

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS 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 16 to 43. These financial statements comprise the statement of financial position as at 31 December 2015, 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 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 the 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 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 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 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 accompanying financial statements give a true and fair view of the financial position of Benso Oil Palm Plantation Limited as at 31 December 2015 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).

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 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 (statement of financial position) and income statement (part of statement of comprehensive income) are in agreement with the books of account.



PricewaterhouseCoopers (ICAG/F/2016/028)

Chartered Accountants

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

Accra, Ghana

11 March 2016



Financial statements
For the year ended 31 December 2015

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(All amounts are in thousands of Ghana cedis)

	Note	Year ended 31 December	
		2015	2014
Revenue	4	58,077	52,164
Cost of sales	5	(45,627)	(35,458)
Net gains from changes in fair value of biological assets	23	1,035	2,126
		-----	-----
Gross profit		13,485	18,832
Administrative expenses	6	(6,759)	(6,617)
Other income	8	793	(313)
		-----	-----
Operating profit		7,519	11,902
Finance income	9	848	519
		-----	-----
Profit before income tax		8,367	12,421
Income tax expense	10	(212)	(130)
		-----	-----
Profit for the year		8,155	12,291
Other comprehensive income		-	-
		-----	-----
Total comprehensive income for the year		8,155	12,291
		=====	=====
Basic and diluted earnings per share (GH¢)	25	0.2343	0.3532

The notes on pages 20 to 43 are an integral part of these financial statements.

Financial statements
For the year ended 31 December 2015

STATEMENT OF FINANCIAL POSITION

(All amounts are in thousands of Ghana cedis)

	Note	At 31 December	
		2015	2014
Assets			
Non-current assets		46,174	38,956
Intangible Assets	14b	236	454
Property, plant and equipment	14a	11,522	11,020
Biological assets	23	34,416	27,482
Current assets		19,215	18,707
Inventories	15	4,644	4,886
Trade and other receivables	16	4,334	2,970
Amounts due from related companies	20	4,999	3,458
Cash and cash equivalents	19	5,238	7,393
Total assets		65,389	57,663
		=====	=====
Liabilities			
Current liabilities		4,903	2,874
Trade and other payables	17	3,625	2,137
Amounts due to related companies	20	533	124
Current income tax	10	212	130
Dividend payable	11	533	483
Equity		60,486	54,789
Stated capital	12	2,000	2,000
Capital surplus account	13	7,629	7,629
Income surplus account	21	50,857	45,160
Total liabilities and equity		65,389	57,663
		=====	=====

The notes on pages 20 to 43 are an integral part of these financial statements.

The financial statements on pages 16 to 43 were approved by the Board of directors on 12 February 2016 and were signed on its behalf by:



Nene Ofoe Amegatcher
Director



Santosh Pillai
Managing Director



Financial statements
For the year ended 31 December 2015

STATEMENT OF CHANGES IN EQUITY

(All amounts are in thousands of Ghana cedis)

	Stated capital	Capital surplus account	Income surplus account	Total
<u>Year ended 31 December 2015</u>				
At 1 January 2015	2,000	7,629	45,160	54,789
Profit for the year	-	-	8,155	8,155
	-----	-----	-----	-----
Total comprehensive income	2,000	7,629	53,315	62,944
	-----	-----	-----	-----
Transactions with owners				
Dividend declared for 2014	-	-	(2,458)	(2,458)
	-----	-----	-----	-----
At 31 December 2015	2,000	7,629	50,857	60,486
	=====	=====	=====	=====
<u>Year ended 31 December 2014</u>				
At 1 January 2014	2,000	7,629	34,031	43,660
Profit for the year	-	-	12,291	12,291
	-----	-----	-----	-----
Total comprehensive income	2,000	7,629	46,322	55,951
	-----	-----	-----	-----
Transactions with owners				
Dividend declared for 2013	-	-	(1,162)	(1,162)
	-----	-----	-----	-----
At 31 December 2014	2,000	7,629	45,160	54,789
	=====	=====	=====	=====

The notes on pages 20 to 43 are an integral part of these financial statements.

Financial statements
For the year ended 31 December 2015

STATEMENT OF CASH FLOWS

(All amounts are in thousands of Ghana cedis)

		Year ended 31 December	
	Note	2015	2014
Cash flows from operating activities			
Cash generated from operations	18	7,217	9,109
Interest received	9	848	519
Tax paid	10	(130)	(361)
		-----	-----
Net cash generated from operating activities		7,935	9,267
Cash flows from investing activities			
Purchase of property, plant and equipment	14a	(1,802)	(1,293)
Purchase of intangible assets	14b	-	(654)
Purchase of biological assets	23	(5,899)	(6,198)
Proceeds from sale of property, plant and equipment	14	19	-
Proceeds from sale of biological assets	23	-	2
		-----	-----
Net cash used in investing activities		(7,682)	(8,143)
Cash flows from financing activities			
Dividend paid to the shareholders	11	(2,408)	(1,122)
		-----	-----
Net cash used in financing activities		(2,408)	(1,122)
		-----	-----
(Decrease) / Increase in cash and cash equivalents		(2,155)	2
		-----	-----
Cash and cash equivalents at 1 January	19	7,393	7,391
Cash and cash equivalents at 31 December	19	5,238	7,393

The notes on pages 20 to 43 are an integral part of these financial statements.