BOARD OF DIRECTORS

Samuel Avaala Awonnea
(GM-Executive Director)

Neneyo Mate-Kole
(Non-Executive Director)

Kwame Agyarkoh Boitey Wiafe
(Non-Executuve Director)

Pierre Billon
(Non-Executive Director)

Bini Kouaku Kossonou
(Non-Executive Director)

CONTENTS

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the members of Benso Oil Palm Plantation Limited will be held at the Raybow Hotel, off the Takoradi Beach Road, Takoradi on Friday, 15th May, 2020 at 11.00 a.m for the following purposes:

Agenda

1. To receive and consider the report of the directors, the audited financial statements for the year ended 31 December 2019 and the report of the auditors thereon.

2. To declare a dividend.

3. To re-elect directors.

4. To fix directors' fees.

5. To authorise the directors to fix the remuneration of the auditor for the ensuing year.

6. To ratify the appointment of Mr. Benjamin Appiah-Manuh as a director

A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member. A form of proxy is attached and if it is to be valid for the purpose of the meeting it must be completed and deposited at the registered office of the Registrars of the Company, NTHC Limited, not less than 48 hours before the meeting.
This notice is effective the 20th day of April, 2020.

By Order of the Board

Dehands Services Limited

Company Secretary

CORPORATE INFORMATION

Registered Office

Adum Banso Estate, P.O. Box 470, Takoradi.

Dividend Warrants

If the payment of dividend recommended is approved, the warrants will be posted on the 23th day of June, 2020 to the holders of shares whose names are registered in the Register of members at the close of day on the 20th day of May 2020

Board of Directors

I.E. Yamson, Chairman, Santosh Pillai, Managing Director, N. A. Mate-Kole, Pierre Billon, Samuel Avaala Awonnea, Benjamin Appiah-Manuh, Kwame Agyarko Boaitey Wiafe
Company secretary

Dehands Services Limited

Board Audit committee

N. A. Mate-Kole and Kwame Agyarko Boitey Wiafe

Auditor

PricewaterhouseCoopers, Chartered Accountants, PwC Tower, A4 Rangoon Lane, Cantonments City, PMB CT 42,

Cantonments, Accra, Ghana.

Registrars office

NTHC Limited, Martco House, D542/4, Okai-Mensah Link, Adabraka P.O. Box KIA 9563, Accra.

CORPORATE GOVERNANCE

Introduction

Benso Oil Palm Plantation Limited (BOPP), the ''Company'', recognises the importance of good corporate governance as a means of sustaining long term viability of the business and therefore always seeks to align the attainment of the business objectives with good corporate behaviour. In line with this, the Company strives to meet the expectations of the community in which it operates as well as its responsibility to its shareholders and other stakeholders.

In the conduct of its business, BOPP seeks to comply with all statutory requirements, adopt best practices to protect the environment and its employees, invest in the community in which it operates, and enhances shareholders' value through cost effective means of doing business. BOPP adopts medium and long term growth strategies and resource allocations that guarantee the creation of wealth. It utilises current technology and continuously innovates in order to stay ahead of the competition. BOPP promotes and recognises excellence through its employee development programmes.

As indicated in the statement of responsibility of directors and notes to the financial statements, the business adopts standard accounting practices and ensures sound internal controls to facilitate transparency in the disclosure of information and to give assurance to the reliability of the financial statements.

Board of Directors

The responsibility of good corporate governance is placed with the Board of directors and the management team. The Board comprises three (3) full time executive and four (4) non- executive directors. To ensure effective control and monitoring of the Company's' business, the Board has two main committees; the management committee and the audit committee which in turn work through other sub-committees to oversee specific important functions.

Management Committee

The management committee meets monthly to review the performance of the Company and assesses progress against the annual plan. It reviews programmes, strategies, key issues and assigns responsibilities for achievement of goals. The committee has oversight responsibility for world class agronomic practices, financing strategies and human resource development programmes to ensure excellence in performance. The committee also identifies, assesses the risk profile of the Company and assigns responsibilities to various functions to put in measures to mitigate possible adverse impact on the business.

Audit committee

The Audit committee is made up of two non-executive directors, recognises the importance of good corporate governance as one of whom chairs the committee. The committee meets toa means of sustaining long term viability of the business and review the financial performance of the Company, the adequacy therefore always seeks to align the attainment of the business of the plan of internal audit, current audit reports, the objectives with good corporate behaviour. In line with this, adequacy of systems of internal controls and the degree of the Company strives to meet the expectations of the compliance to laid down policies, laws, code of ethics and community in which it operates as well as its responsibility business practices of the Company.

Internal controls

The Company has a well-established internal control and risk management system, which is well documented and regularly reviewed. This incorporates internal control procedures, which are designed to provide reasonable assurance that the assets are safeguarded and that the risks facing the business are being controlled. The Company's Board of Directors have also established a clear organisational structure, including delegation of appropriate authorities. The internal audit function of the parent company, Wilmar International, plays a key role in providing an objective view and continuing assessment of the effectiveness of the internal control systems in the business.

Code of business principles

The Company has a documented code of business principles to guide all employees in the discharge of their duties. This code sets the professionalism and integrity required for business operations which among other things cover the following areas: compliance with the law, conflicts of interest, public activities, product assurance, environmental issues, reliability of financial reporting, bribery and strict adherence to the principles.

FINANCIAL HIGHLIGHTS All amounts are in thousands of Ghana cedis unless otherwise stated)

	Year ended 31 December		
	2019	**2018**	**% Change**
Revenue	**95,620**	79,091	20.9
Profit before income tax	**13,075**	6,638	97.0
Income tax expense	**(3,422)**	(725)	372.0
Profit for the year	**9,653**	5,913	63.3
Proposed dividend	**1,931**	1,183	63.3
Retained earnings	**67,222**	58,752	14.4
Capital expenditure	**6,236**	3,505	77.9
Depreciation and amortisation	**3,994**	3,644	9.6
Total equity	**76,851**	68,381	12.4
Earnings per share (GH¢)	**0.3**	0.2	63.3
Total assets per share (GH¢)	**2.7**	2.3	14.1
Proposed dividend per share (GH¢)	**0.0555**	0.0 340	63.2

CHAIRMAN'S REVIEW

Political

Political stability is underpinned by Ghana's strong democratic credentials. In the past two decades, it has taken major strides toward democracy under a multi-party system, with its independent judiciary winning public trust. Ghana consistently ranks in the top three countries in Africa for freedom of speech and press freedom, with strong broadcast media, with radio being the medium with the greatest reach. Factors such as these provide Ghana with solid social capital.

Economic environment

Ghana's economy declined in 2019 as the year's gross domestic product (GDP) growth was estimated at 6.2 percent as at close of year, compared with 6.8 percent in the same period 2018. Ghana's macroeconomic outlook remains favorable, supported by strong activity in the extractive industry and a safer banking system.
Inflation dropped from 9.4 percent in December 2018 to 7.9 percent in December 2019.

"In 2019, the Ghana cedi depreciated against the major currencies recording a cumulative depreciation of 15 percent against the US dollar, compared with 10 percent in prior year, 2018. The Ghana cedi rate to the US dollar depreciated from GH¢4.9872:$1 in December 2018 to close at GH¢5.7300:$1 in December 2019.

Interest rates generally trended downwards on the money market during the year with the Bank of Ghana policy rate maintained at 16 percent from December 2018 to December 2019. The 91-Day Treasury bill closed at 14.70 percent in December 2019 from 14.59 percent in December 2018."

Overall business performance

The performance of the business improved compared to prior year largely as a result of increase in oil palm production amidst relatively lower palm oil prices on the international market. .

Your company delivered profit after tax of GH¢9.65 million compared with GH¢5.91 million the previous year, representing an improvement of 63 percent of last year's profit. The level of profitability was impacted by the growth in production and improved efficiency. Total production volumes from the Nucleus, Smallholder and Out-grower fruits were comparatively better than the prior year.

CPO and PKO Price

During the year under review, world market price of crude palm oil (CPO) declined from an average of US$613 in 2018 to US$574 in 2019, representing a 6 percent fall in dollar terms. The palm kernel oil (PKO) price also declined from an average of US$956 in 2018 to US$655 in 2019, representing 31%.

Production volumes

Total palm fruits processed during the year under review was 140,463.07 metric tonnes, representing a 22 percent growth compared to 2018. The growth in the volumes was from all sources (including the neuclus, smallholder and the out-grower) was as a result of good agronomic practices and improved efficiencies in crop-taking activities. To this end, your company purchased 67,331 metric tonnes of fresh fruit bunches at a total cost of GH¢31million from smallholders and out-grower farmers in the catchment areas in particular and the Western and Central Regions of Ghana in general. Consequently, turnover recorded an increase of 21 percent for the financial year 2019 on account of the rise in crop production volumes and the effect of depreciation of the Ghana Cedi against the United States Dollar.

CHAIRMAN'S REVIEW (continued)

Operating profit

Your company in 2019 also witnessed a rise in operating profit by 99 per cent as a result of as a result of the increased production of Fresh Fruit Bunch (FFB) from all sources and improved operating efficiencies in spite of the relative decline in CPO prices and increased cost of Fresh Fruit Bunches (FFB) from third party sources (Smallholders and outgrowers). Turnover expanded approximately by 21 percent from GH¢79.09 million in prior period to GH¢95.62 million. The combined effect of economies of scales in production and the cumulative Ghana Cedi depreciation of 15 percent had a constructive impact on revenue and on the cost of sales. In compliance with IFRS, gains arising from changes in the fair value of Biological assets contributed GH¢754,200 to the operating profit delivered this year.

Dividend

In 2019 your Company paid a total dividend of GH¢1.183 million (Basic and Diluted EPS GH¢0.1699) out of total profit of GH¢5.91 million. The directors of your Company propose to pay a total dividend of GH¢1,931 million (Basic and Diluted EPS GH¢0.2774) out of a total profit of GH¢9.65 million for the 2019 financial year. "

Board changes

Since the last AGM, Mr Bini Kouaku Kossonu resigned from the board on 8th November 2019 while Mr Benjamin Appiah-Manuh was appointed to the board on the same date.

Profile of New Director

Benjamin is a dynamic and transformational leader in Finance and Taxation with over 19 years of solid track record of building strong finance fundamentals that have driven sustainable value across the entire business and value chains in Corporate Institutions. He has over the years developed strong professional competences, capabilities and the needed soft skills.

Benjamin has good business insights and experience in managing and driving business growth in the Agri-business arena having worked with the following Corporate Institutions: Benso Oil Palm Plantation Ltd as the Chief Finance Officer for 5 years to date, a member of the BOPP management team reporting to the Board / Board Audit committee; Herakles Farms (SG Sustainable Oils Ghana Ltd) – a venture capital Agri-Project funded by Sithe Global Group as Finance Manager from 2011 to 2014; Golden Exotics Limited, Ghana; a subsidiary of the Compagnie Fruitiere Group of Companies – Accounts Officer from 2004 to 2008; Paradise Farms Ltd, a company incorporated in Ghana in the exotic fruits industry as the Accountant from 2002 to 2004

Benjamin holds a BA Administration (Accounting) degree from the University of Ghana (1998 – 2001) as well as an MBA in Finance from the Methodist University College (2007 to 2009). He is also a member of the Chartered Institute of Taxation (Ghana) and the Institute of Chartered Accountants Ghana (ICAG), having passed all the required courses.

Safety, Health, Environment and Quality Issues

Safety, health, environment and quality issues continued to engage the serious attention of your Company. In 2019, the Total Recordable Injury Rate (RIR) in respect of industrial accidents was 1.90 against 0.86 in 2018. The company recorded, seven (7) lost time accidents (LTA) in 2019 as against two (2) in 2018, four (4) restricted work case (RWC) and nineteen (19) medical treated case / first aid cases throughout the year under review.

There was no consumer safety incident involving our products that were supplied to any of our customers in the year under review.

CHAIRMAN'S REVIEW (continued)

Social Responsibility

BOPP continues to support brilliant but needy students within the community through educational scholarships. As a result of the Government's Free SHS policy, management migrated the Senior High School (SHS) Scholarship awarded to brilliant but needy students in the catchments communities to Tertiary Scholarship with effect from 2018 academic year. Beneficiary Communities are; Adum Banso –2 students, Benso -1 student, Manso -1 student and Dominase -1 student. As at 2019, Ten (10) students from four (4) communities have benefited. In addition, 20 pieces of dual Desk were donated to K9 Community Basic School.

During the year under review the company paid out GH¢31million to smallholder and outgrower farmers for the purchase of fruits in the catchment area thus contributing to the socio-economic enhancement of these farmers. More than GH¢ 245,189.80 was spent on corporate social responsibility projects, including road maintenance / rehabilitation in the surrounding communities.

Awards

The Company went through the first Recertification Audit of the Roundtable on Sustainable Palm Oil (RSPO) in July 2019 without any major issues and has since been issued with a new certificate and thus retains the enviable RSPO certification status for the next five years subject to annual surveillance audits. Without doubt BOPP has become the model of Best Management Practice (BMP) in the oil palm plantation industry in Africa. The Adum Smallholder project initiated in 2019 has also met all the environmental and social requirements under the New Planting Procedure, a key standard under the RSPO.

Outlook 2020

Your company and in particular management is not oblivious of the economic impacts of the upcoming 2020 elections and the global issues may have on the business operating environment. However, the good rainfall in 2019 and best agronomic practices in place are expected to impact positively on the production volume delivery in 2020. Again, with the risk mitigating and efficient cost management measures being implemented , the company is expected to perform better in 2020 than 2019 as crude palm oil prices stabilize.

REPORT OF THE DIRECTORS

In accordance with the Companies Act, 2019 (Act 992), the directors have the pleasure in submitting to the members of the Company their report together with the audited financial statements for the year ended 31 December 2019.

Parent company

The Company is a subsidiary of Wilmar Africa Limited, a company incorporated in Ghana. The ultimate controlling party is Wilmar International Limited, a company incorporated in Singapore.

Principal activities

The Company is engaged in the business of growing oil palm and the processing of palm fruits to produce palm oil and palm kernel oil.

There was no change in the nature of the Company's business during the year under review.

Board changes

The directors wish to inform members of the following changes in the board. Mr Bini Kouaku Kossonou resigned on 8th November 2019 while Mr. Benjamin Appiah-Manuh was appointed as a board member on the same date.

In accordance with regulations of the company and the stock exchange listing regulations, Mr. Benjamin Appiah-Manuh will retire at the forthcoming annual general meeting and be eligible to offer himself for re-election.

Financial results

The Company's profit for the year is GH¢9.65 million.

Dividend

The directors recommend the payment of dividend per share of GH¢0.055 for the year ended 31 December 2019 amounting to GH¢1.93 million.

Directors

The directors who held office during the year and to the date of this report were:

Ishmael Yamson	Chairman, Non-executive
Santosh Pillai	Managing Director
Samuel Avaala Awonnea	Executive director (General Manager)
Kwame Agyarkoh Boitey Wiafe	Non-executive director
Pierre Billon	Non-executive director
Neneyo Mate-Kole	Non-executive director
Benjamin Appiah-Manuh	Executive director (Chief Finance Officer)

The directors to retire by rotation in accordance with the regulations of the Company are Neneyo Mate-Kole and Ishmael Yamson who being eligible, offer themselves for re-election.

REPORT OF THE DIRECTORS (continued)

Directors' interests in contracts

The directors have no interest in contracts entered into by the Company.

Auditor

The Company's auditor, PricewaterhouseCoopers, has expressed willingness to continue in office in accordance with the Companies Act, 2019 (Act 992) which replaced the Companies Act, 1963 (Act 179) effective 2 August 2019.

BY ORDER OF THE BOARD

....	....
Neneyo Mate Kole	**Santosh Pillai**
Director	**Managing Director**
Date: 13 February 2020	**Date: 13 February 2020**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss and cash flows for that period. In preparing these financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards and complied with the requirements of the Companies Act, 2019 (Act 992).

The directors are responsible for ensuring that the Company keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company. The directors are also responsible for safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have made an assessment at the company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern.

………………………………………

Neneyo Mate Kole

Director

Date: 13 February 2020

………………………………………

Santosh Pillai

Managing Director

Date: 13 February 2020

REPORT OF THE AUDIT COMMITTEE

Membership of the audit committee of the Board

The Benso Oil Palm Plantation audit committee comprises two non-executive directors. The committee is chaired by Neneyo Mate-Kole, a non-executive director. The Chief Finance Officer sits in attendance at meetings of the committee and periodically, the internal and external auditors may be invited to make presentations to the committee.

Role of the audit committee

The audit committee meets to review:

* The financial performance of the Company;
* The adequacy of the plan of internal audit;
* Current statutory and internal audit reports;
* The adequacy of internal controls; and
* The degree of compliance to laid down policies, laws, code of ethics and business practices of the Company.

Summary of the audit committee's activities in 2018

In 2019, Benso Oil Palm Plantation Limited's audit committee met five (5) times on 24 January, 05 February, 11 April, 11 July and 10 October 2019.

Review of the financial performance of the Company

At the 24 January 2019 meeting, the committee reviewed the financial performance of the Company for the financial year ended 31 December 2018. On 10th October 2018, the committee also reviewed the final internal audit report submitted by Wilmar International Limited (Africa Audit Team), which disclosed no major issues. The committee was updated on the Company's 2019 performance during its quarterly meetings held during the year, and reviewed the target implementation dates from the internal audit.

External audit

At the 10 October 2019 meeting, the committee considered a presentation by the external auditor, Messrs PricewaterhouseCoopers Chartered Accountants on the audit plan for the Company for the 2019 financial year ended 31 December 2019.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

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

What we have audited

We have audited the financial statements of Benso Oil Palm Plantation Limited (the "Company") for the year ended 31 December 2018.

The financial statements on pages 16 to 37 comprise:

- the statement of financial position as at 31 December 2018;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Benso Oil Palm Planation Limited in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

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

Key audit matter (Cont'd)

Biological asset valuation

The company uses a fair value model to determine the valuation of biological assets. The valuation of the biological asset involves complex and subjective judgements about the palm oil yield, long term crude palm oil price and discount. This requires management estimates and assumptions as explained in note 27 to the financial statements. At 31 December 2018, biological assets were valued at GH¢4.4million. The assumptions have been identified as a source of estimation uncertainty in Note 3 and the significant accounting policy is outlined in Note 2.14.

How our audit addressed the key audit matter

We tested the reasonableness of palm oil yield forecast by comparing the palm oil yield used in the prior year valuation to the actual yields in the current year. We checked that the model used was consistent with prior year. We considered the compliance of the valuation model with the requirements of IAS 41.

We tested the underlying data applied in determining the discount rate and long term crude palm oil price used in the cash flow model taking into consideration available data from independent sources.

We tested the mathematical accuracy of the model and inspected the data inputs into the model relating to plantation size, number of trees and actual yield.

We checked the presentation and disclosure of Management's valuation in the financial statements to assess their reasonableness.

Defined benefit obligation

Measurement of the Company's liabilities relating to post employment and other long-term employee benefits, requires judgement in determining appropriate assumptions including those relating to discount rates, inflation and turnover rates. At 31 December 2018 the defined benefit liability was GH¢2.3million. Changes in key assumptions disclosed in note 32 of the financial statements can have a material impact on the liability recorded. The assumptions have been identified as a source of estimation uncertainty in note 3 and the significant accounting policy is outlined in note 2.17.

How our audit addressed the key audit matter

We assessed the reasonableness of the method applied by management in determining the discount rate, inflation and turnover rate. We assessed the design and implementation of controls relating to the payroll data. We tested the inputs used in arriving at the discount rate and inflation rate by comparing them to independent benchmarks and observable data. We re-performed Management's calculation of the turnover rate and tested the payroll data used in arriving at the turnover rate by agreeing them to payroll records.

We assessed the competence of management in performing the valuation by checking their qualifications.

We checked the presentation and disclosure of the benefit obligation in the financial statements to assess their reasonableness.

Other information

The directors are responsible for the other information. The other information comprises Notice of meeting, Corporate information, Corporate Governance, Financial Highlights, Chairman's review, Report of the Directors, Statement of Directors' Responsibilities, Report of the Audit Committee, Shareholders Information, Five Year Financial Summary and Proxy forms but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 1963 (Act 179), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

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

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

20

Report on other legal and regulatory requirements

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

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) in our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and

iii) the Company's balance sheet (Company's statement of financial position) and Company's profit and loss account (part of the Company's statement of comprehensive income) are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is George Arhin.

STATEMENT OF FINANCIAL POSITION (All amounts are in thousands of Ghana cedis)

	Note	Year ended 31 December 2019	2018
Revenue	4	95,620	79,091
Cost of sales	5	(76,240)	(65,161)
Net gains from changes in fair value of biological assets	25	754	422
		----------	--------------
Gross profit		20,134	14,352
Administrative expenses	6	(8,494)	(9,386)
Other income/expenses	8	927	1,339
		----------	----------
Operating profit		12,567	6,305
Finance income	9	508	333
		-----------	-----------
Profit before income tax		13,075	6,638
Income tax expense	10	(3,422)	(725)
		----------	----------
Profit for the year		9,653	5,913
		----------	----------
Other comprehensive income		-	-
		----------	----------
Total comprehensive income for the year		9,653	5,913
		======	======
Basic and diluted earnings per share (GH¢)	27	0	0.2

The notes on pages 20 to 36 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION (All amounts are in thousands of Ghana cedis)

		At 31 December	
Assets	**Note**	**2019**	**2018**
Non-current assets		**54,608**	**51,699**
Intangible assets	16	**-**	**7**
Property, plant and equipment	15	**49,471**	**47,309**
Biological assets	25	**5,137**	**4,383**
Current assets		**38,292**	**29,736**
Inventories	17	**9,370**	**7,490**
Contract assets	18	**959**	**495**
Trade receivables	19	**-**	**1,035**
Other financial assets at amortised costs	20	**17,345**	**11,921**
Current income tax assets	10(a)	**-**	**572**
Cash and cash equivalents	23	**10,618**	**8,223**
		----------	----------
Total assets		**92,900**	**81,435**
		======	======
Liabilities			
Current liabilities		**10,290**	**8,276**
Trade and other payables	21	**7,010**	**6,038**
Employee benefit obligations	31	**203**	**61**
Current income tax liabilities	10(a)	**684**	**-**
Amounts due to related companies	24	**1,576**	**1,374**
Dividend payable	12	**817**	**803**
Non-current liabilities		**5,759**	**4,778**
Deferred income tax liabilities	11	**3,487**	**2,552**
Employee benefit obligations	31	**2,272**	**2,226**
Equity		**76,851**	**68,381**
Stated capital	13	**2,000**	**2,000**
Capital surplus account	14	**7,629**	**7,629**
Retained earnings		**67,222**	**58,752**
		-----------	-----------
Total liabilities and equity		**92,900**	**81,435**
		======	======

The notes on pages 20 to 36 are an integral part of these financial statements.

The financial statements on pages 16 to 36 were approved by the Board of directors on 13 February 2019 and were signed on its behalf by:

....	....
Neneyo Mate Kole	Santosh Pillai
Director	Managing Director

STATEMENT OF FINANCIAL POSITION (All amounts are in thousands of Ghana cedis)

		Year ended 31 December	
Cash flows from operating activities	**Note**	**2019.0**	**2018**
Cash generated from operations	22	10,493	11,531
Interest received	9	508	333
Tax paid	10	(1,231)	(605)
		---------	--------
Net cash generated from operating activities		9,770	11,259
		---------	--------
Cash flows from investing activities			
Purchase of property, plant and equipment	15	(6,236)	(3,505)
Proceeds from sale of property, plant and equipment	15	30	26
Proceeds from sale of biological assets	25	-	0
		----------	---------
Net cash used in investing activities		(6,206)	(3,479)
		----------	---------
Cash flows from financing activities			
Dividend paid to the shareholders	12	(1,169)	(2,107)
		--------	--------
Net cash used in financing activities		(1,169)	(2,107)
		---------	---------
Net increase/(decrease) in cash and cash equivalents		2,395	5,673
Cash and cash equivalents at 1 January	23	8,223	2,550
		---------	---------
Cash and cash equivalents at 31 December	23	10,618	8,223
		=====	=====

The notes on pages 20 to 36 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY (All amounts are in thousands of Ghana cedis)

	Stated capital	Capital surplus account	Income surplus account	Total
Year ended 31 December 2019				
At 1 January 2019	2,000	7,629	58,752	68,381
Profit for the year	-	-	9,653	9,653
Total comprehensive income	2,000	7,629	68,405	78,034
Transactions with owners				
Dividend declared for 2018	-	-	(1,183)	(1,183)
At 31 December 2019	2,000	7,629	67,222	76,851
Year ended 31 December 2018				
At 1 January 2018	2,000	7,629	55,020	64,649
Profit for the year	-	-	5,913	5,913
Total comprehensive income	2,000	7,629	60,933	70,562
Transactions with owners				
Dividend declared for 2017	-	-	(2,181)	(2,181)
At 31 December 2018	2,000	7,629	58,752	68,381

The notes on pages 20 to 36 are an integral part of these financial statements.

NOTES

1. General information

Benso Oil Palm Plantation Limited is incorporated and domiciled in Ghana under the Companies Act, 2019 (Act 992) as a public limited liability company, and listed on the Ghana Stock Exchange. The address of its registered office is Adum Banso Estate, P. O. Box 470, Takoradi. The principal activities of the Company is to grow oil palm and produce palm oil and palm kernel oil.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).The measurement basis applied is the historical cost convention except as disclosed in the accounting policy below.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Company's financial statements are disclosed in Note 3.

2.1.1 New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2019:

· IFRS 16 Leases

· Annual Improvements to IFRS Standards 2015 – 2017 Cycle

· Interpretation 23 Uncertainty over Income Tax Treatments.

· Plan Amendment, Curtailment or Settlement - Amendments to IAS 19

· Prepayment Features with Negative Compensation - Amendments to IFRS 9

The Company had to change its accounting policies as a result of adopting IFRS 16. However, there were no material adjustments arising from the adoption of IFRS 16 which requires disclosure in the financial statements.

The other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.1.2 New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

NOTES (Cont'd)

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on property, plant and equipment is calculated to write off the value of assets on a straight line basis over the expected useful lives of the assets concerned. Depreciation commences when assets are available for use. The principal annual rates used are:

Roads, bridges, buildings and houses	2.5%
Vehicles – light passenger and lorries	25.0%
Vehicles – heavy roadmaking equipment, tractors and trailers	16.7%
Plant and machinery	7.0%
Oil Palm Trees	4.5%
Computers	20.0%
Software	33.3%
Furniture, fittings and office equipment	25.0%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit.

Oil palm trees are classified as immature until the produce can be commercially harvested. At that point they are reclassified and depreciation commences. Immature palm oil trees are measured at accumulated cost.

2.3 Intangible assets

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets if; there is the technical feasibility to complete the software product for use; there is an ability to use the product; the software product will generate probable future economic benefits; and the expenditure attributable to the software development costs can be measured reliably.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Computer software development costs recognised as intangible assets are amortised over their estimated useful life not exceeding three years.

NOTES (Cont'd)

2.4 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method.

The cost of finished goods and work in progress comprises the fair value less estimated point-of-sale costs of agricultural produce at the point of harvest, the cost of raw materials and direct labour, and other direct costs and related production overheads. It excludes borrowing cost.

Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses.

The fair value less estimated point-of-sale costs of harvested fresh palm fruits is determined based on the market prices of the final product, taking into account conversion costs.

2.5 Trade receivables

Trade receivables are amounts due from customers for merchandise sold in the ordinary course of business. They are generally due to settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The company holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

2.6 Other financial assets at amortised cost

The company classifies its financial assets at amoritised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

2.7 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.8 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

NOTES (Cont'd)

2.9 Borrowings costs

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

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

2.10 Financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired. At initial recognition, the company classifies its financial instruments in the following categories:

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired. At the initial recognition, the company classifies its financial instruments in the following categories:

Financial assets at amortised cost:

Financial assets at amortised cost include trade receivables and other financial assets at amortised cost.

Financial liabilities at amortised cost:

Financial liabilities at amortised cost include trade payables. Trade payables are initially recognised at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, trade payables are measured at amortised cost using the effective interest method. Impairment of financial assets:

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

The company's expected loss rates used in calculating impairment losses are based on the payment profiles of sales customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

At 31 December 2019, there were no material losses expected.

NOTES (Cont'd)

2.11 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted at the end of the reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.12 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

2.13 Revenue recognition

The company derives revenue from the transfer of goods at a point in time

The company processess and sells crude palm oil and crude palm kernel oil. Tonnage to be sold for the year are agreed in a contract for the main customer Wilmar International Limited. Sales are recognised when control of the goods has transferred, being when the goods are delivered to the customer. Delivering occurs with the products have been shipped to the specific location, the risks of loss have been transferred to the customer and the customer has accepted the products in accordance with the sales contract. Oil produced for sale but held at the request of the customer is invoiced in the month the oil is ready for despatch. The customer accepts liability for oil held at the company's premises at their request.

Revenue is recognised based on the price terms in the contract. No element at financing is deemed present as the sales are made with a credit term of 30 days.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

NOTES (Cont'd)

2.14 Biological assets

Biological assets are measured at fair values less estimated costs to sell. Palm oil trees are bearer plants and are therefore presented and accounted for as property, plant and equipment. However, the fresh fruit bunches (FFB) growing on the trees are accounted for as biological assets until the point of harvest. Harvested FFB are transferred to inventory at fair value less costs to sell when harvested. Any gains or losses arising on subsequent changes in fair values less estimated cost to sell are recognised in profit or loss in the year in which they arise.

All costs of upkeep and maintenance of biological assets are recognised in profit or loss under cost of production in the period in which they are incurred.

2.15 Stated capital

Ordinary shares are classified as "stated capital" in equity. All shares were issued at no par value.

2.16 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Ghana cedis, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into Ghana Cedis using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. 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.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are preented in the statement of profit and loss on a net basis within other income.

2.17 (a) Post employment obligations

The Company operates both defined benefit and defined contribution plans for its employees. The Company contributes to a national pension scheme (Social Security Fund) as well as a provident fund scheme.

A defined contribution plan is a pension scheme under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Company's contributions to the defined contribution schemes are recognised as an employee benefit expense when they fall due. The Company has no further payment obligations once the contributions have been paid.

(b) Bonus

(i) The Company recognises a liability and an expense for bonuses taking into consideration the profit attributable to the Company's shareholders. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

NOTES (Cont'd)

(c) Other long-term employee benefit obligations

Retirement benefits

The Company pays superannuation awards to members on retirement. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans.

Long service awards

To recognise and reward members of staff for continuous and dedicated service, the Company makes awards to all employees . Employees are rewarded for 10, 15, 20, 25, 30, 35 and 40 years of service. Liabilities for long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

(d) Defined benefit obligation

The company operates a defined benefit plan for employees under a collective bargaining agreement and conditions of service. The level of benefits provided under the defined agreement and conditions depends on the employees' length of services and their salary at the time of retirement.

With the exception of inflationery risk, the company's legal or constructive obligation is limited to the amount due when the employee is on retirement or at the next level of long service award.

2.18 Leases

On adoption of IFRS 16, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the company's incremental borrowing rate as of 1 January 2019.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of IFRS 16 are only applied after that date.

2.19 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of economic resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating profits.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

NOTES (Cont'd)

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Management Committee that makes strategic decisions.

2.21 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.22 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company,
- by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares."

2.23 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand Ghana cedis unless otherwise stated.

3 Critical accounting estimates and judgements

The preparation of the Company's financial statements requires directors to make judgements, estimates and assumptions that affect the reported amounts of expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Critical accounting estimates, assumptions and judgements

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

NOTES (Cont'd)

(i) Accounting and measuring of biological assets

The fair value of growing oil palm fresh fruit bunches (FFB) is determined using a discounted cash flow model based on the expected palm oil yield, the market price for crude palm oil and palm kernel oil. The selling price of the oil can only be estimated and the actual yield will not be known until it is completely processed and sold. Estimates and judgements in determining the fair value of the FFB growing on palm trees include the volume and stages of maturity of FFB at balance sheet date, palm oil yield, the long term crude palm oil price, palm kernel oil price and the discount rates after allowing for harvesting costs, contributory asset changes for the land and palm trees owned by the entity and other costs yet to be incurred in getting the fruit bunches to maturity. Assumptions impacting biological assets are given in more detail in Note 25.

(ii) Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost include the discount rate, future salary increases, and mortality rates. Any changes in these assumptions will impact the carrying amount of employee benefit obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in note 31.

NOTES (Cont'd)

4. Revenue

Sales are recognised upon delivery of products and customer acceptance. Sales are shown at net of value added taxes.

	2019	2018
By type:		
Sale of crude palm oil	**88,136**	69,627
Sale of palm kernel oil	**7,484**	9,464
	----------	---------
	95,620	79,091
	======	=====
By customer:		
Related parties (Note 22)		
Wilmar Africa Limited	**88,049**	71,656
African Consumer Products Limited	**4,454**	314
Total related parties	----------	---------
	92,503	71,970
Third parties	======	=====
Weinnex	**512**	3,790
DH Industries	**819**	-
Estate Shop	**87**	50
Exports (Halley Ome Nigeria Ltd)	**1699**	3,281
	----------	---------
Total third parties	**3,117**	7,121
	======	=====
	----------	----------
	95,620	79,091
	======	======

5. Cost of sales

Cost of sales include:		
Small Holder / Outgrower Material Purchase costs	**31,025**	23,988
Fertilizer	**7,102**	6,364
Depreciation and amortisation	**3,889**	3,468
Staff costs (Note 7)	**13,244**	12,473
Harvesting costs	**7,951**	7,976
Power and energy	**538**	613
Spares and inventory consumed	**4,384**	5,611
	======	=====

NOTES (Cont'd)

6. Administrative expenses

	2019	2018
Administrative expenses include:		
Registrar and related expenses	**157**	136
Depreciation and amortisation	**106**	174
Staff costs (Note 7)	**4,412**	3,913
Listing fees	**23**	30
Directors remuneration	**420**	431
Auditors' remuneration	**148**	140
Service fees	**948**	618
Insurance	**151**	144
Land rent	**302**	25
Bank charges	**73**	45
	======	=====

7. Staff costs

Salaries, wages, bonuses and other allowances	**14,846**	13,751
Provision for defined benefit plan	**810**	699
Contribution to pension schemes	**2,000**	1,936
	----------	---------
	17,656	16,386
	=====	=====
Staff costs are charged to cost of sales and administrative expenses as shown below:		
Cost of sales	**13,244**	12,473
Administrative expenses	**4,412**	3,913
	----------	---------
	17,656	16,386
	=====	=====

The average number of persons employed by the Company during the year was 481 (2018:493).

8. Other income/expense

(Loss)/gain on disposal of property, plant and equipment	**(56)**	(26)
Sludge oil sales	**930**	-
Sundry income	**53**	1,365
	-------	------
	927	1,339
	====	====

NOTES (Cont'd)

9. Finance income

	2019	2018
Interest income on fixed deposits	**115**	71
Interest income on intercompany receivables	**393**	262
	---------	-------
	508	333
	=====	====

10. Income tax expense

	2019	2018
Current income tax	**1,341**	159
Adjustments for current tax of prior periods	**1,146**	-
Deferred income tax charge (Note 11)	**935**	566
	--------	--------
Income tax expense	**3,422**	159
	=====	=====

The tax on the company's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows

	2019	2018
Profit before income tax	**13,075**	6,638

Tax calculated at the statutory income tax of 12.5% (2018:12.5%)	**1,634**	830
Tax effects of:		
Adjustment in respect of prior years	**1,626**	(209
Interest income subject to final tax - 25%	**99**	42
Investment income subject to final tax - 8%	**-**	30
Expenses not deductible for tax purposes	**63**	32
	----------	----------
Income tax expense	**3,422**	725
	=====	=====

The current income tax charge is in respect of provision for the year's corporate tax and returns from monies held in fixed deposits. The Company is involved in agro processing activities and is taxed at 12.5%, being an agro processing business operating outside a regional capital.

NOTES (Cont'd)

10a. Current income tax expense

	As start of year	Charge for the year	Payments	At end of year
Year ended 31 December 2019				
Up to 2018	(572)	1,146	-	574
2019	-	1,341	(1,231)	110
	--------	--------	--------	--------
	(572)	2,487	(1,231)	684
	=====	=====	=====	=====
Year ended 31 December 2018				
2018	(126)	159	(605)	(572)
	--------	--------	--------	--------
	(126)	**159**	**(605)**	**(572)**
	=====	=====	=====	=====

11. Deferred income tax

Deferred income tax is calculated using the enacted income tax rate of 12.5% (2018:12.5%). The movement on the deferred income tax account is as follows:

	2019	**2018**
At the beginning of year	**2,552**	1,986
Charge to profit or loss	**935**	566
	-------	---------
	3,487	**2,552**
	====	====

NOTES (Cont'd)

11. Deferred income tax (continued)

Deferred income tax assets and liabilities and deferred income tax charge in the income statement, are attributable to the following items:

	Balance at start of year	Charge to profit or loss	Balance at end of year
Year ended 31 December 2019			
Deferred income tax liabilities			
Accelerated capital allowance	2,541	992	3,533
Revaluations	188	449	637
Other timing differences	(177)	(506)	(683)
	--------	--------	--------
-	**2,552**	**935**	**3,487**
	=====	=====	=====
Year ended 31 December 2018			
Deferred income tax liabilities			
Accelerated capital allowance	1,863	678	2,541
Revaluation	-	188	188
Other timing differences	123	(300)	(177)
	--------	--------	--------
	1,986	**566**	**2,552**
	=====	=====	=====

12.Dividend payable

	2019	2018
At 1 January	803	729
Dividend declared for 2017	-	2,181
Dividend declared for 2018	1,183	-
Payment during the year	(1,169)	(2,107)
	-------	-------
At 31 December	**817**	**803**
	====	====

Payment of dividend is subject to the deduction of withholding taxes at the rate of 8%. At the next Annual General Meeting, the directors will propose a dividend for the year ended 31 December 2019 of GH¢ 0.0519 per share (2018: GH¢0.0340) amounting to GH¢1,806,000 (2018: GH¢1,183,000)

NOTES (Cont'd)

13. Stated capital

	2019		2018	
	No. of ordinary shares of no par value	**Proceeds**	**No. of ordinary shares of no par value**	**Proceeds**
Authorised shares	50,000,000		50,000,000	
Issued	=========		=========	
For cash consideration	322,000	3	322,000	3
Transfer from income surplus account in accordance with Section 66 (1c) and 74(1) of the Companies Act, 1963 (Act 179) by a special resolution.	34,478,000	1,997	34,478,000	1,997
	---------------	----------	---------------	----------
Issued ordinary shares at 31 December	34,800,000	2,000	34,800,000	2,000
	=========	=====	=========	=====

There is no unpaid liability on any shares and there are no calls or instalments unpaid. There are no treasury shares. There was no movement in stated capital during the year.

14. Capital surplus account

	2019	**2018**
At 1 January and 31 December	7,629	7,629
	====	====

The capital surplus arose as a result of the revaluation of certain assets including land, buildings and plant and machinery in 2003 by Architectural and Engineering Services Limited (AESL). In accordance with the requirements of the Companies Act, 2019 (Act 992), the capital surplus is not distributable.

NOTES (Cont'd)

15. Property, plant and equipment

Year ended 31 December 2019

	Mature Oil Palm Trees	Immature Oil Palm Trees	Capital work-in-progress	Land, Roads and Bridges	Buildings and Housing	Motor Vehicles Plant and Machinery	Computers, Furniture and Fittings and Equipment	Total
Cost								
At 1 January 2019	26,136	83	1,338	1,213	6,941	31,173	1,163	68,047
Additions	-	1,382	3,311	-	-	1,498	45	6,236
Disposals	-	-	-	-	-	(575)	-	(575)
Transfers	83	(83)	(3,535)	-	565	2,872	98	-
At 31 December 2019	**26,219**	**1,382**	**1,114**	**1,213**	**7,506**	**34,968**	**1,306**	**73,708**
Accumulated depreciation								
At 1 January 2019	4,786	-	-	17	2,319	12,740	876	20,738
Charge for the year	1,192	-	-	1	209	2,469	117	3,988
Disposals	-	-	-	-	-	(489)	-	(489)
At 31 December 2019	**5,978**	**-**	**-**	**18**	**2,528**	**14,720**	**993**	**24,237**
Net book value								
At 31 December 2019	**20,241**	**1,382**	**1,114**	**1,195**	**4,978**	**20,248**	**313**	**49,471**

NOTES (Cont'd)

15. Property, plant and equipment

Year ended 31 December 2018

	Mature Oil Palm Trees	Immature Oil Palm Trees	Capital work-in-progress	Land, Roads and Bridges	Buildings and Housing	Motor Vehicles Plant and Machinery	Computers, Furniture and Fittings and Equipment	Total
Cost								
As previously stated	26,136	52	14,255	1,616	4,624	14,031	1,011	61,725
Adjustments	-	-	-	(403)	134	3,342	37	3,110
Additions	-	31	2,725	-	-	634	115	3,505
Write offs	-	-	(9)	-	-	-	-	(9)
Disposals	-	-	-	-	-	(284)	-	(284)
Transfers	-	-	(15,633)	-	2,183	13,450	-	-
At 31 December 2018	26,136	83	1,338	1,213	6,941	31,173	1,163	68,047
Accumulated depreciation								
At 1 January 2018	3,598	-	-	419	2,006	7,492	709	14,224
Adjustments	-	-	-	(403)	134	3,342	37	3,110
Charge for the year	1,188	-	-	1	179	2,138	130	3,636
Disposals	-	-	-	-	-	(232)	-	(232)
	4,786	-	-	17	2,319	12,740	876	20,738
Net book value								
At 31 December 2018	21,350	83	1,338	1,196	4,622	18,433	287	47,309

There are no restrictions on any title, or property, plant and equipment pledged as security for liability. The company capitalised no borrowing costs for 2019 (2018: Nil) on qualifying assets during the year.

15. Property, plant and equipment (Cont'd)

Loss on disposal of property, plant and equipment

	2019	2018
Gross book value	575	284
Accumulated depreciation	(489)	(232)
	-------	-------
Net book amount	86	52
Sales proceeds	(30)	(26)
	-------	-------
Loss on disposal of plant and equipment	56	26
	===	====

16. Intangible assets

Year ended 31 December		
Computer Software		
Cost		
At 1 January	677	677
Additions	-	-
	--------	-------
At 31 December	677	677
	=====	====
Amortisation		
At 1 January	670	662
Charge for the year	7	8
	--------	--------
	677	670
	--------	--------
Net book amount		
At 31 December	-	7
	====	====

Amortisation of computer software cost is included in general and administrative expenses.

NOTES (Cont'd)

17. Inventories

Palm oil	**1**	3
Palm kernel	**403**	137
Palm kernel oil	**1,860**	599
Non-trade stock	**7,106**	6,751
	---------	--------
	9,370	7,490
	=====	=====

The inventory recognised as expense in cost of sales (Note 5) during the year amounted to GH¢41,168,000 (2018:GH¢ 35,963,000).

No reversal of any written down inventory was made in the year.

There were no inventories pledged as security for liabilities as at 31 December 2019 (2018 : Nil).

18. Contract assets

Contract assets relating to farm development	**959**	495
	=====	====

19. Trade receivables

Trade receivables	**0**	1,035
	=====	====

20. Other financial assets at amortised costs

	2019	2018
	280	321
	2,166	3,555
	1,661	1,738
	13,238	6,307
	---------	--------
	17,345	11,921
	=====	====

The maximum amount due from officers during the year did not exceed GH¢262,000 (2018:GH¢212,000).

NOTES (Cont'd)

21. Trade and other payables

Trade payables	**514**	1,406
VAT payable	**746**	713
Sundry payables and accrued liabilities	**5,750**	3,919
	--------	--------
	7,010	6,038
	====	====

Trade payables are non-interest bearing.

22. Cash generated from operations

Reconciliation of profit before income tax to cash generated from operations:

Profit before income tax	**13,075**	6,638
Adjustments for:		
Depreciation and amortisation (Note 15 & 16)	**3,995**	3,644
Changes in fair value of biological asset (Note 27)	**(754)**	(422)
Loss on disposal of property, plant and equipment (Note 15)	**56**	26
Net effect of adjustments to property plant and equipment (Note 15)	**-**	9
Interest income	**(508)**	(333)
Changes in working capital		
Increase in inventories	**(1,880)**	(209)
	-	31
Increase in contract assets	**(464)**	(249)
Decrease in trade receivables	**1,035**	1,634
Increase in other financial assets at amortised cost	**(5,424)**	(794)
Increase in trade and other payables	**972**	48
Increase in employee benefit obligations	**188**	637
Increase in amount due to related companies	**202**	871
	---------	-------
Cash generated from operations	**10,493**	11,531
	=====	====

23. Cash and cash equivalents

For the purpose of the statement of cash flows, the cash and cash equivalents comprise the following:

Cash and bank balances	**3**	7
	10,615	8,216
	-------	-------
	10,618	8,223
	====	====

NOTES (Cont'd)

24. Related party transactions

Wilmar Africa Limited, incorporated in Ghana owns 76.63% of the Company's issued ordinary shares. The ultimate parent company is Wilmar International, incorporated in Singapore. There are other companies that are related to the Company through common control. There is a cash pooling agreement between the Company and Wilmar Africa Limited where sales made to Wilmar are paid within thirty days, after which interest is accrued. Sales to Wilmar Africa Limited during the year was based on world market prices. All other transactions were made on normal commercial terms and conditions.

The following transactions were carried out with related parties:

Sales and purchases of goods and services	2019	2018
Sales of goods to related parties (Note 4)	92,503	71,970
Purchases of management services from Wilmar Africa Limited	948	618
	====	====

Interest income		
Wilmar Africa Limited	393	262

(i) Purchases of services from entities controlled by key management personnel

The company acquired the following goods and services from entities that are controlled by members of the company's key management personnel:

- **Consultancy services**

Outstanding balances arising from sale/purchase of goods/services:

Amounts due from related parties:

	2019	2018
Wilmar Africa Limited	11,216	5,813
African Consumer Product (Ghana) Limited	1,635	371
Minsec	264	-
SIFCA	123	123
	---------	--------
	13,238	6,307
	=====	=====

NOTES (Cont'd)

Amounts due to related parties:

Wilmar Africa Limited	**1,144**	410
Wilmar PGEO Edible Oil SDN BHD	**317**	-
PPB Oil Palms Berhad	**3**	51
African Consumer Product (Ghana) Limited	**21**	57
Wilmar Global Business Services	**90**	46
Wilmar Trading PTE Ltd	**-**	3
Raffles Shipping	**-**	458
Wilmar International Limited	**-**	349
	---------	-----
	1,575	1,374
	=====	===

Key management personnel compensation

Short term employee benefits	**420**	431
	====	====
Of which:		
Executive directors	**363**	335
Non -executive directors	**57**	96
	-------	-------
	420	365
	====	====

Short term employee benefits include pension contribution for executive directors amounting to GHC61,000 (2018: GHC55,000)

25. Biological assets

a) Fair value hierarchy

This note explains the judgements and estimates made in determining the fair values of the biological assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its biological assets into the three levels below. An explanation of each level is provided below.

	2019	2018
At 1 January	**4,383**	3,961
Change in fair value due to biological transformation	**202**	62
Changes in fair value due to price changes	**552**	360
	---------	---------

25. Biological assets (cont'd)

At 31 December	**5,137**	4,383
	=====	=====

The following table presents the Company's biological assets that are measured at fair value at 31 December 2019 and 31 December 2018.

	Level 3	Total
Oil Palm FFB on trees		
At 31 December 2019	**5,137**	5,137
At 31 December 2018	**4,383**	4,383

The Company's biological assets are measured at fair value and are all classified under level 3 of the fair value hierarchy (valuation not based on observable market data). There are no items in level 1 (valuation based on quoted prices) or level 2 (valuation based on observable market data) and there were no transfers between levels.

(b) Analysis of oil palm production

The Company harvested 73,132 tonnes (2018: 61,507 tonnes) of fresh fruit bunches (FFB) and sold 29,152 metric tonnes of palm oil (2018 - 23,982 metric tonnes) during the year.

(c) Valuation of inputs and relationships to fair value

The fair value of biological assets has been determined based on valuations by the directors using discounted cash flows of the underlying biological assets.

The fair value of the biological assets at year end was GH¢5,137,000 (2018: GH¢4,383,000).

The following table summaries the quantitative information about the key unobservable inputs used in the fair value measurements of the palm fruit bunches on the trees:

Unobservable Inputs	**Range of inputs (Probability - Weighted average) 2019**	**2018**	**Relationship of unobservable inputs to fair value**
Palm Oil Fruit Yield - Tonnes per hectare	Range -14.35 - 16.47 The average yield per hectare used for the valuation was 15.44 tonnes per hectare	Range -10.5-12.2 The average yield per hectare used for the valuation was 10.59 tonnes per hectare	The higher the palm oil yield, the higher the fair value
Fresh fruit bunches (FFB) Price FFB Price	Range - GH¢478 - GH¢571 The average price of FFB used for the valuation was GH¢ 528 per tonne	Range - GH¢464 - GH¢546 The average price of FFB used for the valuation was GH¢ 509 per tonne	The higher the market price, the higher the fair value
Discount Rate Discount Rate /	Range - 20.73% - 25.33% The discount rate used for the valuation was 22.88%	Range - 20.73% - 25.33% The discount rate used for the valuation was 22.35%	The higher the discount rate, the lower the fair value

NOTES (Cont'd)

The main level 3 inputs used by the company are derived and evaluated as follows:

* Palm plantation covers a total of 4,738 hectares with an average of 131 palm trees per hectare.

* Palm oil yield is determined based on the age of the plantation, historical yields, climate-induced variations such as severe weather events, plant losses and new areas coming into production.

* Crude palm oil prices and palm kernel oil prices are quoted prices from the world market.

* Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

(d) Financial risk management strategies for biological assets:

The company is exposed to risks arising from environmental and climatic changes, commodity prices and financing risks. The company has in place relevant agricultural practises to mitigate against diseases. The company has environmental policies and procedures in place to comply with environmental and other laws.

The company is exposed to risks arising from fluctuations in the price and volume of palm oil. The company has contracts in place for supply of palm oil to its main customer. The company actively manages the working capital requirements to meet the cash flow requirements.

26. Financial instruments and treasury risk management

Financial risk management

The Company's activities expose it to financial risks, including credit risk and the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rates risk, credit risk.

Market risk

Foreign exchange risk may arise from future commercial transactions, recognised assets and liabilities. All sales are denominated in the Company's functional currency.

(i) Foreign exchange risk

As at 31 December 2019, if the Cedi had weakened/strengthened by 10% against the US dollar and all other variables held constant. The recalculated post tax profit for the year will have been GH¢421,000 (2018:GH¢329,000) lower/higher as a result of foreign exchange gains/losses on translation of US dollar-denominated cash and cash equivalents.

(ii) Price risk

The Company is not exposed to equity securities price risk because it has no investments in equity securities . The Company is not exposed to commodity price risk. This is because the Company does not have commodity purchase contracts that meet the definition of a financial instrument under IAS 39.

NOTES (Cont'd)

(iii) Interest rate risk

The company's main interest rate risk arises from borrowings with variable rates, which expose the company to cash flow interest rate risk. The company's policy is to maintain borrowings at a fixed interest rate.

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. Financial instruments that potentially subject the Company to credit risk are primarily bank balances and trade receivables. Trade receivables are mainly derived from sales to customers.

(i) Risk management

Credit risk is managed by the finance manager. For banks and financial institutions, the company does business with only reputable parties registered with bank of Ghana.

Risk control assesses the credit quality of the customer, taking into account its financial position and other factors. Individual risk limits are set based on internal ratings in accordance with limits set by the board. The compliance with credit limits is regularly monitored by line management. The Company has significant concentrations of credit risk with its main customer, however there has been defaults in the past and no future credit losses are expected.

The group has three types of financial asset that are subject to the expected credit loss model; trade receivables for sales of inventory, contract assets and other financial assets at amortised cost.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, there was no identified impairment loss.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 24 month before 31 December 2019 or 1 January 2019 respectively and the corresponding historical credit losses experienced within this period.

Due to the nature of the commodity sold by the Company and the companies the Company trades with, macroeconomic indicators are not expected to significantly affect the ability of the customers to settle the receivables.

The table below shows the company's maximum exposure to credit risk by class of financial instrument:

	2019	**2018**
Bank Balances	**10,618**	8,223
Trade receivables	**-**	1,035
Other financial assets at amortised cost	**17,345**	12,956
	-----------	----------
	27,963	22,214
	========	========

NOTES (Cont'd)

Analysis by credit quality is as follows:

As at 31st December 2019	**Gross carrying amount**	**Loss rate**	**Loss Allowance**	**Carrying amount**
Neither past due nor impaired				
Fully performing other financial assets at amortised cost	10,888	0%	-	10,888
Past due but not impaired				
31-60 days	6,088	0%	-	6,088
61-90 days	369	0%	-	369
	------------		-----------	------------
	6,457		-	6,457
	=======		=======	=======
Impaired				
91-180 days	-		-	-
181 - 365 days and Over	-		-	-
	------------		-----------	------------
Total	**17,345**		-	17,345
	=======		=======	=======

Other financial assets at amortised cost

Other financial assets at amortised cost include amounts due from officers, VAT receivables, amounts due from smallholder farmers, amount due from staff, other receivables and receivables from related parties.

There was no identified impairment loss at 31 December 2019 (2018 GH¢:Nil)

	2019	2018
Financial liabilities		
Trade and other payables	**7,010**	6,038
Employee benefit obligations	**2,475**	2,287
Amounts due to related companies	**1,575**	1,374
	----------	---------
	11,060	9,699
	======	======

NOTES (Cont'd)

26. Financial instruments and treasury risk management (cont'd)

Liquidity risk

Liquidity risk

The Company manages liquidity risk by maintaining adequate cash reserves and calling on short term borrowing and funding from related parties. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities. Management monitors rolling forecasts of the Company's liquidity reserve on the basis of expected cash flow.

The table below analyses the Company's financial liabilities that will be settled on a net basis based on the remaining period at the reporting date to the contractual maturity. The amounts disclosed in the table below are the contractual undiscounted cash flows, all amounts will be settled by the end of the year.

	2019
Trade and other payables	**7,010**
Employee benefit obligations	**2,475**
Amount due to related companies	**1,575**

	11,060
	======

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce cost of capital. In order to maintain or adjust the capital structure, the Company may limit the amount of dividend paid to shareholders, issue new shares, or sell assets to reduce debt. Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as the net debt divided by the total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as "equity" as shown in the statement of financial position plus net debt.

At year end the Company had no borrowngs. (2018: Nil)

Dividends

	2019
Final dividend for the year ended 31 December 2018 of GH¢0.03400 (2017: GH¢0.062822) per fully paid share	1,183
	======

In addition to the above dividend, since year end, the directors have proposed the payment of a final dividend of GH¢0.05550 per fully paid ordinary share (2018: GH¢0.0.0340).	1,806
	======

NOTES (Cont'd)

27. Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2019
Profit for the year attributable to ordinary equity holders (GH¢'000)	**9,653**
Weighted average number of ordinary shares ('000)	**34,800**

Basic earnings per share (Ghana pesewas)	**0.2774**
	======

There were no potentially dilutive shares outstanding at 31 December 2019 or at 31 December 2018. Diluted earnings per share are therefore the same as basic earnings per share.

28. Segmental reporting

The directors consider that there is only one business segment and that all its trading is conducted in Ghana. The main product of the Company is crude palm oil. The company sold 97% of its goods to its related parties - Wilmar Africa Limited, the parent company and African Consumer Products Limited.

29. Commitment and contingent liabilities

The company entered into an agreement with the Chiefs and people of Trebuom for the development of a 1,400 hectares of land. The company will fund the development of the plantation and the costs will be recovered from the fruits to be supplied from the plantation once developed. The agreement is for a period of 25 years. The costs incurred at year end was GHC959,284 (2018: 494,933)

30. Provisions

As at 31 December 2019, there was no pending legal suit for which a provision has to be made.

31. Employee benefit obligation

The company operates an employee benefit plan for its employee based on the length of service and at the time of retirement. With the exception of inflationary risk, the company's legal or constructive obligation is limited to the amount due when the employee is on retirement or at the next level of long service award. The expense recognised in the current period in relation to these obligations was GHS576,629 (2018: GHS637,316).

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(a) Present value of obligation	**2019**	2018
Obligation as start of year	**2,287**	1,650
Interest cost charge to profit and loss	**287**	197
Service cost charged to profit and loss	**290**	440
Benefits paid	**(389)**	-
	--------	---------
Obligation at close of year	**2,475**	2,287
	=====	=====

(b) Significant estimates with actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	2019	2018
Discount rate	**22.88%**	22.35 %
Inflation	**8.20%**	9.30%

(c) Classification

	2019	2018
The charge to Profit and loss has been split as follows:		
Cost of sales	**512**	566
Operating expenses	**65**	71
	---------	---------
	577	637
	======	======

The obligation in the balance sheet has been classified as follows:

	2019	2018
Current	**203**	61
Non current	**2,272**	2,226
	---------	---------
	2,475	2,287
	======	======

(d) Risk exposure

The most significant risk faced by the company is inflationary risk. A significant proportion of the company's employee benefit obligations are linked to salary inflation, and higher inflation will lead to higher liabilities.

SHAREHOLDERS' INFORMATION

Shareholding distribution as at 31 December 2019.

Holding	No. of shareholders	Holders %	No. of shares	% of Holding
1-1,000	8,057	94.1	2,156,260	6.2
1,001-5,000	400	4.7	750,015	2.2
5,001-10,000	46	0.5	325,806	0.9
OVER 10,000	57	0.7	31,567,919	90.7
	-------------	------- ---	------------------	----------
	8,560	100.0	34,800,000	100.0
	========	======	==========	======

Directors' shareholding

The directors named below held the following number of shares in the Company as at 31 December 2019:

	Number of shares
Mr. Neneyo Asare Mate-Kole	1,110
Mr. Ishmael Yamson	23,000
Mr. Samuel Avaala Awonnea	740

Total	24,850

Mr Ishmael Yamson owns the shares jointly with others.

20 Largest shareholders at 31 December 2018

Shareholders		Number of shares	% Holding
1	WILMAR AFRICA LIMITED	26,665,507	76.6
2	SOCIAL SECURITY AND NATIONAL INSURANCE TRUST	1,500,000	4.3
3	SCGN/'EPACK INVESTMENT FUND LIMITED TRANSACTION E I F L	676,000	1.9
4	ADUM BANSO STOOL	419,746	1.2
5	SCGN / ENTERPRISE LIFE ASS. CO. POLICY HOLDERS	212,110	0.6
6	SCGN/GHANA MEDICAL ASS. PENSION FUND	191,920	0.6
7	METLIFE CLASSIC A/C, STD NOMS TVL PTY/ METLIFE GOLD PLAN FUND MICAC	183,200	0.5
8	NTHC LTD ITF- GOVERNMENT OF GHANA	149,254	0.4

9	DAMSEL / OTENG-GYASI, ANTHONY	139,120	0.4
10	SCGN/DATABANK BALANCED FUND LIMITED	123,400	0.4
11	HFCN/ EDC GHANA BALANCED FUND LIMITED	111,600	0.3
12	MIHL/GOLD FUND UNIT TRUST	109,353	0.3
13	GLICO GENERAL INSURANCE CO. LTD	101,400	0.3
14	STATE INSURANCE COMPANY PROVIDENT FUND ACCOUNT	86,096	0.2
15	STAR ASSURANCE COMPANY	70,180	0.2
16	STD NOMS/ENTERPRISE TIER 3 PROVIDENT FUND 2	59,200	0.2
17	NTHC SECURITIES LIMITED, NTHC SECURITIES LIMITED	50,000	0.1
18	ANIM-ADDO, KOJO	48,500	0.1
19	STD NOMS TVL PTY/DATA BANK ARK FUND	47,027	0.1
20	HFC EQUITY TRUST	45,779	0.1
		-------------	---------
		30,989,392	89.0
	Others	3,810,608	11.0
		-------------	--------
		34,800,000	100
		==========	=====

FIVE YEARS FINANCIAL SUMMARY

	2019	2018	2017	2016	2015
Results					
Revenue	95,620	79,091	89,973	74,278	58,077
	=====	=====	=====	=====	=====
Profit before income tax	13,075	6,638	12,803	10,706	3,333
Income tax expense	(3,422)	(725)	(1,882)	(2,616)	(212)
	---------	---------	------ ---	---------	-------
Retained profit	9,653	5,913	10,921	8,090	3,121
	=====	=====	=====	=====	====
Financial position					
Intangible assets	-	7	15	41	236
Property, plant and equipment	49,471	47,309	47,501	43,701	31,762
Biological assets	5,137	4,383	3,961	2,877	2,577
Cash and cash equivalents	10,618	8,223	2,550	3,657	5,238
Other current assets	27,674	21,513	21,480	16,051	13,977
	---------	---------	------ ---	---------	---------
Total assets	92,900	81,435	75,507	66,327	53,790
	=====	=====	=====	=====	=====
Total liabilities	16,049	13,054	10,858	10,981	4,903
Stated capital	2,000	2,000	2,000	2,000	2,000
Capital surplus account	7,629	7,629	7,629	7,629	7,629
Income surplus account	67,222	58,752	55,020	45,717	39,258
	---------	---------	------ ---	---------	---------
Total equity and liabilities	92,900	81,435	75,507	66,327	53,790
	=====	=====	=====	=====	=====

Second fold here

Please Fix
Stamp

The Registrar
NTHC Limited
Martco Hose, D542/4,
Okai-Mensah Link
P.O. Box KIA 9563
Adabraka, Accra

Fourth fold here

Third fold here

First fold here

PROXY FORM

ANNUAL GENERAL MEETING TO BE HELD
at 11.00 a.m. on Friday, 15th May, 2020 at
Raybow Hotel, Takoradi

Serial No.

I/We...
(Insert full name)

of ....
(Insert full address)

being a member(s) of Benso Oil Palm Plantation, hereby appoint

....
(Insert full name)

or failing him the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf as the Annual General Meeting of that Company to be held on Friday 8th May 2019 and at any and every adjournment thereof.

For Company's Use	*No. of Shares*	
RESOLUTION	*FOR*	*AGAINST*
To declare a Dividend		
To re-elect Pierre Billon		
To re-elect Neneyo Mate-Kole		
To approve Directors' fees		
To fix the Remuneration of Auditors		
To approve the appointment of Mr. Kwame Wiafe as director		

Please indicate with "X" in the appropriate square how you wish your votes to be cast on the resolution referred to above. Unless otherwise instructed the proxy will vote or abstain from voting at his discretion.

Dated this .... day of May, 2018

Shareholder's signature:................................**(Before posting the above form, please tear off this part and retain it)**

- -

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

NOTES

(1) In the case of joint holders, each should sign.

(2) If executed by a Corporation, the Proxy Form should bear its Common Seal or be signed on its behalf by a Director.

(3) Please sign the above Proxy Form and post it so as to reach the address shown over leaf not later than 11.00.a.m on 10th April, 2019.