

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Cocoa Processing Company Limited, which comprise the statement of financial position at 30 September 2012, statements of comprehensive income, changes in equity and cash flows for the year then ended and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes as set out on pages 8 to 14.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The company's Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 Act 179 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.

AUDITOR'S RESPONSIBILITY

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

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

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

OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of Cocoa Processing Company Limited at 30 September 2012 and its financial performance and 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Compliance with the requirements of Section 133 of the Companies Act, 1963 Act 179

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

In our opinion, proper books of account have been kept and the statements of financial position and comprehensive income are in agreement with the books of account.

KPMG

SIGNED BY: NANA AKUA AYIVOR (ICAG/P/1058)

FOR AND ON BEHALF OF:

KPMG: (ICAG/F/0036)

CHARTERED ACCOUNTANTS

13 YIYIWA DRIVE, ABELINKPE

P O BOX GP 242

ACCRA

2 May 2013

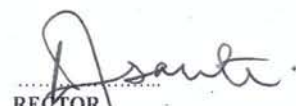
The financial statements presented in this publication are extracts from the annual financial statements of the company for the year ended 30 September 2012. The annual financial statements are available for inspection at the company's registered office at Heavy Industrial Area in Tema and the company's website [www. goldentreeghana.com](http://www.goldentreeghana.com). The Auditor's report was signed on 2 May 2013 and has been extracted from the annual financial statements of the company.

STATEMENT OF FINANCIAL POSITION

AT 30 SEPTEMBER 2012

	Note	2012 US\$	Restated 2011 US\$	Restated 2010 US\$
Assets				
Property, Plant and Equipment	6	78,845,758	81,690,171	83,774,385
Leasehold Land	7	12,578,125	13,207,031	13,835,937
Total Non-Current Assets		91,423,883	94,897,202	97,610,322
Inventories	8	27,964,812	31,771,077	26,514,859
Trade and Other Receivables	9	10,481,139	12,074,763	6,787,972
Cash and Cash Equivalents	10	3,780,683	2,034,619	2,340,517
Non-current Assets held for Sale	11	-	20,653	43,634
Total Current Assets		42,226,634	45,901,112	35,686,982
Total Assets		133,650,517	140,798,314	133,297,304
Equity				
Share Capital	15(a)	26,071,630	11,984,510	11,984,510
Deposit for Shares		-	14,087,120	-
Translation Reserve	15(c)	(20,070,388)	(20,070,388)	(20,070,388)
Retained Earnings	15(d)	(5,503,567)	2,600,028	9,343,283
Total Equity		497,675	8,601,270	1,257,405
Long-term Borrowings	13(b)	32,022,147	33,186,516	85,419,405
Employee Benefit Obligations	14(b)	833,754	2,442,859	2,029,120
Total Non-current Liabilities		32,855,901	35,629,375	87,448,525
Bank Overdraft	10(b)	2,159,797	2,847,447	2,397,053
Trade and Other Payables	12	68,958,621	57,906,268	38,019,463
Short-term Portion of Borrowings	13(a)	29,178,523	35,813,954	4,174,858
Total Current Liabilities		100,296,941	96,567,669	44,591,374
Total Liabilities		133,152,842	132,197,044	132,039,899
Total Equity and Liabilities		133,650,517	140,798,314	133,297,304


DIRECTOR


DIRECTOR

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2012

	Note	2012 US\$	Restated 2011 US\$
Revenue	16	55,141,498	60,110,020
Cost of sales	17	(53,761,909)	(57,500,282)
Gross profit		<u>1,379,589</u>	<u>2,609,738</u>
Other income	18	323,023	2,142,379
Selling and distribution costs		(776,728)	(1,419,613)
General and administrative expenses		(7,901,180)	(7,638,693)
Results from operating activities		<u>(6,975,296)</u>	<u>(4,306,189)</u>
Finance income	22	64,150	60,814
Finance cost	23	(3,334,502)	(2,573,382)
Loss before tax	19	<u>(10,245,648)</u>	<u>(6,818,757)</u>
Taxation	24	-	-
Loss after tax		<u>(10,245,648)</u>	<u>(6,818,757)</u>
Other comprehensive income			
Defined benefit plan actuarial gains		2,142,053	75,502
Total other comprehensive income		<u>2,142,053</u>	<u>75,502</u>
Total comprehensive income for the year		<u>(8,103,595)</u>	<u>(6,743,255)</u>
Earnings per share			
Net loss for the year		(10,245,648)	(6,818,757)
Basic earnings per share	25	(0.0050)	(0.0062)
Diluted earnings per share	25	(0.0050)	(0.0062)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2012

	Share Capital US\$	Deposit for Shares US\$	Revaluation US\$	Translation Reserve US\$	Retained Earnings US\$	Total Equity US\$
Balance at 1 October 2010	11,984,510	-	35,526,342	(20,070,388)	(26,183,059)	1,257,405
Total comprehensive income for the year						
Loss for the year	-	-	-	-	(6,818,757)	(6,818,757)
Other comprehensive income						
Defined benefit plan actuarial gain	-	-	-	-	75,502	75,502
Total comprehensive income for the year	-	-	-	-	(6,743,255)	(6,743,255)
Transactions with owners recognised directly in equity						
Deposit for shares	-	14,087,120	-	-	-	14,087,120
Total contribution by owners	-	14,087,120	-	-	-	14,087,120
Balance at 30 September 2011	11,984,510	14,087,120	35,526,342	(20,070,388)	(32,926,314)	8,601,270

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2012 (CONTINUED)

	Share Capital US\$	Deposit for Shares US\$	Revaluation US\$	Translation Reserve US\$	Retained Earnings US\$	Total Equity US\$
Balance at 1 October 2011	11,984,510	14,087,120	35,526,342	(20,070,388)	(32,926,314)	8,601,270
Total comprehensive income for the year						
Loss for the year	-	-	-	-	(10,245,648)	(10,245,648)
Other comprehensive income						
Defined benefit plan actuarial gain	-	-	-	-	2,142,053	2,142,053
Total comprehensive income for the year	-	-	-	-	(8,103,595)	(8,103,595)
Transactions with owners recognised directly in equity						
Transfer to share capital	14,087,120	(14,087,120)	-	-	-	-
Total contribution by owners	14,087,120	(14,087,120)	-	-	-	-
Balance at 30 September 2012	26,071,630	-	35,526,342	(20,070,388)	(41,029,909)	497,675

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 30 SEPTEMBER 2012

	2012 US\$	2011 US\$
Cash flows from operating activities		
Loss before tax	(10,245,648)	(6,818,757)
<i>Adjustments for:</i>		
Depreciation	2,885,288	3,257,542
Amortisation of prepaid lease	628,906	628,906
Loss on disposal of property, plant and equipment	16,803	52,713
Net interest charges	1,689,419	2,512,568
Employee benefit obligations	532,948	489,241
Impairment of assets held for sale	20,653	22,981
Impairment of property, plant and equipment	50,318	-
Unrealised exchange difference	1,345,858	(1,999,938)
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	(3,075,455)	(1,854,744)
<i>Changes in:</i>		
Inventories	3,806,265	(5,256,218)
Trade and other receivables	1,593,624	(5,286,791)
Trade and other payables	11,052,353	19,886,805
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Net cash flow from operating activities	13,376,787	7,489,052
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Cash flows from investing activities		
Interest received	43,976	60,814
Purchase of property, plant and equipment	(130,637)	(1,385,231)
Proceeds from disposal of property, plant and equipment	22,641	159,190
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Net cash flow used in investing activities	(64,020)	(1,165,227)
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Cash flows used in financing activities		
Interest paid	(1,733,395)	(2,573,382)
Repayment of borrowings	(7,799,800)	(6,506,673)
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Net cash used in financing activities	(9,533,195)	(9,080,055)
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Net increase/(decrease) in cash and cash equivalents	3,779,572	(2,756,230)
Cash and cash equivalent at 1 October	(812,828)	(56,536)
Effect of exchange rate fluctuations on cash held	(1,345,858)	1,999,938
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Cash and cash equivalents at 30 September	1,620,886	(812,828)
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