank) to obtain a US$86.7 million loan facility. Management plans to use this loan to settle outstanding amounts due to the syndicate of banks, support its working capital requirements and retool its property, plant and equipment to expand production capacity. Management expects the agreement to be signed latest by June 2024 and the first tranche of the loan to be disbursed from September 2024.

COCOBOD has undertaken to provide the Company with continuous supply of cocoa beans to meet its operational demand and will not demand for repayments of amounts due it in a manner that would jeopardise the operations of the Company.

The Directors have assessed the situation and have put in place measures to turn around the Company and make it profitable in the near future. These measures include:

i. Cost cutting measures – The company entered in to arrangement with Captive Energy Company Limited on 9 October 2019 to produce stem and power using bio-waste materials. The project is expected to be completed in 15 months. On completion, the Company will incur a monthly charge of US$414,000 for the generation of steam and power which represents a reduction of the Company's current utility cost of 40% per annum. The Company has also constructed six (6) depth bore-holes to reduce the cost of water by about US$168,000 – US$220,000 per annum.

ii. Investment in infrastructure and machinery – The Company obtained a loan facility of GH16million from Prudential Bank Limited under the Government of Ghana's Ministry and Trade and Industry Stimulus Package Programme for the acquisition of equipment for the Confectionery factory. The Company had acquired a number of the assets and had put them in use. The machines are intended to expand the capacity of the Confectionery factory from 3,000 MT to 15,000 MT. |The Company has also commenced activities for the retooling of its aged cocoa factory lines and the expansion of the current capacity of 64,500 MT to 87,657 MT.

iii Collateral management agreement: There are also plans to enter into a collateral management agreement with Cocoa Marketing Company (CMC) for the purchase of cocoa beans. Under the arrangement, CMC would issue the Company with a letter of guarantee to supply the Company with 23,000MT of cocoa beans (main and light crop for every cocoa season with the light crop proportion larger than the main crop).

iii. Investment in infrastructure and machinery – The Company plans to purchase additional Chocomaster (moulding plant), three new wrapping machines, drinking chocolate plant and also rehabilitate the milling section accessories and installation. These equipment are intended to increase chocolate production and the project will take a year to complete.

iv. Expanding revenue base - The Company intends to expand its revenue earning base and has identified the following areas to achieve that:

- Introduction of hand crafted-chocolates and customised chocolates (own label chocolate bars).
- Introduction of Nutty chocolates (non-coated dragees)
- Tolling arrangement with relevant parties.
- Improving visibility to increase local consumption of Goldentree confectionery products.
- Rebranding of Alltime instant drinking chocolate and the introduction of another instant drinking chocolate to be known as Goldentree instant drinking chocolate.

v. Improving effectiveness and efficiency of operations - The Directors have in the short and medium term put in place measures to improve the effectiveness and efficiency of the Company's operations by reviewing and improving the Performance Management System (PMS).

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REVENUE

Analysis of the Company's revenue ia as follows

		Sep-23	Sep-22
		US$	US$
b	**Type of Product**		
	Cocoa Butter	13,794,333	14,267,110
	Cocoa Liquor	8,250,427	8,146,223
	Cocoa Cake	735,980	10,859,400
	Cocoa Powder	2,000,803	1,407,482
	Confectionery	7,463,972	8,809,442
		32,245,516	**43,489,657**

		Sep-23	Sep-22
		US$	US$
c	**Sale of goods**		
	Local Sales	7,349,161	8,299,277
	Export Sales	24,896,354	35,190,380
		32,245,515	43,489,657
	Tolling	-	-
		32,245,515	**43,489,657**

	Analysis of Product Market	Sep-23	Sep-23	Sep-22	Sep-22
		Export Sales US$	Local Sales US$	Export Sales US$	Local Sales US$
c	Semi -Finished Products	24,780,946		34,660,639	7,029
	Confectionery	115,408	7,349,161	529,741	8,292,248
	Tolling				-
		24,896,354	**7,349,161**	**35,190,380**	**8,299,277**

18 COST OF SALES

	Sep-23	Sep-22
	US$	US$
Raw and Packing Material Consumed	27,775,546	32,012,113
Depreciation	5,231,320	5,921,130
Direct Labour	966,291	1,197,153
Production Overheads	2,904,992	7,233,572
	36,878,148	**46,363,968**

19 OTHER INCOME

	Sep-23	Sep-22
Type of Product	US$	US$
Sale of Sack, scrap and other items	12,415	1,502,886
Net Exchange gain		
Discount received on Sales tax		
Sundry Income		
	12,415	**1,502,886**

	Sep-23	Sep-22
	US$	US$
23 FINANCE INCOME		
Interest income	2,395,581	50,072
	2,395,581	**50,072**

24 FINANCE COST

	Sep-23	Sep-22
	US$	US$
Interest on Loans and borrowing	3,534,498	5,626,072
Interest on Bank Overdraft	193,232	157,995
	3,727,730	**5,784,067**

30 GENERAL ADMIN EXPENSES

	Sep-23 US$	Sep-22 US$
Staff Cost	2,231,049	3,300,092
Depreciation	55,084	100,910
Auditors remuneration	111,560	37,000
Directors remuneration	97,247	91,725
Insurance	88,608	89,501
Rent and Security	161,014	140,212
Professional/Consultancy	165,048	60,457
Bank Charges	32,153	83,738
AGM Expenses	9,590	31,663
Office related Expenses	275,115	173,464
Water and Electricity	1,439	300,008
Other Cost	243,004	144,400
Donations		16,512
Exchange Loss	-	
	3,470,913	**4,569,681**

29 SELLING & DISTRIBUTION EXPENSES

	Sep-23 US$	Sep-22 US$
Staff Cost	217,469	141,657
Wharfage Handling Charges	195,116	350,150
Carriage - Forklifts / Trucks	28,501	24,326
Depot Expenses	24,709	36,258
Vehicles Running Costs	81,828	80,370
Advertising Expenses and other cost	37,283	171,813
Depreciation Vehicles	-	-
	584,906	**804,574**

STAFF COSTS

The average number of employees during the year was as follows: -

	Sep-23 Number	Sep-22 Number
Temporary Staff	180	180
Junior Staff	187	193
Senior Staff	62	64
Management	14	18
	443	455

Aggregate Remuneration	Sep-23 US$	Sep-22 US$
Wages and Salaries	3,414,809	3,958,775
	3,414,809	**3,958,775**

EARNINGS PER SHARE

The calculation of basic and diluted earnings per share was based on the loss attributable to ordinary sharesholders and a weighted average number of ordinary shares outstanding .

	Sep-23 US$	Sep-22 US$
Net Profit attributable to shareholders	(11,528,021)	(12,058,965)
Weighted Average Number of Ordinary Shares outstanding during the year	2,038,074,176	2,038,074,176
Basic Earnings per share	-0.0057	-0.0059
Diluted Earnings per share	-0.0057	-0.0059

8 INVENTORIES

	Sep-23	Sep-22
	US$	US$
Raw Materials	850,336	853,357
Packaging Materials	3,629,099	2,861,096
Finished Goods	7,874,262	12,226,624
Technical Store Parts	1,748,318	1,642,832
Fuel & Lubricant	83,688	155,110
Wright down	-	(65,080)
	14,185,703	**17,673,939**
	-	

9 TRADE AND OTHER RECEIVABLES

	Sep-23	Sep-22
	US$	US$
Trade Receivables	1,308,326	4,444,260
Staff Debtors	551,264	489,500
Other Receivables	181,593	
	2,041,183	**4,933,760**
	-	

		Sep-23	Sep-23	Sep-22	Sep-22
Impairment	Av Rate	Gross	Impairment	Gross	Impairment
current	3.00%	829,787	24,894	4,487,708	134,631
31-90 days	34.97%	605,773	211,866	106,978	37,415
91-270 days	84.82%	1,020,558	865,685	142,468	120,848
more than 270 days	100.00%	1,517,051	1,517,051	806,766	806,766
Totals		**3,973,169**	**2,619,496**	**5,543,920**	**1,099,660**

Movement in the allowance for impairment in respect of trade receivables

	Sep-23	Sep-22
Balance at 1 October	1,099,660	1,633,511
Impairment loss recognised	1,519,836	(533,851)
Balance at 30 September	2,619,496	1,099,660

10 PREPAYMENTS

Sep-23	Sep-22
US$	US$
455,637	437,546

11 FIXED DEPOSIT

Sep-23	Sep-22
US$	US$
2,726,140	2,613,286

The fixed deposit investments, which are rolled over on a quarterly basis at an interest rate of 2% per annum, have been used as collateral for the overdraft facility with Prudential Bank Limited. The Company is restricted from accessing the investment untill the overdraft facility is discharged.

Depreciation has been charged as follows:

	Sep-21	Sep-20
	US$	US$
Cost of sales	5,231,320	5,921,130
General and Administrative expenses	55,084	100,910
Selling and distribution cost	-	-
	5,286,404	**6,022,040**

11 TRADE AND OTHER PAYABLES

Trade and other payables principally comprised amount outstanding for trade purchase and ongoing costs.

	Sep-23	Sep-22
	US$	US$
Trade Payables	10,009,949	16,034,183
Taxes and Duties	33,555,242	19,137,359
Other Payables	3,067,307	12,146,037
	46,632,499	**47,317,579**

12 BORROWINGS

Balances on existing Loan Facilities	Sep-23	Sep-22
	US$	US$
Barclays Bank USD Loan	10,902,550	10,902,550
Barclays Bank USD Loan	19,848,324	16,536,681
Cocobod Loan USD	18,546,160	18,546,160
Prudential loan	1,915,279	2,762,966
	51,212,313	**48,748,357**

		Sep-23	Sep-22
12(a)	Short term portion of borrowings	46,763,057	46,763,057
12(b)	Long term borrowings	4,449,256	1,985,300

10(a)	**CASH & CASH EQUIVALENTS**	**Sep-23 US$**	**Sep-22 US$**
	Cash at Bank	1,820,536	761,506
	Cash in hand	177,231	48,952
	T Bills	2,726,140	2,707,841
	Cash and Cash Equivalents	4,723,907	3,518,299
10(b)	Bank Overdraft	(1,745,913)	(1,932,743)
	Cash and Cash Equivalents in the statement of cash flow	2,977,994	1,585,556

DEBT TO EQUITY RATIO

The Company's net debt to equity ratio was as follows

	Sep-23 US$	Sep-22 US$
Total Liabilities	120,361,715	118,770,247
Cash and Cash Equivalents	(4,723,907)	(3,518,299)
Net Debt	115,637,808	115,251,948
Equity	10,666,080	22,194,101
Debt to Equity Ratio	10.84	5.19

RELATED PARTY TRANSACTION AND BALANCES

The Company Purhases raw cocoa beans from Cocoa Marketing Company Limited a Subsidiary of Ghana Cocoa Board.
Ghana Cocoa Board is the ultimate parent of Cocoa Processing Company Limited.
The purchases from Cocoa Marketing Company Limited are on the same terms and conditions as those entered into by other companies

The value of transactions between the company and its related entities during the year are as follows

	Sep-23 US$	Sep-22 US$
Purchases from Cocoa Marketing Company	18,871,210	20,568,228

Balances due related company were as follows

	Sep-23 US$	Sep-22 US$
Borrowings	-	
Accrued Interest	18,546,160	18,546,160
	18,546,160	18,546,160
Trade Payable	10,009,949	14,639,337
	28,556,109	33,185,497

14. SHARE CAPITAL (STATED CAPITAL) AND RESERVES

Authorised shares

	2023	2022
Ordinary shares of no par value	20,000,000,000	20,000,000,000
Preference share of no par value	1	1

Issued and fully paid

	Number 'm	Amount US$	Number 'm	Amount US$
Ordinary shares for cash	2,038	26,071,559	2,038	26,071,559

(a) Preference shares

	Number		Number	
	1	71	1	71
		26,071,630		26,071,630

(b) **Deposit for Shares**

On 30th September 2022, the Board of Directors for Ghana Cocoa Board agreed to a proposal from the Board of Cocoa Processing Company to convert US$ 87,000,000 of debt owed to Ghana Cocoa Board to Class B shares .
The US$ 87m debt converted to equity consisted of the principal portion of a long-term loan granted to Cocoa Processing Company of US$ 32m and US$ 55m being trade payables.
The company is in the process of registering the new shares with the Registrar of Companies as required by the Companies Act 2019, Act 992.

(c) Revaluation reserve

This represents the unrealised appreciation on the value of property, plant and machinery, following a revaluation exercise carried out at 30 September 2019. The revaluation surplus is recorded in equity as it is a non-distributable reserve. The movement on the revaluation reserve resulted from transfer made to the retained earnings account in respect of portions of the revalued components of the relevant assets which were used during the year and deemed realised from use.

(d) Fair Value Reserve

The fair value reserve represents day – one gain on the fair valuation of below market-rate loans and borrowings from shareholders of the company.

(e) Retained earnings (Income surplus account)

This represents the residual of cumulative annual profits/losses and realised portions of revaluation reserve.

SHAREHOLDING DISTRIBUTION AT SECOND QUARTER ENDED 30th SEPTEMBER 2023

	No. of Shareholders	No. of Shares	% Holdings
1 – 1,000	28,100	12,876,891	0.55
1,001 – 5,000	18,439	41,159,318	1.76
5,001 – 10,000	1,608	12,401,194	0.54
Over 10,001	909	1,971,636,773	97.15
	49,056	2,038,074,176	100

TWENTY LARGEST SHAREHOLDERS

		No. of Shares	% Holdings
1.	Ghana Cocoa Board	1,176,599,176	57.73
2.	Government of Ghana c/o Ministry of Finance	532,554,110	26.13
3.	Social Security & National Insurance Trust	206,754,000	10.14
4.	Badu Collins K	3,181,000	0.16
5.	SIC Life Company Limited	2,240,000	0.11
6.	Donewell Life Company Limited	1,920,000	0.09
7.	Ghana Reinsurance Company Limited – General Business	1,600,000	0.08
8.	Agricultural Development Bank	1,600,000	0.08
9.	Osei Isaac	1,583,900	0.08
10.	Baah Matthew Mensah	960,000	0.05
11.	Badu Collins Kwabena	876,900	0.04
12.	Otchere-Boateng Lordina Justina	800,000	0.04
13.	Ghana Libyan Arab Holding Company	800,000	0.04
14.	Beaudoin Patrick	800,000	0.04
15.	E.H.Boohene Foundation	800,000	0.04
16.	Tetteh Richard Amarh	552,000	0.03
17.	Adjei Seth Adjete	550,000	0.03
18.	Teachers' Fund	500,000	0.02
19.	Hyde Joel Emmanuel	500,000	0.02
20.	Insurance Compensation Fund	480,000	0.02
		1,935,651,086	94.97
Others		102,423,100	5.03
		2,038,074,186	100.00