

REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDERS OF BENSO OIL PALM PLANTATION LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Benso Oil Palm Plantation Limited set out on pages 15 to 37. These financial statements comprise the statement of financial position as at 31 December 2013 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and with 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 the 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 about whether the financial statements are free of 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 of financial statements that give a true and fair view 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial statements.

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

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 2012 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in a manner required by the Companies Act, 1963 (Act 179).

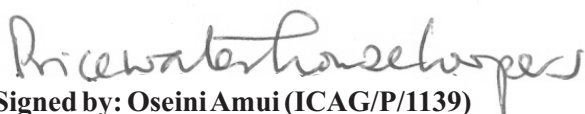


**REPORT OF THE INDEPENDENT AUDITOR
TO THE SHAREHOLDERS OF BENSO OIL PALM PLANTATION LIMITED (continued)**

REPORT ON OTHER LEGAL 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 purpose 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 (statement of financial position) and income statement (part of comprehensive income) are in agreement with the books of account.



Signed by: Oseini Amui (ICAG/P/1139)

For and on behalf of:

PricewaterhouseCoopers (ICAG/F/028)

Chartered Accountants

Accra, Ghana

26 February 2014



Financial Statements**Year Ended 31 December 2013****STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

(All amounts are expressed in thousands of Ghana cedis)

	Notes	Year ended 31 December	
		2013	2012
Revenue	4	35,438	40,839
Cost of sales	5	(29,610)	(27,070)
Net gains from changes in fair value of biological assets	23	1,234	869
Gross profit		7,062	14,638
Administrative expenses	6	(3,064)	(2,741)
Other income	8	812	499
Operating profit		4,810	12,396
Finance income	9	1,320	1,318
Profit before income tax		6,130	13,714
Income tax expense	10	(324)	(308)
Profit for the year		5,806	13,406
Other comprehensive income		-	-
Total comprehensive income for the year		5,806	13,406
Basic and diluted earnings per share (GH¢)	25	0.1668	0.3852

The notes on pages 19 to 37 are an integral part of these financial statements.



Financial Statements**Year Ended 31 December 2013****STATEMENT OF FINANCIAL POSITION**

(All amounts are expressed in thousands of Ghana cedis)

		At 31 December	
	Notes	2013	2012
Assets			
Non-current assets			
Property, plant and equipment	14	10,751	7,119
Biological assets	23	19,756	15,193
		15,417	20,949
Current assets			
Inventories	15	4,460	4,272
Trade and other receivables	16	1,307	1,473
Amounts due from related companies	20	2,259	2,196
Cash and cash equivalents	19	7,391	13,008
Total assets		45,924	43,261
Liabilities			
Current liabilities			
Trade and other payables	17	1,171	1,449
Amounts due to related companies	20	289	560
Current income tax	10	361	301
Dividend payable	11	443	416
Equity		43,660	40,535
Stated capital	12	2,000	2,000
Capital surplus account	13	7,629	7,629
Income surplus account	21	34,031	30,906
Total liabilities and equity		45,924	43,261

The notes on pages 19 to 37 are an integral part of these financial statements.

The financial statements on pages 15 to 37 were approved by the Board of directors on 12 February 2014 and were signed on its behalf by:



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Nene Ofoe Amegatcher
Director



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Santosh Pillai
Managing Director



Financial Statements**Year Ended 31 December 2013****STATEMENT OF CHANGES IN EQUITY**

(All amounts are expressed in thousands of Ghana cedis)

	Stated capital	Capital surplus account	Income surplus account	Total
<u>Year ended 31 December 2013</u>				
At 1 January 2013	2,000	7,629	30,906	40,535
Profit for the year	-	-	5,806	5,806
	-----	-----	-----	-----
Total comprehensive income	2,000	7,629	36,712	46,341
	-----	-----	-----	-----
Transactions with owners				
Dividend declared for 2012	-	-	(2,681)	(2,681)
	-----	-----	-----	-----
At 31 December 2013	2,000	7,629	34,031	43,660
	=====	=====	=====	=====
 <u>Year ended 31 December 2012</u>				
At 1 January 2012	2,000	7,629	19,901	29,530
Profit for the year	-	-	13,406	13,406
	-----	-----	-----	-----
Total comprehensive income	2,000	7,629	33,307	42,936
	-----	-----	-----	-----
Transactions with owners				
Dividend declared for 2011	-	-	(2,401)	(2,401)
	-----	-----	-----	-----
At 31 December 2012	2,000	7,629	30,906	40,535
	=====	=====	=====	=====

The notes on pages 19 to 37 are an integral part of these financial statements.



Financial Statements**Year Ended 31 December 2013****STATEMENT OF CASH FLOWS**

(All amounts are expressed in thousands of Ghana cedis)

		Year ended 31 December	
Cash flows from operating activities	Notes	2013	2012
Cash generated from operations	18	3,436	10,043
Interest received	9	1,297	1,234
Tax paid	10	(264)	(186)
		-----	-----
Net cash generated from operating activities		4,469	11,091
		-----	-----
Cash flows from investing activities			
Purchase of property, plant and equipment	14	(4,511)	(2,205)
Purchase of biological assets	23	(3,596)	(1,436)
Proceeds from sale of property, plant and equipment	14	49	30
Proceeds from sale of biological assets	23	626	397
		-----	-----
Net cash used in investing activities		(7,432)	(3,214)
		-----	-----
Cash flows from financing activities			
Dividend paid to the shareholders	11	(2,654)	(2,340)
		-----	-----
Net cash used in financing activities		(2,654)	(2,340)
		-----	-----
Increase in cash and cash equivalents		(5,617)	5,537
Cash and cash equivalents at 1 January		13,008	7,471
		-----	-----
Cash and cash equivalents at 31 December	19	7,391	13,008
		=====	=====

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