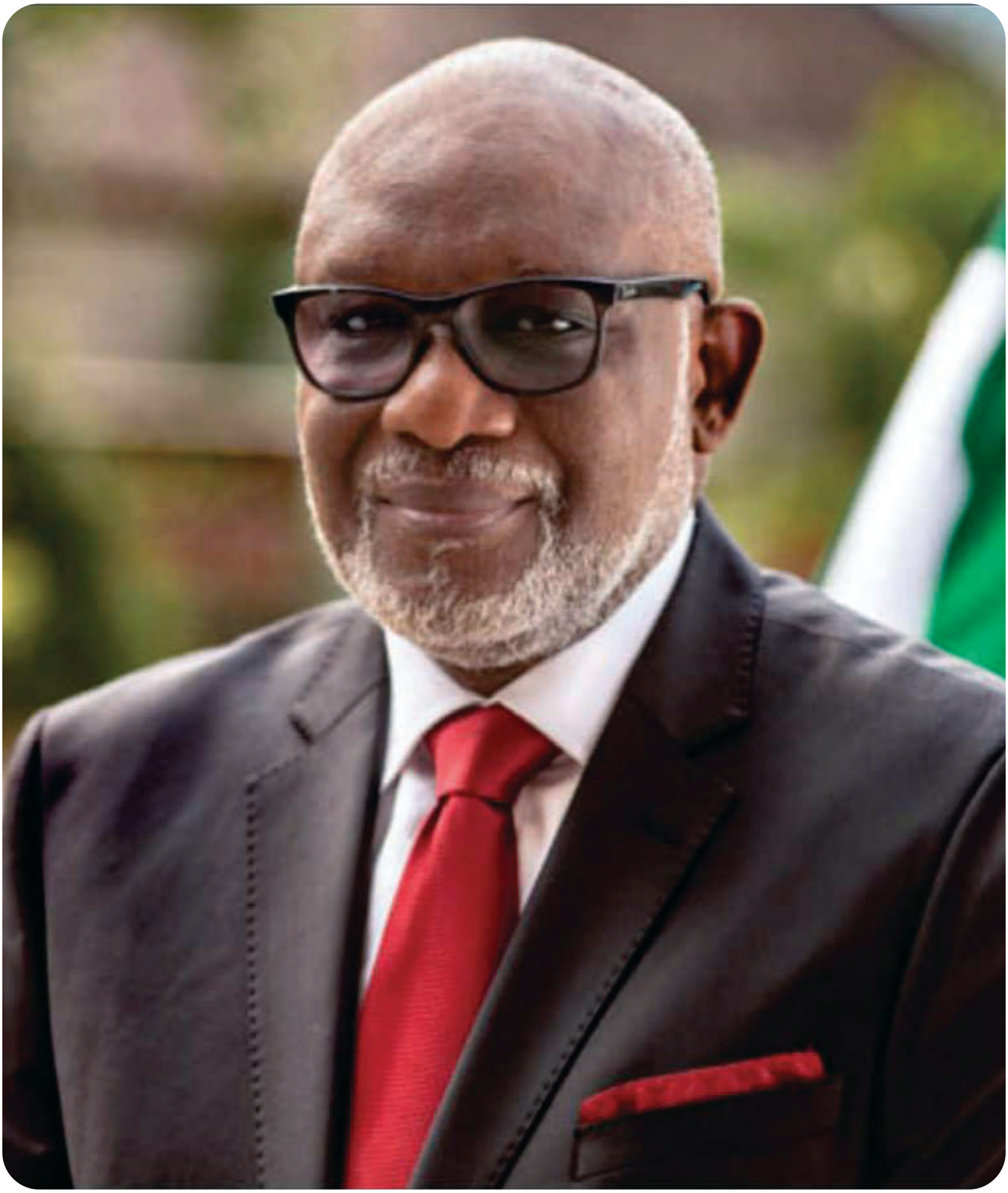
RC 17790

OKITIPUPA
OIL PALM PLC

2008 - 2019
ANNUAL REPORTS & ACCOUNTS



Arakunrin

Oluwarotimi Odunayo Akeredolu SAN

The Executive Governor - Ondo State

ISẸ́ LOÒGÙN ÌṢẸ́

ONDO STATE GOVERNMENT

Office of the Governor

GOODWILL MESSAGE DELIVERED BY ARAKUNRIN OLUWAROTIMI ODUNAYO AKEREDOLU, SAN, THE GOVERNOR OF ONDO STATE AT THE 19TH-30TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF OKITIPUPA OIL PALM PLC (OOPPLC) ON 22ND JUNE, 2021

It gives me great pleasure to send you on behalf of the Government and the good people of Ondo State, my goodwill message on the auspicious occasion of the 19th - 30th Annual General Meeting of our great company Okitipupa Oil Palm (OOP) PLC. As you are all aware, this heritage called OOPC has survived various unpalatable experiences in the last few decades. As one of the legacies of our late sage Papa Obafemi Awolowo, we as a Government, owe posterity a duty to defend and protect this inheritance that has the capacity of providing huge employment opportunities to the teeming population of the citizens of the State.

Upon assumption of office, we were quick to put in place the machinery to resolve disputes that had made it practically impossible for the company to operate without any form of interference. We have also provided the enabling environment for its effective and efficient operation, including the inauguration of the present Board of Directors on Tuesday 27th February, 2018 and also ensured that the Board resuscitate and transform the company. When it became apparent that security was a big challenge, the State Executive Council established a SECURITY TASK FORCE to work with the company to bring the security challenges under control.

Today, the Annual General Meeting is expected to approve a number of measures to further deepen the progress already made and to provide the company with the required instrument to effectively restructure for greater performance.

I am very sure that the successful hosting of the Annual General meeting, the first in 12 years provides the shareholders, with the signal to the resuscitation efforts of the current board, members of management and the State Government.

I wish you all a successful meeting.

Arakunrin Oluwarotimi O. Akeredolu, SAN
Governor, Ondo State.

RC 17790

OKITIPUPA OIL PALM PLC

Main Contents

NOTICE OF ANNUAL GENERAL MEETING

to the Shareholders of Okitipupa Oil Palm Plc

NOTICE IS HEREBY GIVEN that the combined 19th- 30th Annual General Meetings of OKITIPUPA OIL PALM PLC will be held at the Radisson Avalon Collection Hotel, 42, Isaac John Street, GRA, Ikeja, Lagos on Tuesday 22nd day of June, 2021 at 11:00 am for the following purposes.

Ordinary Business:

1. To receive and consider the audited financial statements of the company, together with the reports of the directors, auditors and audit committee thereon for the accounting periods ended December 31st, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018 and 2019

2. (i) To re-elect the following directors who are scheduled to retire by rotation and being eligible have offered themselves for re-election:

   a. Adewale OsomoEsq. appointed on the 4th of December 2006. Special notice having been given to the Company pursuant to Section 282 and 261 of the Companies and Allied Matters Act 2020

   b. Chief John Akinleye (being above the age of 70years) appointed on the 4th of December 2006. Special notice having been given to the Company pursuant to Section 282 and 261 of the Companies and Allied Matters Act 2020

2. (ii) To ratify the appointment as directors of the following persons who filled casual vacancies on the board since the last Annual General Meeting:

   c. Hon. Chief (Mrs.) Mobolaji Osomo (being above the age of 70years), appointed the 22nd of August 2011.

   d. Mr. Lateef A. Bakare, FCA, appointed on February 27, 2018

   e. Mr. Akinboye Oyewumi, appointed on February 27, 2018

   f. Hon. Prince Kayode Aroloye, appointed on February 27, 2018

   g. Mr. Emmanuel O. Fasalejo, appointed on the 12th of March 2013

   h. Mr. Adekunle Olatubora, appointed on 12th of March 2013, died on October 10, 2019

   i. Mr. Jones Ogunmusire {Being above the age of 70 years} appointed on February 27, 2018

   j. HIM. Oba George B. Faduyile (being above the age of 70years) appointed on February 27, 2018

   k. Senator Victor Ndoma-Egba OFR, CON, SAN appointed on May 14, 2018

   l. High Chief Stephen O. Arowojolu, appointed on November 29, 2019

3. To re-appoint the firm of Abioye Abdul-Rasaq & Co as the External Auditors of the company. Special notice having been given to the Company pursuant to Section 282 and 261 of the Companies and Allied Matters Act 2020

4. To elect members of the Statutory Audit Committee in accordance with the provisions of S. 404 (6) of the Companies and Allied Matters Act 2020.

5. To authorize the directors to fix the remuneration of the auditors - Messrs. Abioye Abdul-Rasaq &Co.

SPECIAL BUSINESS

To consider and if thought fit, pass the following with or without modification as an ordinary resolution;

To approve the remuneration of the directors for years 2018 and 2019.

NOTES:

1. **Compliance with Government Directives on COVID-19 and Related Guidelines:** In line with the guidelines of the Corporate Affairs Commission on the conduct of Annual General Meeting of Public Companies by proxies and the need to comply with the directives and regulations of the Federal Government of Nigeria, Lagos State Government, the Nigeria Centre for Disease Control on safety and health measures as well as advisory precautions by the World Health Organization against the COVID-19 Pandemic, the gathering of more than 50 people has been prohibited. ***Therefore, the number of the people to attend the Annual General Meeting shall not exceed the maximum number of persons approved to be in a social / public gathering by the Lagos State Government as at the date of the meeting.***

2. Attendance by Proxy

Okitipupa Oil Palm Plc being a responsible corporate citizen is aware of the challenges posed by the COVID-19 Pandemic and mindful of the need to combat the spread of the virus in line with the Corporate Affairs Commission (CAC) guidelines, attendance at the AGM shall be by proxy only. Shareholders are required to appoint a proxy of their choice from the list of nominated proxies below:

1. Adewale Osomo Esq - Director
2. Prince Kayode Aroloye - Director
3. Sen. Victor Ndoma Egba OFR, CON, SAN - Director;
4. Sir Sunny Nwosu - Shareholder
5. Pastor Adio Ademola Alexander - Shareholder
6. Mr. Oluwole Awe - Shareholder

all of whom have been nominated by the **board of directors to represent members at the AGM** and vote in their stead. A blank proxy form is hereby attached to this Notice. For such appointment to be valid, all instruments of proxy should be completed, duly signed and stamped, and submitted to the registrars of the company Greenwich Registrars & Data Solutions Limited by electronic mail ***info@gtlregistrars.com***or deposited at 274 Murtala Muhammed Way, Alagomeji, Yaba, Lagos not later than 48 hours before the date fixed for the meeting.

3. Right of shareholders to ask questions

Shareholders have a right to ask questions at the Annual General Meeting and may also submit such questions to the Company Secretary prior to the meeting via info@oopplc.com or before Friday 15th day of June, 2021.

4. Closure of Register &Transfer Books

In accordance with Section 114 of the Companies and Allied Matters Act (2020), Notice is hereby given that the Register of Members and Transfer books will be closed from June 15 and June 22, 2020 {both days inclusive}

5. Statutory Audit Committee

In accordance with S.404 (6) of the Companies and Allied Matters Act (2020), any member may nominate a shareholder as a member of the audit committee by giving notice in writing of such nomination to the company secretary at least 21 (Twenty-One) days before the Annual General Meeting.

6. Dividend

The directors do not propose any dividend payment for the period due to the financial performance of the company during the period under reference.

7. E-Annual Report

The electronic version of the annual report may be downloaded at the company's website ***www.oopplc.com***

8. Business Office Address

1 Marine Road, Okitipupa, Ondo State.

9. Live Stream of Events

The event will be on LIVE STREAM via the social media platforms such as YouTube to enable shareholders participate actively while the meeting is in progress

By the Order of the Board

Yusuf Adeleke Esq
FRC/2014/NBA/00000007279
Osborne Laws
Ag. Company Secretary
Dated this 14th day of April 2021

PROXY FORM

I/we ____________________________________ the undersigned, being a member/s of Okitipupa Oil Palm Plc RC17790 hereby

appoint* ____________________________________ or failing him/her** ____________________________________ as my/our

proxy to vote for me/us and on my/our behalf at the 19th to 30th annual general meeting of the company to be held on Tuesday 22nd

day of June 2021 and at any adjournment thereof unless otherwise instructed, the proxy will vote or abstain from voting as he thinks fit.

Dated this ________ day of ____________________ 2021

Signature____________________________________

NOTES:

Covid-19 Overall Risk to all shareholders

Compliance with Government Directives on COVID-19 and Related Guidelines: In line with the guidelines of the Corporate Affairs Commission on the conduct of Annual General Meeting of Public Companies by proxies and the need to comply with the directives and regulations of the Federal Government of Nigeria, Lagos State Government, the Nigeria Centre for Disease Control on safety and health measures as well as advisory precautions by the World Health Organization against the COVID-19 Pandemic, the gathering of more than 50 people has been prohibited. Therefore, the number of the people to attend the Annual General Meeting shall not exceed the maximum number of persons approved to be in a social / public gathering by the Lagos State Government as at the date of the meeting.

Pursuant to the foregoing, shareholders are encouraged to to appoint any one of the underlisted proposed proxies to attend and vote in their stead at the meeting:

1. Adewale Osomo Esq - Director
2. Prince Kayode Aroloye - Director
3. Sen. Victor Ndoma Egba OFR, CON, SAN - Director;
4. Sir Sunny Nwosu - Shareholder
5. Pastor Adio Ademola Alexander- Shareholder
6. Mr. Oluwole Awe – Shareholder

For such appointment to be valid, all instruments of proxy should be completed, duly signed and stamped, and submitted to the registrars of the company Greenwich Registrars and Data Solutions Limited by electronic mail info@gtlregistrars.comor deposited at 274 Murtala Muhammed Way, Alagomeji, Yaba, Lagos not later than 48 hours before the date fixed for the meeting.

- Where the appointor is a corporation, this form may be under seal or under the hand of an officer or Attorney duly authorized
- The Proxy will be used in the event that a poll being directed or demanded
- In the case of Joint holders the signature of any of them will suffice but the names of all joint holers must be shown

A. ORDINARY BUSINESS	FOR	AGAINST
To receive and consider the audited financial statements of the company, together with the reports of the directors, auditors and audit committee thereon for the accounting periods ended December 31st 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015,2016,2017,2018 and 2019		
To re-elect Adewale Osomo Esq. who is scheduled to retire by rotation and being eligible has offered himself for re-election -		
To re-elect Chief John Akinleye **(being above the age of 70 years)** who is scheduled to retire by rotation and being eligible has offered himself for re-election -		
To ratify the appointment of Mr. Akinboye Oyewumi who filled the casual vacancy on the Board of Directors since the last AGM		
To ratify the appointment of Mr. Lateef A Bakare, FCA, who filled the casual vacancy on the Board of Directors since the last AGM		
To ratify the appointment of Senator Victor Ndoma-Egba, OFR CON, SAN who filled the casual vacancy on the Board of Directors since the last AGM		
To ratify the appointment of Hon. Prince Kayode Aroloye who filled the casual vacancy on the Board of Directors since the last AGM		
To ratify the appointment of Mr. Jones Ogunmusire **(Being above the age of 70 years)** who filled the casual vacancy on the Board of Directors since the last AGM		

PROXY FORM

A. ORDINARY BUSINESS	FOR	AGAINST
To ratify the appointment of Mr. Emmanuel Fasalejo who filled the casual vacancy on the Board of Directors since the last AGM		
To ratify the appointment of HIM Oba George B. Faduyile **(being above the age of 70 years)** who filled the casual vacancy on the Board of Directors since the last AGM		
To ratify the appointment of Mr. Adekunle Olatubora, appointed on 12th of March 2013 but who died on October 11, 2019		
To ratify the appointment of High Chief Stephen Arowojolu who filled the casual vacancy on the Board of Directors since the last AGM		
To re-appoint the firm of Abioye Abdul-Rasaq & Co as the External Auditors of the company		
To elect members of the Audit committee in accordance with Section 404 (6) of the companies and Allied Matters-2020		
To authorize the Directors to fix the remuneration of the Auditors -Messrs. Abioye Abdul-Razak & Co		
B. SPECIAL BUSINESS		
To consider and if thought fit, pass the following with or without modification as Ordinary resolution; "To approve the remuneration of the directors for years 2018 and 2019"		

Before posting the above form, please tear off this part and retain it for admission to the meeting.

ADMISSION FORM **OKITIPUPA PALM PLC 19th - 30th ANNUAL GENERAL MEETINGS**

Number of shares held…………….Signature…………………………………Please admit the shareholder named in this or his/her duly appointed proxy to the company's 19th to 30th Annual General Meeting to be held at **Radisson Avalon Collection Hotel, 42, Isaac John Street, GRA, Ikeja, Lagos on Tuesday June 22, 2021 at 11.00am**

Name of Shareholder ……………………………. Signature ……………………………………

Name of Shareholder ……………………………. Signature ……………………………………

A member {Shareholder} of the company, entitled to attend and vote is entitled to appoint a proxy to attend and vote for him/her. A proxy need not be a member. The proxy form has been prepared to enable you exercise your rights to vote.

RC 17790

OKITIPUPA
OIL PALM PLC

2019

ANNUAL REPORTS & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2019

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Hon. Chief [Mrs.] Alice M Osomo	Chairman
Mr. Akinboye Oyewumi	Vice Chairman
Mr. Lateef A. Bakare	Director
Adewale Osomo Esq.	Director
Mr. Jones Ogunmusire	Director
Prince Kayode Aroloye	Director
Chief John Akinleye	Director
Senator Victor Ndoma-Egba OFR, CON, SAN	Director
Oba G. B. Faduyile	Director
Mr. Emmanuel Fasalejo	Director
Mr. Adekunle Olatubora	Director (died October 10th, 2019)
High Chief Stephen O. Arowojolu	Alternate Director to Mr. Adekunle Olatubora
Chief Henry Olatujoye	Alternate Director to Oba G. B. Faduyile

AG. COMPANY SECRETARY:
Osborne Laws
5, Oremeji Street
Ilupeju, Lagos.

REGISTRAR
GRDS Limited
274, Murtala Mohammed Way
Yaba, Lagos.

AUDITORS:
Abioye Abdul-Razaq & Co.
[Chartered Accountants]
2nd Floor, Rear wing, 313 Agege Motor Road,
Olorunsogo, Mushin, Lagos.

RC No.:
17790

REGISTERED & BUSINESS ADDRESS:
1, Marine Road
Okitipupa, Ondo State.

WEBSITE:
www.oopplc.com

BANKERS:
First Bank of Nigeria Ltd
Sterling Bank Plc
Wema Bank Plc
Union Bank Plc
Keystone Bank
United Bank of Africa Plc
Polaris Bank Plc
Access Bank
First City Monument Bank
UnityBank
Ecobank Nigeria Ltd

2019 Annual Report Contents

Board of Directors & Management Team

HON. CHIEF (MRS) ALICE MOBOLAJI OSOMO

Chairman, Board of Directors

HON. CHIEF (MRS) ALICE MOBOLAJI OSOMO was born on 23rd June 1936 into the Royal family of Gbaluwe of Igbotu in Ese-Odo Local Government of Ondo State. Her parents were ALBERT IYIADE GOGO, a Prince of Igbotu and SADIAT GOGO, and a descendant of Onikoyi family of Lagos who married into the Royal Family of Igbotu.

She had her Primary Education between 1944 and 1948 at Igbobini Methodist School and between 1949 – 1952, she attended the Methodist Girls' School Shagamu, Ogun State, a school run and managed by the Missionaries, among who were Rev. and Mrs. Mellor and Miss A. C. Layzell.

She attended the United Missionary College, Ibadan, Oyo State between the years 1953 – 1955, and thereafter embarked on a Teaching career. She practiced in the teaching profession for a few years teaching in different schools in the then Western Region. Her teaching ability was recognized and she was awarded a scholarship by the Western Region Government of the LATE OBAFEMI AWOLOWO to pursue a diploma in Education at the North Riding Teachers Training College Scarborough, Yorkshire, England between 1960 and 1962.

She later enrolled at the Inner Temple Inns of Court, London to study Law. She qualified as a Barrister at Law and was called to the English Bar in 1967. Upon her return to Nigeria, she attended the Nigerian Law School and was called to the Nigerian Bar in 1968.

HON. CHIEF (MRS) A. M. OSOMO entered the Legal Practice soon after leaving the Nigerian Law School and was in active practice between 1968 – 1979, having established a practice vast in all areas of the Law with a particular emphasis on Land Law, Real Estate Development and Conveyancing Matters.

In the second Republic, she participated in politics and joined the Unity Party of Nigeria. She was a staunch follower of the party in Ondo State and in 1979, she was made the Commissioner for Trade, Industries and Co-operatives, a position she held until 1983, when the 2nd Republic was terminated.

As the Commissioner for Trade, Industries and Cooperatives, she worked diligently to ensure the establishment of numerous industries and cooperatives amongst which were the Ire Bunt Bricks Bricks factory, Ire-Ekiti, Oluwa Glass Industries, Igbokoda, Ile-Oluji Cocoa Industries, Ile-Oluji, Ifon Ceramics, Ifon, Confidence Insurance Company Limited, Owena Bank Plc, and scores of Cooperative Societies and small scale Industries.

AKINBOYE OYEWUNMI

Vice Chairman, Board of Directors

Boye Oyewumi is the CEO, Ondo State Development and Investment Promotion Agency (ONDIPA), Nigeria, and Special Adviser to the Governor on Development and Investment. He is an alumnus of the prestigious University of Maiduguri, Nigeria, where be obtained a bachelor's degree and holds an MBA Business Administration from Middlesex University, UK.

Boye oversees all aspects of Investments and Development for the Government of Ondo State, Nigeria. He is the Pioneer CEO and Vice-Chairman of the Board of ONDIPA, the State's investment, development, and promotions agency, which seeks investments to Ondo State through Greenfield, Brownfield, Public-Private Partnerships of the State-owned assets and concessions.

SENATOR VICTOR NDOMA-EGBA OFR, CON, SAN

Director

Victor Ndoma-Egba holds two National honours: Officer of the Federal Republic (OFR) and Commander of the Niger (CON).

Born in Ikom, Cross River State, on 8th March 1956, he was briefly educated at the University of Nigeria, Enugu campus, before proceeding to the University of Lagos where he obtained the LL.B. (Honours) degree in 1977. He was called to the Nigerian Bar in 1978 making him a member of the famous "1978 set" the set with the highest number of Supreme Court Justices and Senior Advocates of Nigeria. He subsequently obtained the LL.M from the University of Calabar and various certificates from the Irish Development Institute, Shannon Ireland, and Stanford and Harvard Universities in the United States of America.

LATEEF AKANDE BAKARE FCA, FBR (LAB)

Director

Lateef Akande Bakare has over four decades of cognate experience in corporate management of capital and human resources with best rated international organizations within and outside Nigeria.

His specialization cuts across audit and accountancy, business advisory services; financial and management consultancy; tax management services and public prospectus issues; assurance services,privatization and commercialization services, amalgamations, mergers and acquisition, receivership and turnaround services, consultancy and many other specialized areas of financial management services. An alumnus of Yaba College of Technology, he holds an outstanding unbeaten record of passing the 5-part examination of the Association of Chartered Certified Accountants (ACCA) UK within two years in four consecutive diets from June 1975 to December 1976. He is an ACCA Fellow and has also attended numerous professional and human development courses and participated in many seminars and workshops locally and internationally.

He is also a Fellow of the Institute of Chartered Accountants of Nigeria, founding Fellow of the Business Recovery and Insolvency Practitioners Association of Nigeria (BRIPAN) as well as the Chartered Institute of Taxation of Nigeria. LAB has served on the board of several quoted and unquoted companies and he is currently an Independent Non-Executive Director of First Bank of Nigeria Limited.

OSOMO ADEWALE ESQ
Director

Osomo Adewale is a legal practitioner with over three decades of experience in the legal industry. He is the founder of Osborne Laws (Solicitors) and one of the pioneers of the sports law in Nigeria.

Wale received secondary education at the prestigious Igbobi College, Yaba, Lagos before proceeding to the UK where he obtained his higher school certificate after attending St. Aldates college, Oxford and St. Andrews college, Cambridge. He obtained a Higher National Diploma in Banking and Finance from the Liverpool John Moores University U.K in 1985 in Banking further obtained his LL. B from Liverpool John Moores University, Liverpool,in 1988 and was called to bar at the Nigerian Law School in 1989. His quest for knowledge and expertise has also stirred him to receive trainings in leadership, management as well as training and development.

With sound educational foundation and remarkable exposure, Wale emerged into a highly esteemed professional and serial entrepreneur, establishing three thriving businesses including Estaport Schools, and BN Training and Consultancy.

His outstanding leadership qualities has earned him roles as Chairman of the Board of Directors of Baize Network; Chairman, Board of Directors, Okitipupa Oil Palm PLC {2012- 2018}, and President of Lagos Country Club, Ikeja. He is the Charter President of Rotary Club of Ikeja, GRA.

CHIEF JOHN O. AKINLEYE
Director

Chief John Akinleye is a professional Banker with a proven track record of excellence both in Nigeria and abroad. He was at different times on board of top notch banks in Nigeria and a former Chairman of standing sub-committee on Bankers' Tariff, a sub-committee of the bankers' committee, the apex body of the Banking industry. Mr. Akinleye who is a member of the Nigeria Institute of Management, Chartered Institute of Bankers London, a graduate of the Harvard Business School, USA and Manchester Business School, England.

He was an Executive Director of Union bank Nigeria and London and on the board of the bank. He is also a former Managing Director/Chief Executive of Federal Mortgage Bank of Nigeria.

PRINCE KAYODE AROLOYE
Director

Prince Kayode Aroloye was born to the ruling Aroloye family of Idanre in Ondo State. He had his primary education at UMC Primary School, Molete, Ibadan between 1969 and 1975, and proceeded to Christ's High School, Ibadan, for his secondary education which he eventually completed at Oyemekun Grammar School, Akure in 1980. He subsequently bagged a diploma in Journalism in 1985 from the Nigerian Institute of Journalism, Lagos.

Prince Aroloye started his working career with the Ondo State Television between September 1985 and June 1986 before taking a giant stride to establish his own enterprise following the scrapping of the Nigerian Cocoa Board by General Ibrahim Babangida in 1986. He formed a partnership with some of his friends to establish Union Foods which focused on purchase and export of cocoa beans, thus making history as the first indigenous company to export cocoa beans.

He was sworn in as the Executive Chairman of Idanre Local Government in August 24, 2020.

OLUWOLE JONES OGUNMUSIRE

Director

Oluwole Jones Ogunmusire is a veteran in the Public Service and Agricultural Sector, and the current Senior Special Adviser to the Governor of Ondo State on Administration and Policy Planning, a post he has held since 2017.

Jones obtained his first degree in Political Science and a second degree in Public Administration. He also obtained a post-graduate diploma in financial management and was professionally trained at the prestigious Royal Institute of Public Administration, London and London Institute of Management.

OBA ALAYELUWA GEORGE BABATUNDE FADUYILE, ADEGUN II

Director

Oba Alayeluwa George Babatunde Faduyile, Adegun II, The Abodi of Ikale land.

He had his Primary and Modern School education in Okitipupa and was professionally trained as a teacher at St. Augustine's Teachers Training College, Ikere Ekiti, and St. Peter's Teachers Training College, Akure, before proceeding to obtain a bachelor's degree at the University of Ibadan, Nigeria's premier university.

Oba Adegun II was traditionally installed as the Abodi of Ikale land on 24th December 1997 and was officially confirmed on 2nd February 1998.

EMMANUEL OLUWOLE FASALEJO

Director

Emmanuel Oluwole Fasalejo is an extraordinary scholar passionate about raising leaders from grassroots through sound education. He has played both Teacher and Fatherly roles to many prominent names that have emerged from Ekiti and Ondo states.

After his primary and secondary education, he was trained as a teacher at the former Ondo State College of Education, Ikere-Ekiti and obtained a first degree from the reputable University of Nigeria, Nsukka, Nsukka, Enugu State. He commenced his career as a teacher at Moribodo College, Ilutitun, in 1985 and has subsequently impacted students with his vocational excellence in and out of the classroom at Erinje Grammar School, Ode-Erinje, Ogundubja Grammar School, Omotosho Grammar School, Methodist High School and Ilaje Grammar School.

He currently serves at Ikoya Grammar School, Ikoya.

OLATUNJOYE HENRY GBENGA

Alternate Director

Olatujoye Henry Gbenga is an agribusiness veteran with specialty in Oil Palm production and consultancy. He is the Managing Director, Palmfield Development & Processing Ltd.

His National Diploma (ND) and Higher National Diploma (HND), both in Agricultural Engineering, and MBA, form the foundation stone of his vocational excellence.

Engr. Gbenga cut his teeth with Araromi Ayesan Oil Plam Plc, Araromi Obu, as personal assistant to the Managing Director in 1996. He also served as Administrative Manager and was later promoted to the position of Mill Manager before joining A & Hatman Estates Ltd, Benin, as Mill Engineering Manager in 2000. He also served as the Acting Chief Executive between August 2011 and March 2012. In February 27 2018 he was appointed as the Alternate Director to The Abodi Of Ikaleland

HIGH CHIEF AROWOJOLU STEPHEN OLAMIDELE

Alternate Director to Mr. Adekunle Olatubora

High Chief Arowojolu Stephen Olamidele was born into the Royal Home of Alagwe Dynasty Mahin in Ilaje Local Government Area on 1st October 1956.

He received primary education at Methodist Primary school, Ode-Erinje between 1965 & 1970 then proceeded to Stella Maris College, Okitipupa, for his secondary education between 1972-1976. He had his tertiary education at University of Ife, (now Obafemi Awolowo University) Ikere Ekiti campus, from 1979-1982 where he studied Biology and Chemistry.

An educationist par excellence, he taught Biology and Chemistry at various secondary schools at Okitipupa and Ilaje Local Government Areas until he retired at Ogundubuja High school, Okitipupa on 1st October, 2016.

He served on the Board of Directors, Okitipupa Oil Palm (OOP) PLC between 1989-2004. He is appointed to fill the casual vacancy on the board following the demise of Mr. Benjamin Adekunle Olatubora whom he represented as an alternate director on the board.

MANAGEMENT TEAM
of the Okitipupa Oil Palm Plc

Taiwo Adewole
Chief Executive Officer

Tai Ajayi-Dahunsi
Chief Finance Officer

Fasawe Adetula
Agric Coordinator

Engr Olamigoke Akinwunmi I
Engineering Services Manager

Joseph Adekunle A
Audit/Internal Control Manager

Olagunju Olakunle
Special Assistant to C.E.O.

Kolawole Omotunde
Asst. Chief Security Officer

Ogunsakin Akintomide
Legal Officer

CHAIRMAN'S STATEMENT

to the Shareholders of Okitipupa Oil Palm Plc

Distinguished shareholders, ladies and gentlemen, it is my great pleasure to welcome you all to the 19th to 30th Annual General Meeting (AGM) of our company taking place in Ikeja, the Lagos State. It is therefore with great honour that I present to you the Rreports and financial statements of our company for the years ended 31st December 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015,2016, 2017, 2018 and 2019.

Arriving at this point was not an easy task as it took several efforts and interventions of men of good will and I will like to acknowledge our own dear Governor Arakunrin Oluwarotimi Odunayo Akeredolu SAN. We also acknowledge the contributions and support of our respected Corporate leader Chief Olusegun Oshunkeye former Chairman, Nestle Nigeria PLC for availing us of his wealth of experience and time in navigating through the challenging times.

YEAR 2008 TO 2018

Your company has been through several experiences that had created so much instability in the management of the company with no focused leadership. Our company was mismanaged to the extent that it could not meet its obligations was overwhelmed with a myriad of litigation over unpaid obligations. Consequently, the company was under receivership between 2008 and 2011. The debt was paid off by the intervention of two of the shareholders; Estaport Farms Ltd, Ondo State Investment Holdings Company Limited and the Ondo State Government, who jointly facilitated the pay off of the indebtedness to Guaranty Trust Bank Plc, which at the time was negotiated to **₦120,000,000,00** (One Hundred and Twenty Million Naira Only).

During the course of the annual general meeting, I urge you to approve the effort of the said shareholders to pay off the debt which at the time was necessary in order save the company from total collapse.

In the years from 2012 to 2018 the Ondo State Government took control of the management of the company resulting in several litigation by representatives of the shareholders based on the illegality of government actions

It is sad to note and report that having saved the company from the clutches of the receiver, Ondo State Government forcefully took over the management of the company when it unilaterally sacked the acting chief executive officer Mr Henry Olatujoye without the knowledge and consent of the Board of Directors, in flagrant contempt of the perpetual injunction against the state government in Ologunleko and others vs Military Administrator of Ondo State (1996) and contrary to the provisions of the laws of the Federal Republic of Nigeria.

The Board met a few times in order to get the State Government to rescind the illegal act. However, the State Government being recalcitrant to calls to rescind its illegal act put in place an illegal management team and appointed one Engineer Niyi Ogunwa (Oboli) as its Managing Director supported by one Mr. Femi Adeyehun as the General Manager, and Rotimi Balogun as community relations officer. These men were taking instructions from officers of Ondo State Ministry of Commerce and Industries Akure for the day-to-day activities of the company, an act clearly against the provisions of the extant laws of the Federal Republic of Nigeria.

The illegal act of then Ondo State Government officials in the management of the affairs of the Company compelled some of the directors of the company to approach the courts for redress in order to allow the Board to be solely responsible for the policy making and management of the company.
A suit challenging the action of Ondo State Government was filed in suit no FHC/AK/CS/18/12 in Okitipupa Oil Palm Plc and others vs Attorney General of Ondo State and others. This suit has been sustained in the legal system and has gone up to the Supreme Court and is still pending.

At this juncture we are happy to report that upon the advent of the administration of Arakunrin Oluwarotimi Odunayo Akeredolu SAN, the governor of Ondo State, he looked into the impasse in the company and declared that government interference in the management of the company must stop. He thus encouraged dialogue between the stakeholders in the company to ease out the illegal management of Engineer Niyi Ogunwa and his team.

It is on this note that I am happy to inform you that there is a new stride to the affairs of your company and all hands must be set to the plough to pull us out of the mire clay in order to bring your company back to life.

The Financial Statements for the period 2008 to 2010 and for the period 2011-2018 as well as that of 2019 are being presented herewith in order to comply with the provisions of the laws of the Federal Republic of Nigeria. However, we hereby issue a caveat and state that the financial statements for the said period 2008 and 2017 are based on the records from the receiver manager and the illegal management for which this Board will not be held responsible, as the report captures the period when the Board did not sit over the affairs of the company due to the suit challenging the illegal management in the company and the interference of the Ondo State government in the management of same.

It is my prayer that the sordid years of unnecessary government interference in the management of the company has become a thing of the past and the success stories of industry competitors which we earnestly and enviously yearn for shall be a yearly achievement of your company henceforth.

THE OPERATING ENVIRONMENT

Since the return to democracy in 1999 both the Federal Government and the State Government had tried to make the development of Agriculture a cardinal focus of their economic programs. This has brought along with it the determination to reorder our national attitude and priorities by moving away from being an import dependent economy to what can best be described as self- reliant and self- sustaining economy. The policy drive of both the Federal Government of Nigeria and Ondo State Government are aimed at creating sustainable wealth that will lead to massive job creation, reduction of unemployment and total eradication of poverty in our dear Sunshine State. Though, the current administration has done extensive work on infrastructural development, more effort is required to create the enabling environment for the real sector to grow. The current effort of the Central Bank of Nigeria (CBN) to provide adequate funding for the agricultural sector is a welcome development which should be a change catalyst for the ultimate turnaround of our company. These efforts however are heavily confronted by the height of insecurity occasioned by the menace of Boko Haram insurgency that has crept into our national life as well as the devastating effect of the Covid-19 global pandemic that has affected every sphere of human life including businesses.

THE OIL PALM INDUSTRY

Until recently, majority of the investment in the industry has been by the Federal and State Governments mainly in the southern part of the country because of the conducive climatic conditions there for oil palm development. The industry is bound to benefit tremendously from the privatization policies of the Federal and State Governments. If these policies are sustained, the industry will enjoy more investments from the private sector. The many uses of oil palm products, whether as industrial raw materials or for domestic consumption, are welcome developments. Your company is on its way back to becoming a major player in the oil palm sector globally.

OUR PERFORMANCE

Your company recorded a turnover of =N=281,179,000.00 (Two Hundred and Eighty- One Million, One Hundred and Seventy- Nine Thousand Naira) in 2019 compared to =N=272,107,000(Two Hundred and Seventy- Two Million One Hundred and Seven Thousand Naira) in 2018, a marginal 7% increase in revenue. In the same period your company made a profit- after- tax in the sum of =N=3,554,000.00 (Three Million Five Hundred and Fifty- Four Thousand Naira) in 2019 against a loss of (=N=68,707,000.00) (Sixty-Eight Million, Seven Hundred and Seven Thousand Naira) in 2018. However, this is as a result of the various strategies undertaken to re-position the company which significant impact will only begin to show in year 2020 business operations when the company is expected to return to significant profitability. These achievements made so far are traceable to the policies put in place by the Board, effective resource management and commitment of the new management team of the company. In order to sustain these encouraging growth trends, an entirely new and effectively tested strategy has been developed and technologies deployed to completely rescue the company's plantations from the claws of unauthorized persons who had been exploiting them without let or hindrance for over 2 decades. The successful implementation of these will increase the exploitable plantation resources, increase the profits through effective cost control and also maintain a respectable and sustainable growth.

DIVIDEND

Due to the accumulated losses of previous years as earlier mentioned and the huge indebtedness that has accumulated for several years which we are now working to pay off, your directors are not in a position to recommend a dividend to members for the period under review. However, we believe that as from year 2020 and with the successful restructuring and remodeling of the operations of the company the directors are of the opinion that the company will be in a position to return to sustainable profitability.

OUR PEOPLE

The Board has taken far reaching decisions towards attracting the best skilled workers and to train them in the overall interest of the company. This is as a result of the identified skill capacity gap in the Company as well as the remodeling of its operational strategy. The Board considers training and system upgrade as a critical part of the business recovery process.

FUTURE OUTLOOK

The company is strategically looking at its full resuscitation plan in 5(five) re-developmental phases. These phases include but not limited to the following;

1. full plantation repossession and rehabilitation phase,
2. recapitalization phase through the injection of fresh capital by way of CORE INVESTOR SALE EXERCISE,
3. development of nursery and breeding facilities as well as the development of our existing 5,800 hectares of a new Greenfield,
4. the redevelopment phase involving the replanting of existing 9000 hectares of brownfield,
5. the resuscitation and restoration and upgrade of our existing 40 metric tonnes per hour mill at the company headquarters and the 4.5 metric tonnes per hour mill at Ipoke as well as the development of refining capacities for the company.

CONCLUSION

Distinguished shareholders of Okitipupa Oil Palm PLC, your company is on the way back to being a key player in the Nigerian agribusiness sector. Your investment must yield rewards, given the strong path of restructuring and growth that have been carved out by the board and the management that will run the business in the next few years. It is imperative that the shareholders get their just rewards for their worthy investment and continue to hold the board responsible for all action in the company.

I thank you all for your continued support and the trust you have in us as directors to re-position the company and deliver good returns henceforth.

A.M. Osomo

Hon. Chief {Mrs } Alice Mobolaji Osomo
Chairman
FRC/2020/3/00000025784

DIRECTORS' REPORT

For the year ended 31st December, 2019

The Directors are pleased to present their annual report together with the audited financial statements of the Company for the year ended 31st December, 2019.

1. Principal Activities:

The principal activities of the Company are the development of oil palm plantations, palm oil milling, palm kernel processing and vegetable oil refining. The products of the Company are: refined bleached and deodorized palm oil, palm olein, palm stearin, palm fatty acid distillate, palm kernel oil (crude and refined) and palm kernel cake.

2. Review of Operations:

Items	2019	2018
	N'000	N'000
Revenue	281,179	272,107
Profit/(Loss) before Tax	(65,918)	(68,707)
Profit/(Loss) after Tax	3,554	(68,707)

3. Dividend:

In respect of the current year, no dividend was recommended for payment.

4. Directors:

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

S/N	Names	Designation
1	Hon. Chief [Mrs] Alice M. Osomo	Chairman
2	Mr. Akinboye Oyewumi	Director
3	Mr. Lateef A. Bakare	Director
4	Adewale Osomo Esq.	Director
5	Mr. Jones Ogunmusire	Director
6	Prince Kayode Aroloye	Director
7	Chief John Akinleye	Director
8	Oba G.B. Faduyile	Director
9	Sen. Victor Ndoma Egba OFR, CON, SAN	Director
10	Mr. Adekunle Olatubora (died on 10th October, 2019)	Director
11	Mr. Emmanuel Fasalejo	Director
12	High Chief Stephen O. Arowojolu (appointed w.e.f 29th November, 2019)	Director
13	Chief Henry Olatujoye (alternate to Oba G. B. Faduyile)	Alternate Director

ATTENDNACE AT BOARD OF DIRECTORS MEETINGS FOR THE YEAR 2019

S/N	NAME	MEETING DATE 21 JAN. 2019	MEETING DATE 20 & 21 MAY. 2019	MEETING DATE 28 NOV. 2019	TOTAL ATTENDNANCE	Percentage %
1.	Hon. Chief (Mrs) A.M. Osomo	✔	✔	✔	3 MEETINGS	100%
2.	Mr. Akinboye Oyewumi	✔	✔	✔	3 MEETINGS	60%
3.	Chief John Akinleye	-	-	-	-	-
4.	Mr. Lateef A. Bakare	✔	✔	✔	3 MEETINGS	100%
5.	Sen Victor Ndoma-Egba, SAN	-	-	-	-	-
6.	Prince Kayode Aroloye	✔	✔	✔	3 MEETINGS	100%

S/N	NAME	MEETING DATE 21 JAN. 2019	MEETING DATE 20 & 21 MAY. 2019	MEETING DATE 28 NOV. 2019	TOTAL ATTENDNANCE	Percentage %
7.	High Chief Arowojolu Stephen	√	√	√	3 MEETINGS	100%
8.	Mr. Emmanuel Fasalejo	X	√	√	2 MEETINGS	67%
9.	Mr. Jones Ogunmusire	X	√	√	2 MEETINGS	67%
10.	Mr. Adewale Osomo	√	√	√	3 MEETINGS	100%
11.	Chief Henry Olatujoye (Alt to Oba G.B. Faduyile)	√	√	√	3 MEETINGS	100%
12.	Mr. Taiwo Adewole (CEO) - ND	√	√	√	3 MEETINGS	100%

means present X means absent ND means Not a Director

BOARD COMMITTEE: FINANCE & STRATEGY

s/n	Names	Position	Dates 28/5/2019	26/11/2019
1.	Mr. Lateef A. Bakare	Chairman	√	√
2.	Mr. Akinboye Oyewumi	Director	√	√
3.	Chief Henry Olatunjoye	Director	√	√
4.	Chief John Akinleye	Director	-	-

BOARD COMMITTEE: HUMAN RESOURCES & GENERAL PURPOSE

s/n	Names	Position	No Meeting
1.	Mr. Jones Ogunmusire	Chairman	
2.	Mr. Adewale Osomo	Director	
3.	Prince Kayode Aroloye	Director	

BOARD COMMITTEE: OPERATIONS (AGRIC & TECHNICAL)

s/n	Names	Position	No Meeting
1.	Prince Kayode Aroloye	Chairman	
2.	Mr. Adewale Osomo	Director	
3.	High Chief S.O. Arowojolu	Alt. Director	

BOARD COMMITTEE: COMMUNITY AND SECURITY

s/n	Names	Position	No Meeting
1.	Prince Kayode Aroloye	Chairman	
2.	Mr. Jones Ogunmusire	Director	
3.	High Chief S.O. Arowojolu	Alt. Director	
4.	Chief Henry Olatunjoye	Alt. Director	

BOARD COMMITTEE: AUDIT COMMITTEE

s/n	Names	Position	date 9/12/2019
1.	Sen. Ademuyiwa Anthony Adeniyi	Chairman	√
2.	H.E. Surveyor Abiodun Aluko	Member	√
3.	Mr. Tolu Fadahunsi	Member	√
4.	Mr. Adewale Osomo	Member	√
5.	Mr. Akinboye Oyewumi	Member	√
6.	Chief John Akinleye	Member	-

5 Directors' interest in shares

The interest of each current director in the issued share capital of the company as recorded in the register of members and/or notified by the Directors for the purpose of Section 275 of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, and disclosed in accordance with Section 342 of the said Act, is as follows:

S/N	Names	As at 31 December, 2018		
		Number of Shares		
		Direct N.	Indirect N	Total N
1	Hon. Chief [Mrs.] Alice M Osomo	1,200	34,214,546	34,215,746
2	Mr. Akinboye Oyewunmi		28,573,479	28,573,479
3	Senator Victor Ndoma-Egba OFR, CON, SAN			
4	Mr. Adewale Osomo Esq.	57,020		57,020
5	Mr. Jones Ogunmusire			
6	Chief John Akinleye	220,000		220,000
7	Mr Lateef A. Bakare			
8	Prince Kayode Aroloye			
9	Oba G.B. Faduyile	2,000		2,000
10	Mr. Adekunle Olatubora			
11	Mr. Emmanuel Oluwole Fasalejo			
12	High Chief Stephen O. Arowojolu			
13	Chief Henry Olatujoye			

6 Shareholding and Substantial Shareholders

The issued and fully paid-up Share Capital of the Company is 96,000,000 Ordinary Shares of 50 kobo each.

The following Shareholders held 5% and above of the issued share capital of the company as at 31st December, 2019.

S/N	SHAREHOLDER	NO. OF SHARES	%
1	ESTAPORT FARMS LTD	34,214,546	35.64
2	ONDO STATE INVESTMENTS HOLDINGS LIMITED	28,573,479	29.76

The shareholding analysis as at December 31, 2019 is shown below.

Range of Shareholding	Number of Shareholders	Number of Ordinary shares	% Shareholding
1 - 1000	10,735	4,220,228	4.40
1,001 - 5,000	3,741	6,901, 476	7.19
5,001 - 10,000	351	2,388,442	2.48
10,001 - 50,000	273	4,846,864	5.05
50,001 - 100,000	36	2,526,641	2.63
100,001 - 500,000	26	4,849,406	5.05
500,001 - 1,000,000	2	1,359,000	1.42
Above 1,000,000	4	68,907,943	71.78

7 Statement of directors' responsibilities

The Directors accept responsibility for the preparation of the annual financial statements set out on pages …. that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, 2011.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria 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.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

8 Property, plant and equipment

Information relating to changes in property, plant and equipment is given in Note 12 to the Financial Statements.

9 Employees and Employment

(a) Employment of physically-challenged persons

The company is an equal opportunity employer and does not discriminate on any grounds. Thus, we provide employment opportunities to physically-challenged persons. However, this actually goes beyond the need to ensure that there is no discrimination against such persons, but driven by a deep conviction that even in disability, there could be immense ability.

(b) Employee involvement and training

In today's competitive business landscape, human capability has been found to be a key factor for corporate success. The critical challenge towards continuous performance improvement remains the capability and speed of response to changes in the business environment through people development. Thus, a drive in the right direction for employees' development is imperative for sustainable superior company performance. We must not only enable employees to perform in their day-to-day jobs, but must unlock their potentials and make it possible for them to unleash energy to achieve business goals. Continuous training and upgrading of skills at all levels of the Company is therefore the key to achieving a meaningful competitive advantage and long-term business success.

(c) Health, Safety and Welfare

The Company takes the health, safety and welfare of its employees very seriously, with a strong conviction that a healthy workforce will always be highly productive and will deliver superior performances at all times. Consequently, there are on-site clinics manned by qualified medical personnel in all our oil milling locations that provide primary health care round the clock for employees at work. Furthermore, top health care providers have been carefully selected under a managed care scheme to look after the health care needs of employees and their dependants. We comply with relevant statutory provisions and regulations on health, safety and welfare matters as well as providing the education required to enable compliance by employees.

10 Conflict of Interests

The company recognises and respects the right of its employees to engage in external activities so long as these activities do not impair, interfere or conflict with the conscientious performance of their duties and do not involve damage to or misuse of the Company's name, trademarks, products, property, reputation, goodwill, confidential information or other resources. When an employee is engaged in carrying out a task on behalf of the Company and that employee has a factual or potential private interest in the outcome of the task, which is contrary to the best interests of the Company or is substantial enough to affect the employee's unbiased judgment, the Company expects the employee to disclose this as appropriate. Failure to comply with this policy will have serious career consequences for the employee. Okitipupa Oil Palm Plc maintains policies (for instance, on purchasing) that severely reduce the risk of harm to the Company due to a conflict of interest.

11 Corporate Governance

The company adopts a responsible attitude towards corporate governance. The Board is in support of the Code of Corporate Governance for Public Companies in Nigeria ("the Code") released by the Securities & Exchange Commission in 2018. The Board will endeavour to ensure that the Company is in compliance with the provisions of the Code at all times.

(a) The Board of Directors

Following the court judgment in Estaport Farms Limited v Okitipupa Oil Palm Plc in suit No FHC/AK/79/2004, wherein the board was to comprise directors from the various blocs of shareholders and stake holders as follows, Estaport Farms Limited (3 directors), Ondo State Holding Investment Limited (3 directors), the general public (3 directors), the host communities (2 directors), and the position of one Managing Director, the Board of Directors is composed of twelve (12) Directors, comprising 11 Non-Executive Directors & 1 M.D. However, for the current Board no substantive position of the Managing Director exists. The Chief Executive Officer of the Company is the General Manager.

The Board is inter alia, responsible for supervising the conduct of business of the management as well as the general course of affairs in the Company as well as responsible for assessing the Company's corporate strategy and general policy; the development of the Company's financial position; the Company's risk management and other systems; the Company's organizational structure; and the Company's social policy.

12 Events after the End of the Reporting Period

There were no material events that occurred after the end of the reporting period.

13 Donations

There was no donation during the year under review.

14 Research & Development

The activities of the company did not necessitate any expenditure on research and development during the year under review.

15 Related parties transactions

During the year ended 31st December, 2019, the company had related parties' transactions with the following:

i. Estaport Farms Limited –
   a. Hiring of tractor and chainsaw.

ii. Osborne laws –
   a. Company Secretarial and Legal Services

iii. Mr. Lateef Bakare –
   a. Indirectly through the provision of Security Services through Around "D" Clock Security Company Limited.

16 Subsequent events

There are no significant subsequent events, which could have had a material effect on the state of affairs of the Company as at 31st December, 2019 that have not been adequately provided for or disclosed in the financial statements.

17 Contingent Liabilities

The management is of the opinion that the total claims in respect of pending legal matters are not expected to be of any significant value and we cannot find any evidence to the contrary.

18 Independent Auditors

Messrs Abioye Abdul-Razaq & Co. served as the Independent Auditors during the year under review. In accordance with Section 357(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, the Auditors have indicated their willingness to continue in office as Independent Auditors to the Company.

By the order of the board

Yusuf Adeleke Esq
FRC/2014/NBA/00000007279
Company Secretary
Dated this 14th day of April 2021

ABIOYE ABDUL-RAZAQ & CO.
CHARTERED ACCOUNTANTS
2nd Floor, Rear Wing, 3113, Agege Motor Road, Beside GTBank Plc
Olorunsogo, Mushin, Lagos. P/ O/ Box 8127, Ikeja, Lagos
Email: bioye21@hotmaul.com, abioyeabdulrazaq@yahoo.com
Tel: 08033333045, 08025829330

To the Shareholders of Okitipupa Oil Palm Plc
We have audited the accompanying Financial Statements of Okitipupa Oil Palm Plc for the Financial year ended 31st December, 2019, which comprise the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and a summary of Significant Accounting Policies and other explanatory notes.

Directors' Responsibility for the Financial Statements
The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards, Financial Reporting Council of Nigeria Act No. 6, 2011 and the Companies and Allied Matters Act, 2019. These responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Statements that are free from material mis-statements whether due to fraud or error, selecting and applying appropriate Accounting Policies and making Accounting estimates that are reasonable in their circumstances.

Auditors' Responsibility
Our responsibility is to express an independent opinion on the Financial Statements based on our Audit. We conducted our audit in accordance with the International Standards on Auditing (ISA). Those Standards require that we comply with ethical requirements, plan and perform our Audit to obtain reasonable assurance that the Financial Statements are free from material mis-statements.

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 mis-statements of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 opinion.

Opinion
In our opinion, the Financial Statements gives a true and fair view of the state of affairs of the Company's financial position as at 31st December, 2019, its financial performance and Statement of Cash Flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria Act. No. 6, 2011 and Companies and Allied Matters Act, 2019.

INDEPENDENT AUDITOR'S REPORT

For the year ended 31st December, 2019

Report on other legal requirements

The Companies and Allied Matters Act, CAP C20 LFN, 2004 requires that in carrying out our audit, we consider and report to you 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; and
iii. The Company's statement of financial position and profit and loss and other comprehensive income statement are in agreement with the books of account.

Abioye Abdulrazaq
FRC/2015/ICAN/00000013380
Abioye Abdulrazaq & Co.

Lagos, Nigeria
27th April, 2021

Managing Partner: A. O. S. ABIOYE ACA, ACTI, ACS. ACIB. AMNIM, MBA

REPORT OF THE AUDIT COMMITTEE

For the year ended 31st December, 2019

To the members of the OKITIPUPA OUL PALM PLC

In compliance with the provisions of Section 404 (6) of the Company and Allied Matters Act, the members of the Audit Committee reviewd the financial statements of the company for the year ended 31st December 2019 and report as follows:

1. The scope and planning of the audit requirements and found same to be adequate.
2. The explanations obtained on the FInancial Statements for the year ended 31st December 2019 are satisfatory.
3. The external auditors' management letter for the year ended 31st December 2019 and are satisfied that the Management is taking appropriate steps to address the observations raised therein.
4. The accounting and reporting policies for the year ended 31st December 2019 arein accordance with the legal requirements and agreed ethical practices.
5. The external auditors confirmed to have received full cooperation from the Company's Management and that the scope of work was not restricted in any way.

SENATOR ANTHONY ADEMUYIWA ADENIYI
CHAIRMAN, STATUTORY AUDIT COMMITTEE
MARCH 29, 2021

MEMBERS OF THE STATUTORY AUDIT COMMITTEE

Sen. Anthony Adeniyi	Shareholder	Chairman
HE Surveyor Abiodun Aluko	Shareholder	Member
Mr. Akinboye Oyewumi	Director	Member
Mr. Adewale Osomo	Director	Member
Mr. Tolu Fadahunsi	Shareholder	Member
Chief John Akinleye	Director	Member

STATEMENT OF PROFIT AND LOSS & OTHER COMPREHENSIVE INCOME

For the year ended 31st December 2019

	Note	31 Dec.19 N'000	31 Dec.18 N'000
Revenue	6	281,179	272,107
Cost of Sales	7	(211,144)	(105,266)
Gross Profit		**70,035**	**166,841**
Selling, general & Admin. Exp.	8	(139,294)	(237,064)
Other Operating Income	9	12,469	2,330
Operating Profit/ (Loss)		**(56,791)**	**(67,893)**
Financial Income		-	1,016
Financial Expenses	10	(9,127)	(1,830)
Operating result before Tax		**(65,918)**	**(68,707)**
Income Tax Expenses	11	69,472	-
Operating result for the period		**3,554**	**(68,707)**
Other Comprehensive Income:			
Changes in revaluation Surplus		-	-
Gains & losses on re-measuring available for sale financial assets		-	-
Total Comprehensive income for the year.		**3,554**	**(68,707)**

The notes on pages 27 to 46 form an integral part of these financial statements.

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December 2019

	Note	31 Dec.19 N'000	31 Dec.18 N'000
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	11	122,478	81,052
Biological Assets	12	382,501	379,996
Deferred Tax Asset	13	87,709	18,237
Other Deferred Assets/Investments	14	80,050	50
		672,738	**479,335**
CURRENT ASSETS			
Inventories	15	1,200	516
Trade receivables	16	-	-
Other receivables	17	28,212	30,277
Cash and cash equivalents	18	1,665	1,917
		31,078	**32,711**
TOTAL ASSETS		**703,816**	**512,046**
EQUITY AND LIABILITIES			
Equity			
Share Capital	19	48,000	48,000
Share Premium	20	9,368	9,368
Deposit for shares		134,000	134,000
Retained Earnings	21	(173,398)	(126,618)
		(17,970)	**(64,750)**

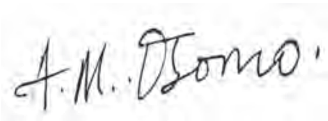
Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

STATEMENT OF FINANCIAL POSITION (..contd)

For the year ended 31st December 2019

	Note	31 Dec.19 N'000	31 Dec.18 N'000
Non-Current Liabilities			
Deferred Tax Liabilities		-	-
Financial Liabilities	22	12,442	6,271
Current Liabilities			
Other Trade payable	24	627,505	377,639
Financial liabilities	23	37,292	54,778
Tax Payable	13	8,608	8,608
		673,405	**441,025**
TOTAL LIABILITIES		**685,405**	**447,296**
TOTAL EQUITY AND LIABILITIES		**703,816**	**512,046**

Approved by the Board of Directors on the 14th of April, 2021 and signed on its behalf by:



Chief [Mrs.] Alice M. Osomo
Chairman
FRC/2020/3/00000025784

Mr.Taiwo Adewole
CEO
FRC/2020/03/00000021511

Mr. Tai Ajayi Dahunsi
Chief Finance Officer
FRC/2020/001/00000021936

The notes on pages 27 to 46 form an integral part of these financial statements.

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2019

	Issued Share Capital N'000	Share Premium N'000	Deposit for Shares N'000	Retained Earnings N'000	Total equity N'000
At 1st January, 2019	48,000	9,368	134,000	(126,617)	64,751
Prior-Year Adjustments	-	-	-	(50,334)	(50,334)
Total Comprehensive income	-	-	-	3,554	3,554
At 31 December 2019	48,000	9,368	134,000	(173,398)	17,970
For the year ended 31 December 2018					
At 1st January, 2018	48,000	9,368	134,000	(228,830)	(37,462)
Adjustments				(46,900)	(46,900)
Loan written off by ODSG				217,820	217,820
Total Comprehensive income	-	-	-	(68,709)	(68,709)
Dividend	-	-	-	-	-
At 31st December, 2018	48,000	9,368	134,000	(126,617)	64,750

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

STATEMENT OF CASH FLOWS

For the year ended 31st December 2019

	2019 N'000	2018 N'000
Cash Flows from Operating Activities		
Profit after taxation	3,554	(68,709)
Adjustments:		
Depreciation & Amortization	3,554	25,546
Changes in Assets and Liabilities		
Decrease/(increase) in Inventory	(684)	8,013
Decrease/(increase) in trade and other receivables	2,065	(2,203)
Decrease/(increase) in other non-current assets	(69,472)	-
Increase/(decrease) in financial liabilities	(11,315)	(208,855)
Increase/(decrease) in trade and other payable	249,866	99,703
Increase/(decrease) in other current liabilities	-	-
Increase/(decrease) in Tax	-	1,154
Net cash provided by operating activities	**219,475**	**(146,505)**
Cash flows from Investing Activities		
Acquisition of PPE & Biological assets	(92,693)	142,477
Changes in Other non-Current assets	3,300	-
Net cash used in Investing activities	(80,000)	-
Cash flows from Investing Activities		
Acquisition of PPE & Biological Assets	(92,693)	142,477
Disposal of PPE	3,300	-
Changes in Other non-Current assets	(80,000)	-
Net cash used in investing activities	(169,393)	142,477
Cash flows from Financing Activities		
Shareholders' equity		
Prior-Year Adjustments	(50,334)	-
Net cash used in financing activities	(50,334)	-
Net increase/(decrease) in cash and cash equivalents	(252)	(4,027)
Cash and cash equivalents as at January 1	1,917	5,945
Cash and cash equivalents as at December 31	1,666	1,917

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

1. General Information:

Okitipupa Oil Palm PLC was incorporated as a limited liability company on the 17th day of May, 1976 to take over the Okitipupa Oil Palm Project under the management of the Nigerian Joint Agency Limited. In 1980, the company was brought under the supervision of the Governor's Office. In May 1987, the Ondo State Investment (Holding) Company Limited was established and vested with all the State Government's interest in Okitipupa Oil Palm Company Limited. The company became Public Liability Company in year 1993

Okitipupa Oil Palm Plc was established to carry on the business of palm tree plantation developments, cultivators, growers of other related crops and to treat, process, prepare, render, market, buy, sell, and dispose of such products in either raw or manufactured state and any product or by-product derived therefrom. The Products of the company include: Palm Oil, Palm Kernel, .Ashes, Brown Soap; and Other agro-allied products.

2. Basis of Preparation

(a) Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and adopted by the Financial Reporting Council of Nigeria (FRC). Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

The Financial Statements were authorized for issue by the Board of Directors of Okitipupa Oil Palm Plc on ………………………………

(b) Basis of Measurement

The principal accounting policies applied in the preparation of the above financial statements are set out below. The financial statements have been prepared on the basis of the historical cost price method. Any exceptions to the historical cost price method are disclosed in the valuation rules described hereafter (such as biological assets).

(c) Functional and presentation currency

These Financial Statements are presented in Nigerian Naira which is the Company's functional currency. Except otherwise indicated, financial information presented in Nigerian Naira has been rounded up to the nearest thousand.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.1 Application of new and revised International Financial Reporting Standards (IFRSs)

2.1.1 Amendments to IFRSs that are mandatorily effective for periods beginning on or after 1st January, 2019.

New Standards and Interpretations Adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1st January, 2019 and have not been applied in preparing these financial statements. Those which are relevant to the Company and have been applied in preparing these financial statements are as stated in Note 3.

New standards and interpretations not yet adopted

A number of new standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however the company has not early adopted the new or amended standards in preparing these financial statements.

Following amended standards and interpretations are not expected to have a significant impact on the company's financial statements.

IFRS 17: Insurance Contracts

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market rates and the impact of policyholders' options and guarantees.

The standard is effective for annual reporting periods beginning on or after 1 January 2021, with early application permitted. It is applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied. An exposure drafts Amendments to IFRS 17 addresses concerns and implementation challenges that were identified after IFRS 17 was published. One of the main changes proposed is the deferral of the date of initial application of IFRS 17 by one year to annual periods beginning on or after 1 January 2022. For the purpose of the transition requirements, the date of initial application is the start if the annual reporting period in which the entity first applies the standard and the transition date is the beginning of the period immediately preceding the date of initial application.

IFRS 10 and IAS 28 (amendments) Sale or Contributions of Assets between and Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognized in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture. The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted.

Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use
The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognizes such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories. The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes. If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost. The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented. The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current
The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

Reference to the Conceptual Framework – Amendments to IFRS 3
In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately. At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or Loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The company will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter.
As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Company.

IAS 41 Agriculture – Taxation in fair value measurements
As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IAS 41 Agriculture. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41. An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022 with earlier adoption permitted. The amendments are not expected to have a material impact on the Company.

3. Summary of Significant Accounting Policies

(a) Foreign currency transactions

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognized in the income statement part of the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

(b) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.
Expenditure on research activities is recognised as an expense in the period in which it is incurred.
An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it.
- The ability to use or sell the intangible asset; how the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(c) Biological Assets

Produce growing on bearer Plants.

Produce growing on bearer Plants are measured at fair value (IAS 41).
Biological assets comprise the land and associated natural assets situated on such. These are recognised at the fair value according to an internal valuation model. This model is based on the discounted cash flow method (DCF).

The main variables in these models concern:
- Production volumes
- Selling price
- Cost price
- Discount rate

A biological asset or agricultural produce is only recognised when it controls the asset as a result of past events, when it is probable that future economic benefits associated with the asset will flow to the Company and when the fair value or cost of the asset can be measured reliably.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated selling costs and from the change in fair value less estimated selling costs of a biological asset is included in net profit or loss in the period in which it arises.

(d) Property, Plant & Equipment
Items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their cost, less accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period. Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Unless revised due to specific changes in the estimated useful life, annual depreciation rates are as follows:

Buildings:	5%
Mill Machinery & Equipment:	10%
Furniture, Fittings & Equipment:	20%
Tools	20%
Light Vehicles & Lorries:	25%
Tractors & Trailers:	20%
Agricultural Equipment	20%
Nursery Equipment	12.5%
Water Supply	12.5%
Power Supply Equipment	20%
Bearer Plants	5%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(e) Leases
Assets held under finance leases are initially recognised as assets of the company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a financial liability.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(f) Impairment of Assets
At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash- generating units for which a reasonable and consistent allocation basis can be identified. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash- generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash- generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(g) Financial Assets
Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash, and others) are measured at amortised cost using the effective interest method, less any impairment.
Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets measured at amortised cost, 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, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(h) Inventories
Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average cost basis.

The stock finished products (including biological assets after harvest) are valued by adding production cost to the fair value of the biological asset concerned.

Inventories are written down on a case-by-case basis if the estimated net realizable value declines below the carrying amount of the inventories. Net realizable value is the estimated selling price less the estimated costs necessary to make the sale. When the reason for a write- down of the inventories has ceased to exist, the write-down is reversed.

(i) Cash and Cash Equivalents
Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.
For the purpose of the statements of cash flows, cash and cash equivalents includes cash on hand and deposits held at call or short term maturity with banks (three months or less), net of bank overdrafts. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet.

(j) Shareholders' Equity
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(k) Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is reasonably certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(l) Retirement benefits and other long-term employees' benefits
Employee benefits mainly concern:
- Retirement benefits: pension plans, termination benefits, other retirement obligations and supplemental benefits;
- Other long-term employee benefits: long-service benefits granted to employees according to their seniority in the Group;
- Other employee benefits: post-employment medical care.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Actuarial gains and losses are recognised immediately in profit or loss. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service cost, and as reduced by the fair value of plan assets.

Any asset resulting from this calculation is limited to unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

(m) Financial Liabilities
Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified as either "financial liabilities at fair value through profit or loss" or "other financial liabilities".

The Company does not hold any financial liabilities at fair value through profit or loss.
Other financial liabilities (including borrowings) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(n) Government Grants
Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(o) Income Taxes
Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (e.g. differences between carrying amounts under IFRS and the statutory tax bases). Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(p) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue from rendering services is based on the stage of completion determined by reference to services performed to date as a percentage of total services to be performed.

Interest income is recognized using the effective interest rate method. Dividends are recognized when the right to receive payment is established.

(q) Borrowing Costs

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. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. Financial Risk Management

(a) Introduction

Risk Management is essential to help ensure business sustainability thereby providing customers and the shareholders with a long-term value proposition.
Key elements of risk management are:

- Strong corporate governance including relevant and reliable management information and internal control processes;
- Ensuring significant and relevant skills and services are available consistently to the Company;
- Influencing the business and environment by being active participants in the relevant regulatory and business forums; and
- Keeping abreast of technology and consumer trends and investing capital and resources where required.

The overall Company focus within an appropriate risk framework is to give value to the customers through effective and efficient execution of transactions.

The board of directors acknowledges its responsibility for establishing, monitoring and communicating appropriate risk and control policies.

(b) Significant risks

The Company has exposure to significant risks which are categorised as follows:

i. Regulatory (capital adequacy, legal, accounting and taxation);
ii. Business environment (reputation and strategic);
iii. Operational (people, information technology and internal control processes);
iv. Market (equity prices, interest rate and currency); and
v. Liquidity

Detailed Discussion of significant risks

(i) Regulatory Risk

Regulatory risk is the risk arising from a change in regulations in any legal, taxation and accounting pronouncements or specific industry that pertains to the business of the Company. In order to manage this risk, the Company is an active participant in the agro allied industry and engages in discussions with policy makers and regulators.

Legal Risk

Legal risk is the risk that the Company will be exposed to contractual obligations which have not been provided for.

The Company has a policy of ensuring all contractual obligations are documented and appropriately evidenced to agreements with the relevant parties to the contract.

All significant contracted claims are reviewed by independent legal resources and amounts are provided for if there is consensus as to any possible exposure. At 31 December 2017, the directors are not aware of any significant obligation not provided for.

Taxation Risk

Taxation risk is the risk of suffering a loss, financial or otherwise, as a result of an incorrect interpretation and application of taxation legislation or due to the impact of new taxation legislation on existing products.
Taxation risk occurs in the following key areas:

- Transactional risk;
- Operational risk;
- Compliance risk; and
- Financial accounting risk.

Transactional Risk

The risk which concerns specific transactions entered into by the Company, including restructuring projects and reorganizations.

Operational Risk

The underlying risks of applying tax laws, regulations and decisions to the day-to-day business operations of the Company.

Compliance Risk

The risk associated with meeting the Company's statutory obligations.

Financial Accounting Risk

The risk relates to the inadequacy of proper internal controls over financial reporting, including tax provisioning.

In managing the Company's taxation risk, the Company tax policy is as follows:
The Company will fulfil its responsibilities under tax law in each of the jurisdictions in which it operates, whether in relation to compliance, planning or client service matters. Tax law includes all responsibilities which the Company may have in relation to Company taxes, personal taxes, capital gains taxes, indirect taxes and tax administration.

Compliance with this policy is aimed at ensuring that:

- All taxes due by the Company are correctly identified, calculated, paid and accounted for in accordance with the relevant tax legislation;
- The Company continually reviews its existing operations and planned operations in this context; and

The Company ensures that, where clients participate in Company products, these clients are either aware of the probable tax consequences, or are advised to consult with independent professionals to assess these consequences, or both.

The identification and management of tax risk is the primary objective of the Company tax function, and this objective is achieved through the application of a formulated tax risk approach, which measures the fulfilment of tax responsibilities against the specific requirements of each category of tax to which the Company is exposed, in the context of the various types of activities the Company conducts.

Accounting Risk
Accounting Risk is the risk that the Company fails to explain the current events of the business in the financial statements.
Accounting risk can arise from the failure of management to:

- Maintain proper books and records, accounting system and to have proper accounting policies.
- Establish proper internal accounting controls.
- Prepare periodic financial statements that reflect an accurate financial position; and
- Be transparent and fully disclose all important and relevant matters.

Measures to control accounting risk are the use of proper accounting systems, books and records based on proper accounting policies as well as the establishment of proper internal accounting controls. Proposed accounting changes are researched by accounting resources, and if required external resources, to identify and advise on any material impact on the Company. Financial statements are prepared in a transparent manner that fully discloses all important and relevant matters as well as accurately reflecting the financial position, results and cash flows of the Company.

(ii) Business Environment
Reputational Risk
Reputational Risk is the risk of loss caused by a decline in the reputation of the Company or any of its specific business units from the perspective of its stakeholders, shareholders, customers, staff, business partners or the general public.
Reputational risk can both cause and result from losses in all risk categories such as market or credit risk.

Strategic Risk
Strategic Risk is the risk of an unexpected negative change in the Company's value, arising from the adverse effect of executive decisions on both business strategies and their implementation.

This risk is a function of the compatibility between strategic goals, the business strategies developed to achieve those goals and the resources deployed to achieve those goals. Strategic risk also includes the ability of management to effectively analyse and react to external factors, which could impact the future direction of the relevant business units.

Company Risk identifies and assesses both those risks qualitatively as part of a quarterly evaluation. On the basis of this evaluation, Company risk creates an overview of local and global risks which also includes reputational risks, analyses the risk profile of the Company and regularly informs directors and management.

(iii) Operational Risk
Operational Risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

The initiation of all transactions and their administration is conducted on the foundation of segregation of duties that has been designed to ensure materially the completeness, accuracy and validity of all transactions. These controls are augmented by management and executive review of control accounts and systems, electronic and manual checks and controls, back-up facilities and contingency planning. The internal control systems and procedures are also subjected to regular internal audit reviews.

(iv) Market Risk
Market Risk includes asset-liability matching risk, currency risk, interest rate risk and equity price risk.
The Company is exposed to market risk through its financial assets and financial liabilities. The most important components of this risk are interest rate risk and market price risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements.

Interest Rate and Market Price Risk
These risks have very different impacts on the various categories of business used in the Company's Assets and Liabilities Management framework. Interest rate and market price risk have been discussed together since they interact on certain types of liabilities.

Interest Rate Risk
Interest rate risk is the risk that the value and cash flow of a financial instrument will fluctuate due to changes in market interest rates.

Equity Price Risk
Equity price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices.

Foreign Currency Risk
In respect of other monetary assets and liabilities held in currencies other than the Naira, the Company ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates, where necessary, to address short-term imbalances.

Credit Risk
Credit risk is the risk that one party to a financial instrument will cause a loss to the other party by failing to discharge an obligation.
Key areas where the Company is exposed to credit risk are:

- Certain classes of financial assets such as bonds, term deposits and cash and cash equivalent; and
- Certain accounts within trade and other receivables.

(v) Liquidity Risk
Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Company Treasury maintains flexibility in funding by keeping committed credit lines available.

Sensitivities
Management applies a number of sensitivity tests to the earnings of the Company to better understand the exposure to and importance of each of the main drivers of profitability.

IFRS 7 requires management to report on the changes in the net income after tax following "reasonable possible" changes in each of the factors to which the Company is exposed. Management has set the upside and downside movements for each factor at a level which represents the amount by which management believes that factor could reasonably change over the year following the valuation date. These opinions have been informed by an analysis of historical one year changes in those factors. The upper and lower limits have been set at the 75th and 25th percentiles of observed changes as these bound and interval which may be expected to contain 50% of the changes in the coming year. Management believes this represents in some sense what is "reasonably possible", though it is important to note that this opinion is based on past experience and the tested range is not sensitive to all the relevant information in the market at the reporting date.

Management has considered the impact of upside and downside movements in foreign exchange rates. In relation to these sensitivity:

* The earnings are sensitive to changes in both the shape and level of the yield curve.

Management has not considered changes in the shape of the yield curve due to several constraints although this may be reviewed in the following year.

Future rates of expense inflation, catastrophes and tax assumptions were considered but no sensitivities are presented as it is unlikely, in management's opinion that, these assumptions will change over the following year. It should be noted that each impact on profit after tax is shown individually for each sensitivity being changed, keeping all other assumptions constant. In practice this is unlikely to occur, as changes in some of the variables may be correlated.

5. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.
The following area are areas where key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Useful lives of property, plant and equipment
- Valuation of biological assets at fair value
- Post-employment benefits

6. Revenue

	2019 N'000	2018 N'000
Local Sales:		
Fresh fruit bunches	270,691	266,587
Palm oil	9,902	5,287
Palm kernel	570	205
Sludge	16	-
Other by-products	-	28
	281,179	272,107

7. Cost of Sales

	2019 N'000	2018 N'000
Staff Costs		
Harvesters' & Carriers' Wages	95,242	57,682
Production Bonus	-	576
	95,242	58,258

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

	2019 N'000	2018 N'000
Other Operational Costs		
Fuel & Lubricants	645	218
Repairs- Plants & Machinery	5	13
Repairs Gen. Sets-CHQ/Mills	980	683
Repairs & Maintenance - Estate Buildings	65	40
Repairs & Maintenance - Tractors & Trailers	197	1,052
Repair of Estate Roads	20	-
Repairs - Mill Equipment	48	52
Own Electricity Generation	2,481	4,763
Other Electrical Expenses	136	789
Laboratory Running Exp	89	-
Plant Running Expenses-Ipoke	945	608
Water and Electricity	47	-
Consumables-Mills	481	375
Mill Consumables- CHQ Local Mill	108	-
Safety& Protective Clothing-Mill	-	21
Printing/Stationeries-Mills	8	201
Consumables – Fish	-	85
Poultry feeds	-	8
Packing Materials	139	177
Herbicides	110	43
Plantation Upkeep	70	240
Harvesters' Tools Expenses	246	-
Manual Clearing of Plantation	130	2,936
Maintenance, Clearing & Sanitation	626	1,240
Pruning of Palm Trees	140	-
Contract Clearing of Plantation	-	2,194
FFB Evacuation & Recovery	2,279	313
Community/Public Relations-Plantations	4,115	2,290
Security Expenses - Plantations	69,088	17,307
Field Supervision/Estate Visitations	1,656	2,113
	84,853	**37,758**
Depreciation & Amortization Charges On:		
Operational Assets & Matured Plantations	31,050	9,251
Total Cost of Sales	**211,144**	**105,266**

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

8. Admin Espenses

	2019 N'000	2018 N'000
Staff Costs & Other Admin. Expenses		
Directors' Fees	-	36,000
Directors' Allowances & Other Expenses	42,058	33,326
Management fees	-	30,328
Staff Cost	51,130	24,918
Repairs & Maintenance	2,417	4,885
Advert, publicity & Subscription	1,703	795
Hotel & Travelling	8,963	13,690
Postages, Printing & Stationery	978	1,576
Office general expenses	2,259	2,117
Unsubstantiated Assets written-off	-	15,507
Security Expenses-Plantations	7,676	-
	117,185	**212,495**
Financial & Professional Charges		
Legal Expenses	2,503	1,241
Audit & Tax Fees	1,000	1,000
Company Secretarial Fees	-	740
Other Professional Fees & Expenses	4,195	5,292
Depreciation	14,412	16,296
	22,110	**24,569**
Total Admin. Expenses	**139,294**	**237,064**

9. Other operating Income:

	2019 N'000	2018 N'000
FFB Discovery	1,092	-
Registration Fees	655	-
Other Sundry Income	10,722	2,329
	12,469	**2,329**

10. Finance Cost

	2019 N'000	2018 N'000
Bank Interest & Charges	9,127	1,830

11. Property, Plant & Equipment

	Land	Buildings	Plant & Equipment	Motor Vehicles	Furniture & Fittings	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Deemed Cost						
At I January 2019	11,097	79,542	321,799	50,078	31,071	493,588
Additions	59,172	5,040	10,308	4,000	2,221	80,741
Revaluation	-	-	-	-	-	-
Disposal	-	-		(3,300)	-	3,300
At 31 December 2019	70,269	84,582	332,107	50,778	33,292	571,029
Depreciation:						
At I January 2019	-	51,369	289,395	45,820	25,951	412,536
Charged for the period	3,170	3,108	21,603	1,957	6,176	36,015
Disposal	-	-	-	-	-	-
At 31 December 2019	3,170	54,478	310,998	47,778	32,127	448,550
Carrying Amount:						
At 31 December 2019	67,099	30,105	21,109	3,000	1,166	122,478
At 31 December 2018	11,097	28,173	32,404	4,257	5,121	81,052

12. Biological Assets:

	2019	2018
	N'000	N'000
Cost		
At 1st January	534,049	368,132
Additions	11,952	16,886
Reclassification	-	149,030
Revaluation	-	-
Impairment	-	-
At 31st December	**546,001**	**534,049**
Amortization		
At 1st January	154,053	144,802
For the year	9,447	9,251
Impairment	-	-
At 31st December	**163,500**	**154,053**
Carrying Amount:		
At 31st December	**382,501**	**379,996**
At 1st January	379,996	223,330

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

13. Income Tax

13.1. Statement of profit or loss

	2019 N'000	2018 N'000
Current income tax:		
Income tax	-	-
Education tax	-	-
Adjustments in respect of current income tax of previous year(s)	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(69,472)	-
Income tax expense reported in the statement of profit or loss	**(69,472)**	**-**

The charge for taxation is based on the provisions of the Companies Income Tax Act, CAP C21, LFN 2004 and the Education Tax Act, CAP E4, LFN 2004.

13.2. Other Comprehensive Income

	2019 N'000	2018 N'000
Deferred tax related to items recognized in OCI during the year:		
Net gain on actuarial gains and losses	-	-

13.3. Statement of financial position

	2019 N'000	2018 N'000
Income tax payable		
At the beginning of the year	8,608	8,608
Tax paid	-	-
Income tax for the year	-	-
Education tax for the year	-	-
Adjustments in respect of current income tax of previous year(s)	-	-
At the end of the year	**8,608**	**8,608**

13.4. Deferred tax balances

	2019 N'000	2018 N'000
Deferred tax relates to the following recognized in statement of profit or loss and other comprehensive income:		
Property, plant and equipment	69,472	-
Unrealized exchange (gain)/loss	-	-
Defined benefit obligation	-	-
	69,472	-

	2019	2018
	N'000	N'000
Reflected in the statement of financial position as follows:		
Deferred tax assets	69,472	-
Deferred tax liabilities	-	-
Deferred tax asset/(liabilities) net	**69,472**	**-**

13.5. Reconciliation of Net Deferred Tax Asset

	2019	2018
	N'000	N'000
At the beginning of the year	18,237	18,237
Profit or loss	69,472	-
Other comprehensive income	-	-
At the end of the year	**87,709**	**18,237**

14. Other Deferred Assets/Investments

	2019	2018
	N'000	N'000
Everest Project (Core investor)	80,000	-
Investments	50	50
	80,050	**50**

15. Inventories:

	2019	2018
	N'000	N'000
Supplies	1,200	516
Finished goods	-	-
	1,200	**516**

16. Trade Receivables

	2019	2018
	N'000	N'000
Trade Receivables	-	-
Less: Allow. For doubtful accounts	-	-
Trade Receivables - Net	**-**	**-**

17. Other Receivables:

	2019	2018
	N'000	N'000
Staff Loans and advances	487	2,552
Sundry debtors	27,725	27,725
	28,212	**30,277**

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

18. Cash & Cash equivalents

	2019 N'000	2018 N'000
Cash at Bank	1,338	1,565
Cash at hand	327	353
	1,665	**1,917**

19a. Authorized Share Capital

	2019 N'000	2018 N'000
100,000,000 ordinary share Capital of 50k each	**50,000**	**50,00**

19b. Fully Paid Share Capital

	2019 N'000	2018 N'000
96,000,000 ordinary shares of 50k each	**48,000**	**48,000**

20. Share Premium

	2019 N'000	2018 N'000
At 1st January	9,368	9,368
Additions	-	-
At 31st December	**9,368**	**9,368**

21. Retained Earnings

	2019 N'000	2018 N'000
At 1st January	(126,617)	(228,830)
Adjustments	(50,334)	(46,900)
Reserve as re-stated	(176,951)	(275,729)
Loan written off by ODSG	-	217,820
Retained profit for the year	3,554	(68,707)
Fair value gain	-	-
At 31st December	(173,398)	(126,617)

22. Financial Liabilities (Non-current)

	2019 N'000	2018 N'000
Loan from Creditors	12,442	6,271
	12,442	6,271

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

23. Financial Liabilities (Current)

	2019 N'000	2018 N'000
Bank overdrafts:		
Sterling Bank	6,084	6,184
Wema Bank Plc - Ore	16,000	26,600
Union Bank Plc - Irele	1	1
Unity Bank Plc	15,206	15,206
FBN Igbokoda	-	6,786
	37,292	**54,778**

24. Other Trade payable:

	2019 N'000	2018 N'000
Advances from Customers	46,147	37,404
Accruals	249,160	181,619
Sundry Creditors	332,199	158,617
	627,505	**377,639**

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

STATEMENT OF VALUE ADDED

For the year ended 31st December 2019

	2019 N'000	%	2019 N'000	%
Revenue	281,179		272,107	
Bought-in Materials	(158,605)		(188,438)	
	122,574		**83,669**	
Other Income	12,469		3,344	
Value added by operating activities.	**135,043**	**100%**	**87,015**	**100%**
Distribution of Value Added				
To Government as:				
Taxes and Levies	(69,472)	-51%	-	0
To Employees:				
Salaries, wages & fringe benefits	146,372	108%	128,346	104%
To Providers of finance:				
Financial costs	9,127	7%	1,830	1%
Retained in the business:				
Depreciation & Amortization	45,461	34%	25,546	21%
Retained Earnings	3,554	3%	(68,707)	-27%
Value Added	**135,043**	**100%**	**87,015**	**100%**

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

FINANCIAL SUMMARY

For the year ended 31st December 2019

	2019 N'000	2018 N'000	2017 N'000	2016 N'000	2015 N'000
Revenue	**281,179**	**272,107**	**260,905**	**193,494**	**154,639**
Results from operating activities	(56,791)	(67,894)	39,988	14,649	(27,811)
Profit before taxation	(65,918)	(68,709)	39,920	6,202	(27,815)
Profit for the year	3,553	(68,709)	38,599	13,859	(27,854)
Comprehensive income for the year	3,553	(68,709)	38,599	13,859	(27,854)
Employment of Funds					
Property, Plant and equipment	122,478	81,052	234,821	237,818	248,841
Biological assets	382,501	379,996	223,330	207,676	196,945
Deferred asset	87,709	18,237	18,237	18,237	18,237
Other non-current assets	80,050	50	50	50	50
Net current liabilities	(642,327)	(408,314)	(296,079)	(322,022)	(336,172)
Loans and borrowings	(12,442)	(6,271)	(217,820)	(217,820)	(217,820)
Net Assets	**17,970**	**64,750**	**(37,461)**	**(76,060)**	**(89,919)**
Funds Employed					
Share Capital	48,000	48,000	48,000	48,000	48,000
Share Premium	9,368	9,368	9,368	9,368	9,368
Deposit for shares	134,000	134,000	134,000	134,000	134,000
Retained Earnings	(173,398)	(126,618)	(228,829)	(267,428)	(281,287)
	17,970	64,750	(37,461)	(76,060)	(89,919)
Earnings Per Share	0.04	(0.72)	0.40	0.14	(0.29)

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

RC 17790

OKITIPUPA

OIL PALM PLC

2018

ANNUAL REPORTS & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2018

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Hon. Chief [Mrs.] Alice M Osomo	Chairman
Mr. Akinboye Oyewumi	Vice Chairman
Mr. Lateef A. Bakare	Director
Adewale Osomo Esq.	Director
Senator Victor Ndoma-Egba OFR, CON, SAN	Director
Prince Kayode Aroloye	Director
Mr. Jones Ogunmusire	Director
Alayeluwa Oba George B. Faduyile Adegun II	Director
Mr. Adekunle Olatubora	Director
High Chief Stephen O. Arowojolu	Alternate Director to Mr. Adekunle Olatubora
Mr. Emmanuel Fasalejo	Director
Chief Henry Olatujoye	Alternate Director

AG. COMPANY SECRETARY:
Osborne Laws
5, Oremeji Street
Ilupeju, Lagos.

REGISTRAR
GRDS Limited
274, Murtala Mohammed Way
Yaba, Lagos.

AUDITORS:
Abioye Abdul-Razaq & Co.
[Chartered Accountants]
2nd Floor, Rear wing, 313 Agege Motor Road,
Olorunsogo, Mushin, Lagos.

RC No.:
17790

REGISTERED & BUSINESS ADDRESS:
1, Marine Road
Okitipupa, Ondo State.

BANKERS:
First Bank of Nigeria Ltd
Sterling Bank Plc
Wema Bank Plc
Union Bank Plc
Keystone Bank
United Bank of Africa Plc
Polaris Bank Plc
Access Bank
First City Monument Bank
UnityBank
Ecobank Nigeria Ltd

2018 Annual Report Contents

DIRECTORS' REPORT

For the year ended 31st December, 2018

The Directors are pleased to present their annual report together with the audited financial statements of the Company for the year ended 31st December 2018.

1. Principal Activities

The principal activities of the Company are the development of oil palm plantations, palm oil milling, palm kernel processing and vegetable oil refining. The products of the Company are: refined bleached and deodorized palm oil, palm olein, palm stearin, palm fatty acid distillate, palm kernel oil (crude and refined) and palm kernel cake.

2. Review of Operations:

Items	2018	2017
	N'000	N'000
Revenue	272,107	260,905
Profit/(loss) before tax	(68.709)	39,919
Profit/(loss) after tax	(68.709)	38,599

3. Dividend

In respect of the current year, no dividend was recommended for payment.

4. Directors

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

S/N	Names	Designation
1	Hon. Chief [Mrs] Alice M. Osomo	Chairman
2	Mr. Akinboye Oyewumi	Vice Chairman
3	Mr Lateef Bakare	Director
4	Mr. Adewale Osomo	Director
5	Mr. Jones Ogunmusire	Director
6	Prince Kayode Aroloye	Director
7	Chief John Akinleye	Director
8	Sen. Victor Ndoma Egba OFR, CON, SAN	Director
9	Alayeluwa Oba George B. Faduyile	Director
10	Mr. Adekunle Olatubora	Director
11	Mr. Emmanuel Fasalejo	Director
12	High Chief Stephen O. Arowojolu	Alt. Director
13	Chief Henry Olatujoye {Alternate to Oba G.B. Faduyile}	Alt. Director

ATTENDANCE AT THE BOARD OF DIRECTORS MEETING FOR THE YEAR 2018

S/N	NAME	MEETING DATE 27 FEB. 2018	MEETING DATE 21 MAR. 2018	MEETING DATE 14 &15 MAY. 2018	MEETING DATE 15 & 16 NOV. 2018	MEETING DATE 14 DEC. 2018	TOTAL ATTENDNANCE	%age
1.	Hon. Chief (Mrs) A. M. Osomo	✔	✔	✔	✔	✔	5 MEETINGS	100%
2.	Mr. Akinboye Oyewumi		✔	✔	✔	X	3 MEETINGS	80%
3.	Chief John Akinleye	✔	✔	✔	✔	✔	5 MEETINGS	100%
4.	Mr. Lateef Bakare	✔	✔	✔	✔	✔	5 MEETINGS	100%
5.	Sen. Victor Ndoma-Egba OFR, SAN	-	-	✔	✔	✔	3 MEETINGS	100%

S/N	NAME	MEETING DATE 27 FEB. 2018	MEETING DATE 21 MAR. 2018	MEETING DATE 14 &15 MAY. 2018	MEETING DATE 15 & 16 NOV. 2018	MEETING DATE 14 DEC. 2018	TOTAL ATTENDNANCE	%age
6.	Prince Kayode Aroloye	✔	✔	✔	✔	✔	5 MEETINGS	100%
7.	Mr Jones Ogunmusire	✔	✔	✔	✔	✔	5 MEETINGS	100%
8.	Mr. Emmanuel Oluwole Fasalejo	✔	✔	✔	✔	✔	5 MEETINGS	100%
9.	HC Stephen O. Arowojolu (Alternate to Mr Adekunle Omotubora)	✔	✔	✔	✔	✔	5 MEETINGS	100%
10.	Mr. Adewale Osomo	✔	✔	X	✔	✔	5 MEETINGS	100%
11.	Chief Henry Olatujoye (Alternate to Oba G.B.Faduyile)	X	✔	✔	✔	X	4 MEETINGS	80%
12.	Taiwo Adewole (CEO)	✔	✔	✔	✔	✔	5 MEETINGS	100%
13.	Dr. A.B Alonge (Alternate)	✔	✔	✔	X	X	3 MEETINGS	60%
14.	Kayode Falomo (observer)	x	✔	✔	✔	X	3 MEETINGS	100%
15.	Chief Olusegun Osunkeye (observer)	✔	✔	x	X	X	2 MEETINGS	100%

✔ means present X means absent ND means Not a Director

BOARD COMMITTEE: FINANCE & STRATEGY

s/n	Names	Position	Dates 24/4/2018	8/5/2018	5/7/2018
1.	Mr. Lateef A. Bakare	Chairman	✔	✔	✔
2.	Mr. Akinboye Oyewumi	Director	✔	✔	✔
3.	Chief Henry Olatunjoye	Director	-	✔	✔
4.	Chief John Akinleye	Director	-	-	-

BOARD COMMITTEE: HUMAN RESOURCES & GENERAL PURPOSE

s/n	Names	Position	Dates 30/4/2018	29/5/2018	28/6/2018
1.	Mr. Jones Ogunmusire	Chairman	✔	✔	✔
2.	Mr. Adewale Osomo	Director	✔	✔	✔
3.	Prince Kayode Aroloye	Director	✔	✔	✔

BOARD COMMITTEE: OPERATIONS (AGRIC & TECHNICAL)

s/n	Names	Position	15/4/2018	Dates
1.	Prince Kayode Aroloye	Chairman	✔	✔
2.	Mr. Adewale Osomo	Director	✔	✔
3.	High Chief S.O. Arowojolu	Alt. Director	✔	✔

BOARD COMMITTEE: COMMUNITY AND SECURITY

s/n	Names	Position	Dates 12/4/2018	5/6/2018
1.	Prince Kayode Aroloye	Chairman	✓	✓
2.	Mr. Jones Ogunmusire	Director	✓	✓
3.	High Chief S.O. Arowojolu	Alt. Director	✓	✓
4.	Chief Henry Olatunjoye	Alt. Director	✓	✓

BOARD COMMITTEE: AUDIT COMMITTEE

S/N	NAMES	POSITION	DATE 12/11/2018
1.	Sen. Ademuyiwa Anthony Adeniyi	Chairman	✓
2.	H.E. Surveyor Abiodun Aluko	Member	✓
3.	Mr. Tolu Fadahunsi	Member	✓
4.	Mr. Adewale Osomo	Member	✓
5.	Mr. Akinboye Oyewumi	Member	✓
6.	Chief John Akinleye	Member	-

5. Directors' Interest in Shares

The interest of each current Director in the issued share capital of the Company as recorded in the Register of Members and/or notified by the Directors for the purpose of Section 275 of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, and disclosed in accordance with Section 342 of the said Act, is as follows:

S/N	Names	As at 31 December, 2018 Number of Shares Direct N.	Indirect N	Total N
1	Hon. Chief [Mrs] Alice M Osomo	1,200	34,214,546	34,215,746
2	Mr Akinboye Oyewumi		28,573,479	28,573,479
3	Mr Adewale Osomo	57,020	-	57,020
4	Mr. Lateef Bakare			
5	Mr. Jones Ogunmusire			
6	Chief John Akinleye	220,000		220,000
7	Prince Kayode Aroloye			
8	Sen. Victor Ndoma Egba			
9	Oba G.B.Faduyile	2,000		2000
10	Mr. Adekunle Olatubora			
11	Mr. Emmanuel Fasalejo			
12	High Chief Stephen O. Arowojolu (Alternate Director)			
13	Cheif Henry Olatunjoye (Alternate Director)			

6 **Shareholding and Substantial Shareholders**

The issued and fully paid-up Share Capital of the Company is 96,000,000 Ordinary Shares of 50 kobo each. The following Shareholders held 5% and above of the issued share capital of the company as at 31 December 2018.

S/N	SHAREHOLDER	NO. OF SHARES	%
1	ESTAPORT FARMS LTD	34,214,546	35.64
2	ONDO STATE INVESTMENTS HOLDINGS LIMITED	28,573,479	29.76

The shareholding analysis as at December 31, 2018 is shown below.

Range of Shareholding	Number of Shareholders	Number of Ordinary shares	% Shareholding
1 - 1000	10,735	4,220,228	4.40
1,001 - 5,000	3,741	6,901, 476	7.19
5,001 - 10,000	351	2,388,442	2.48
10,001 - 50,000	273	4,846,864	5.05
50,001 - 100,000	36	2,526,641	2.63
100,001 - 500,000	26	4,849,406	5.05
500,001 - 1,000,000	2	1,359,000	1.42
Above 1,000,000	4	68,907,943	71.78

7 **Statement of Directors; Responsibilities**

The Directors accept responsibility for the preparation of the annual financial statements set out on pages …. that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria CAMA 2020 and the Financial Reporting Council of Nigeria Act, 2011.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria 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.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

8 **Property, Plant and Equipment**

Information relating to changes in property, plant and equipment is given in Note 12 to the Financial Statements.

9 **Employees and Employment**

(a) Employment of Physically-Challenged Persons

The company is an equal opportunity employer and does not discriminate on any grounds. Thus, we provide employment opportunities to physically-challenged persons. However, this actually goes beyond the need to ensure that there is no discrimination against such persons, but driven by a deep conviction that even in disability, there could be immense ability.

(b) Employee Involvement and Training

In today's competitive business landscape, human capability has been found to be a key factor for corporate success. The critical challenge towards continuous performance improvement remains the capability and speed of response to changes in the business environment through people development. Thus, a drive in the right direction for employees' development is imperative for sustainable superior company performance. We must not only enable employees to perform in their day-to-day jobs, but must unlock their potentials and make it possible for them to unleash energy to achieve business goals. Continuous training and upgrading of skills at all levels of the Company is therefore the key to achieving a meaningful competitive advantage and long-term business success.

(c) Health, Safety and Welfare

The Company takes the health, safety and welfare of its employees very seriously, with a strong conviction that a healthy workforce will always be highly productive and will deliver superior performances at all times. Consequently, there are on-site clinics manned by qualified medical personnel in all our oil milling locations that provide primary health care round the clock for employees at work. Furthermore, top health care providers have been carefully selected under a managed care scheme to look after the health care needs of employees and their dependents. We comply with relevant statutory provisions on health, safety and welfare matters as well as providing the education required to enable compliance by employees.

10 Conflict of Interests

The company recognizes and respects the right of its employees to engage in external activities so long as these activities do not impair, interfere or conflict with the conscientious performance of their duties and do not involve damage to or misuse of the Company's name, trademarks, products, property, reputation, goodwill, confidential information or other resources. When an employee is engaged in carrying out a task on behalf of the Company and that employee has a factual or potential private interest in the outcome of the task, which is contrary to the best interests of the Company or is substantial enough to affect the employee's unbiased judgment, the Company expects the employee to disclose this as appropriate. Failure to comply with this policy will have serious career consequences for the employee. Okitipupa Oil Palm Plc maintains policies (for instance, on purchasing) that severely reduce the risk of harm to the Company due to a conflict of interest.

11 Corporate Governance

The company adopts a responsible attitude towards corporate governance. The Board is in support of the Code of Corporate Governance for Public Companies in Nigeria ("the Code") released by the Securities & Exchange Commission in 2011. The Board will endeavor to ensure that the Company is in compliance with the provisions of the Code at all times.

(a) The Board of Directors

The Board of Directors is made up of twelve (11) Non-Executive Directors, including the Chairman, and One (1) Executive Director. The Board has a formal guideline and process for appointment of persons as Directors.

The Board is inter alia, responsible for supervising the conduct of business of the management as well as the general course of affairs in the Company as well as responsible for assessing the Company's corporate strategy and general policy; the development of the Company's financial position; the Company's risk management and other systems; the Company's organizational structure; and the Company's social policy.

12 Events after the end of the reporting period

There were no material events that occurred after the end of the reporting period.

13 Donation

There was no donation during the year under review.

14 Research & Development

The activities of the company did not necessitate any expenditure on research and development during the year under review.

15 Related parties Transactions

During the year ended 31st December 2018, the company had related parties' transactions with the following:

a. Estaport Farms Limited - Loan Facilities.

b. Osborne Laws – Company Secretarial and Legal Services

16 Subsequent Events

There are no significant subsequent events, which could have had a material effect on the state of affairs of the Company as at 31st December 2018 that have not been adequately provided for or disclosed in the financial statements.

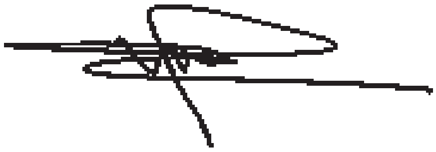
17 Contingent Liabilities

The management is of the opinion that the total claims in respect of pending legal matters are not expected to be of any significant value and we cannot find any evidence to the contrary.

18 Independent Auditors

Messrs. Abioye Abdul-Razaq & Co. served as the Independent Auditors during the year under review. In accordance with Section 357(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, the Auditors have indicated their willingness to continue in office as Independent Auditors to the Company.

By the order of the board



Yusuf Adeleke Esq
FRC/2014/NBA/00000007279
Osborne Laws
Ag. Company Secretary
Dated this 14th day of April 2021

ABIOYE ABDUL-RAZAQ & CO.
CHARTERED ACCOUNTANTS
2nd Floor, Rear Wing, 3113, Agege Motor Road, Beside GTBank Plc
Olorunsogo, Mushin, Lagos. P/ O/ Box 8127, Ikeja, Lagos
Email: bioye21@hotmaul.com, abioyeabdulrazaq@yahoo.com
Tel: 08033333045, 08025829330

To the Shareholders of Okitipupa Oil Palm Plc
We have audited the accompanying Financial Statements of Okitipupa Oil Palm Plc for the Financial year ended 31st December, 2018, which comprise the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and a summary of Significant Accounting Policies and other explanatory notes.

Responsibilities of the Directors for the Financial Statements
The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, CAP C20, LFN 2004. These responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Statements that are free from material mis-statements whether due to fraud or error, selecting and applying appropriate Accounting Policies and making Accounting estimates that are reasonable in their circumstances.

Auditors' Responsibility
Our responsibility is to express an opinion on these Financial Statements based on our Audit. The Audit was conducted in accordance with the International Standards on Auditing (ISA). Those Standards require that we comply with ethical requirements, plan and perform the Audit to obtain reasonable assurance as to whether the Financial Statements are free from material mis-statements. 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 mis-statements of the Financial Statements whether due to fraud or error. We planned and performed our Audit so as to obtain all the information and explanations which we considered necessary, in order to provide us with sufficient evidence to give a reasonable assurance that the Financial Statements are free from material mis-statements

Opinion
In our opinion, the Financial Statements gives a true and fair view of the state of affairs of the Company's financial position as at 31st December, 2018, its financial performance and Statement of Cash Flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria Act. No. 6, 2011 and Companies and Allied Matters Act, 2004.

Report on other legal requirements
The Companies and Allied Matters Act 2004 requires that in carrying out our audit, we consider and report to you 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 Accounts have been kept by the company; and
iii. The company's Statement of Financial Position and Profit and Loss and Other Comprehensive Income Statement are in agreement with the books of Account.

Lagos, Nigeria
25th August, 2020

Abioye Abdulrazaq
FRC/2015/ICAN/00000013380
Abioye Abdulrazaq & Co.

Managing Partner: A. O. S. ABIOYE ACA, ACTI, ACS. ACIB. AMNIM, MBA

REPORT OF THE AUDIT COMMITTEE

For the year ended 31st December, 2018

To the members of the OKITIPUPA OUL PALM PLC

In compliance with the provisions of Section 404 (6) of the Company and Allied Matters Act, the members of the Audit Committee reviewd the financial statements of the company for the year ended 31st December 2018 and report as follows:

1. The scope and planning of the audit requirements and found same to be adequate.
2. The explanations obtained on the FInancial Statements for the year ended 31st December 2018 are satisfatory.
3. Reviewed the external auditors' management letter for the year ended 31st December 2018 and are satisfied that the Management is taking appropriate steps to address the observations raised therein.
4. We have also ascertained that the accounting and reporting policies for the year ended 31st December 2018 arein accordance with the legal requirements and agreed ethical practices.
5. The external auditors confirmed to have received full cooperation from the Company's Management and that the scope of work was not restricted in any way.

SENATOR ANTHONY ADEMUYIWA ADENIYI
CHAIRMAN, STATUTORY AUDIT COMMITTEE
March 29, 2021

MEMBERS OF THE STATUTORY AUDIT COMMITTEE

Sen. Anthony Adeniyi	Shareholder	Chairman
HE Surveyor Abiodun Aluko	Shareholder	Member
Mr. Akinboye Oyewumi	Director	Member
Mr. Adewale Osomo	Director	Member
Mr. Tolu Fadahunsi	Shareholder	Member
Chief John Akinleye	Director	Member

STATEMENT OF PROFIT AND LOSS & OTHER COMPREHENSIVE INCOME

For the year ended 31st December 2018

	Note	31-Dec-18 N'000	31-Dec-17 N'000
Revenue	6	272,107	260,905
Cost of Sales	7	93,634	99,880
Gross Profit		**178,473**	**161,025**
Selling, general & Admin. Expenses	8	248,696	121,881
Other Operating Income	9	2,329	844
Operating Profit		**(67,894)**	**39,988**
Financial Income		1,015	-
Financial Expenses	10	1,830	69
Operating result before tax		**(68,709)**	**39,919**
Income tax expenses	11	-	1,321
Operating result for the period		**(68,709)**	**38,599**
Other Comprehensive Income:			
Changes in revaluation Surplus		-	-
Gains & losses on re-measuring available for sale financial assets		-	-
Total Comprehensive income for the year.		**(68,709)**	**38,599**

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

STATEMENT OF FINANCIAL POSITION

As at 31st December 2018

	Note	31-Dec-18	31-Dec-17
		N'000	N'000
ASSETS		**N'000**	**N'000**
Non-Current Assets			
Property, Plant and Equipment	12	81,052	234,821
Biological Assets	13	379,996	223,330
Deferred Assets		18,237	18,237
Other non-current assets		50	50
		479,335	476,438
Current Assets			
Inventories	14	516	8,529
Trade receivables	15	-	-
Other receivables	16	30,277	28,074
Cash and cash equivalents	17	1,917	5,945
		32,711	42,548
TOTAL ASSETS		**512,046**	**518,986**
Equity.			
Share Capital	18b	48,000	48,000
Share Premium	19	9,368	9,368
Deposit for shares		134,000	134,000
Retained Earnings	20	(126,618)	(228,829)
		64,750	(37,461)
Other Reserves		(213,890)	-
		(64,434)	(37,461)

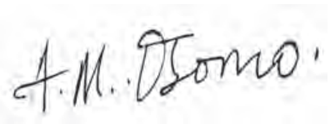
Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

STATEMENT OF FINANCIAL POSITION (..contd)

As at 31st December 2018

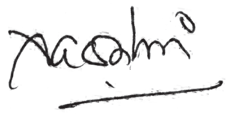
	Note	31-Dec-18 N'000	31-Dec-17 N'000
Non-Current Liabilities			
Deferred tax Liabilities			
Financial Liabilities	21	6,271	217,820
Current Liabilities			
Trade payables	22	63,298	16,371
Financial liabilities	23	54,778	52,083
Other trade payables	24	314,341	261,566
Tax Payable	25	8,608	8,608
		441,024	338,627
TOTAL LIABILITIES		447,295	556,447
TOTAL EQUITY AND LIABILITIES		**512,045**	**518,986**

Approved by the Board of Directors on the 14th of April, 2021 and signed on its behalf by:



Chief [Mrs.] Alice M. Osomo
Chairman
FRC/2020/3/00000025784

Mr.Taiwo Adewole
CEO
FRC/2020/03/00000021511



Mr. Tai Ajayi Dahunsi
Chief Finance Officer
FRC/2020/001/00000021936

The notes on pages 64 to 81 form an integral part of these financial statements.

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2018

	Issued Share Capital N'000	Share Premium N'000	Deposit for Shares N'000	Retained Earnings N'000	Other Reserves N'000	Total equity N'000
At 1 January 2018	48,000	9,368	134,000	(228,829)	(37,461)	(64,435)
Adjustments	-	-	-	(46,900)	(46,900)	(275,790)
Loan written off by ODSG				217,820	217,820	217,820
Total Comprehensive income	-	-	-	(68,709)	(68,709)	30,997
At 31 December 2018	48,000	9,368	134,000	(126,618)	64,750	(64,434)
For the year ended 31 December 2017						
At 1 January 2017	48,000	9,368	134,000	(267,428)	(76,060)	(76,060)
Total Comprehensive income	-	-	-	38,599	38,599	38,599
Dividend	-	-	-	-	-	-
At 31 December 2017	48,000	9,368	134,000	(228,829)	(37,461)	(37,461)

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

STATEMENT OF CASH FLOWS

For the year ended 31st December 2018

	31-Dec-18	31-Dec-17
	N'000	N'000
Cash flows operating activities		
Profit before taxation	(68,709)	39,920
Adjustments:		
Interest paid		
Depreciation & Amortization	25,546	26,108
Unrealized net gain/(loss) arising from fair value changes	-	-
Loss/(profit) on disposal of fixed assets	-	-
Changes in assets and Liabilities		
Decrease/(increase) in inventory	8,013	-
Decrease/(increase) in trade and other receivables	(2,203)	20
Decrease/(increase) in other current assets		
Increase/(decrease) in financial liabilities (current)	(208,855)	(2,546)
Increase/(decrease) in trade and other Payable	99,703	(24,730)
Increase/(decrease) in other current liabilities.	-	-
Tax Paid	-	-
Net cash provided by operating activities	**(146,505)**	**38,773**
Cash flows from Investing Activities		
Acquisition of PPE & Biological assets	142,477	(38,765)
Net cash used in Investing activities	142,477	(38,765)
Cash flows from Financing Activities		
Loan received/(repayment) during the year	-	-
Shareholders equity	-	-
Interest paid	-	-
Net cash used in financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(4,027)	8
Cash and cash equivalents at January	5,945	5,937
Cash and cash equivalents at December	**1,917**	**5,945**

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

1. General Information

Okitipupa Oil Palm PLC was incorporated as a limited liability company on the 17th day of May, 1976 to take over the Okitipupa Oil Palm Project under the management of the Nigeria Joint Agency Limited. In 1980 the company was brought under the supervision of the Governor's Office. In May 1987, the Ondo State Investment (Holding) Company Limited was established and vested with all the State Government's interest in Okitipupa Oil Palm Company Limited. The company became Public Liability Company in year 1993

Okitipupa Oil Palm Plc was established to carry on the business of palm tree plantation developments, cultivators, growers of other related crops and to treat, process, prepare, render marketable, buy, sell, and dispose of such products either raw or manufactured state and any product or by-product derived there from. The Products of the company include production of: .Palm Oil, .Palm Kernel, .Ashes, Brown Soap; and .Other agro-allied related products.

2. Basis of Preparation

(a) Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and adopted by the Financial Reporting Council of Nigeria (FRC). Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

The Financial Statements were authorized for issue by the Board of Directors of Okitipupa Oil Palm Plc on ………………………………

(b) Basis of Measurement

The principal accounting policies applied in the preparation of the above financial statements are set out below. The financial statements have been prepared on the basis of the historical cost price method. Any exceptions to the historical cost price method are disclosed in the valuation rules described hereafter (such as biological assets). The Biological assets and other assets of the company were revalued by the Directors as at 27 November 2018 and amounts involved have been incorporated in the Financial Statements.

(c) Functional and presentation currency

These Financial Statements are presented in Nigeria Naira which is the Company's functional currency. Except otherwise indicated, financial information presented in Nigeria Naira has been rounded to the nearest thousand.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.1. Application of new and revised International Financial Reporting Standards (IFRSs)

2.1.1 Amendments to IFRSs that are mandatorily effective for periods beginning on or after 1 January 2018.

New standards and interpretations adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1st January, 2018 and have not been applied in preparing these financial statements. Those which are relevant to the Company and have been applied in preparing these financial statements are as stated in Note 3.

New standards and interpretations not yet adopted

A number of new standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however the company has not early adopted the new or amended standards in preparing these financial statements.

Following amended standards and interpretations are not expected to have a significant impact on the company's financial statements.

IFRS 17: Insurance Contracts
IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market rates and the impact of policyholders' options and guarantees.

The standard is effective for annual reporting periods beginning on or after 1 January 2021, with early application permitted. It is applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied. An exposure drafts Amendments to IFRS 17 addresses concerns and implementation challenges that were identified after IFRS 17 was published. One of the main changes proposed is the deferral of the date of initial application of IFRS 17 by one year to annual periods beginning on or after 1 January 2022. For the purpose of the transition requirements, the date of initial application is the start if the annual reporting period in which the entity first applies the standard and the transition date is the beginning of the period immediately preceding the date of initial application.

IFRS 10 and IAS 28 (amendments) Sale or Contributions of Assets between and Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognized in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture. The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted.

Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use. The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognizes such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories. The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes. If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost. The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented. The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current
The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

Reference to the Conceptual Framework – Amendments to IFRS 3
In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately. At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or

Loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The company will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter
As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for de-recognition of financial liabilities
As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified

or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Company.

IAS 41 Agriculture – Taxation in fair value measurements
As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IAS 41 Agriculture. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41. An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022 with earlier adoption permitted. The amendments are not expected to have a material impact on the Company.

3. Summary of Significant Accounting Policies

(a) Foreign currency transactions

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognized in the income statement part of the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

(b) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it; the ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(c) Biological Assets

Produce growing on bearer Plants.
Produce growing on bearer Plants are measured at fair value (IAS 41).

Biological assets comprise the land and associated natural assets situated on such. These are recognised at the fair value according to an internal valuation model. This model is based on the discounted cash flow method (DCF). The main variables in these models concern:

- Production volumes
- Selling price
- Cost price
- Discount rate

A biological asset or agricultural produce is only recognised when it controls the asset as a result of past events, when it is probable that future economic benefits associated with the asset will flow to the Company and when the fair value or cost of the asset can be measured reliably.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated selling costs and from the change in fair value less estimated selling costs of a biological asset is included in net profit or loss in the period in which it arises

(d) Property, Plant & Equipment

Items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their cost, less accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Unless revised due to specific changes in the estimated useful life, annual depreciation rates are as follows:

Buildings:	5%
Mill Machinery & Equipment:	10%
Furniture, Fittings & Equipment:	20%
Tools	20%
Light Vehicles & Lorries:	25%
Tractors & Trailers:	20%
Agricultural equipment	20%
Nursery Equipment	12.5%
Water Supply	12.5%
Power supply Equipment	20%
Bearer Plants	5%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(e) Leases

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a financial liability.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(f) Impairment of Assets
At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash- generating units for which a reasonable and consistent allocation basis can be identified. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre- tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash- generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash- generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(g) Financial Assets
Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash, and others) are measured at amortised cost using the effective interest method, less any impairment.
Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an

increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.
For financial assets measured at amortised cost, 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, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(h) Inventories
Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average cost basis.

The stock finished products (including biological assets after harvest) are valued by adding production cost to the fair value of the biological asset concerned Inventories are written down on a case-by-case basis if the estimated net realizable value declines below the carrying amount of the inventories. Net realizable value is the estimated selling price less the estimated costs necessary to make the sale. When the reason for a write- down of the inventories has ceased to exist, the write-down is reversed.

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

For the purpose of the statements of cash flows, cash and cash equivalents includes cash on hand and deposits held at call or short term maturity with banks (three months or less), net of bank overdrafts. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet.

(j) Shareholders' Equity
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

(k) Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is reasonably certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(l) Retirement benefits and other long term employees' benefits
Employee benefits mainly concern:
- Retirement benefits: pension plans, termination benefits, other retirement obligations and supplemental benefits;
- Other long-term employee benefits: long-service benefits granted to employees according to their seniority in the Group;
- Other employee benefits: post-employment medical care.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Actuarial gains and losses are recognised immediately in profit or loss. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service cost, and as reduced by the fair value of plan assets.

Any asset resulting from this calculation is limited to unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

(m) Financial Liabilities

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified as either “financial liabilities at fair value through profit or loss” or “other financial liabilities”.

The Company does not hold any financial liabilities at fair value through profit or loss.
Other financial liabilities (including borrowings) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(n) Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(o) Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (e.g. differences between carrying amounts under IFRS and the statutory tax bases). Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(p) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue from rendering services is based on the stage of completion determined by reference to services performed to date as a percentage of total services to be performed.

Interest income is recognized using the effective interest rate method. Dividends are recognized when the right to receive payment is established.

(q) Borrowing Costs

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 capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

4. Financial Risk Management

(a) Introduction

Risk Management is essential to help ensure business sustainability thereby providing customers and the shareholders with a long-term value proposition.

Key elements of risk management are:

- Strong corporate governance including relevant and reliable management information and internal control processes;
- Ensuring significant and relevant skills and services are available consistently to the Company;
- Influencing the business and environment by being active participants in the relevant regulatory and business forums; and
- Keeping abreast of technology and consumer trends and investing capital and resources where required.

The overall Company focus within an appropriate risk framework is to give value to the customers through effective and efficient execution of transactions.

The board of directors acknowledges its responsibility for establishing, monitoring and communicating appropriate risk and control policies.

(b) Significant risks

The Company has exposure to significant risks which are categorized as follows:

i. Regulatory (capital adequacy, legal, accounting and taxation);
ii. Business environment (reputation and strategic);
iii. Operational (people, information technology and internal control processes);
iv. Market (equity prices, interest rate and currency); and
v. Liquidity

(c) Detailed Discussion of significant risks

Regulatory Risk

Regulatory risk is the risk arising from a change in regulations in any legal, taxation and accounting pronouncements or specific industry that pertains to the business of the Company. In order to manage this risk, the Company is an active participant in the agro allied industry and engages in discussions with policy makers and regulators.

Legal Risk

Legal risk is the risk that the Company will be exposed to contractual obligations which have not been provided for.

The Company has a policy of ensuring all contractual obligations are documented and appropriately evidenced to agreements with the relevant parties to the contract.

All significant contracted claims are reviewed by independent legal resources and amounts are provided for if there is consensus as to any possible exposure. At 31 December 2017, the directors are not aware of any significant obligation not provided for.

Taxation Risk

Taxation risk is the risk of suffering a loss, financial or otherwise, as a result of an incorrect interpretation and application of taxation legislation or due to the impact of new taxation legislation on existing products.
Taxation risk occurs in the following key areas:

- Transactional risk;
- Operational risk;
- Compliance risk; and
- Financial accounting risk.
- Transactional Risk

The risk which concerns specific transactions entered into by the Company, including restructuring projects and reorganizations.

Operational Risk

The underlying risks of applying tax laws, regulations and decisions to the day-to-day business operations of the Company.

Compliance Risk

The risk associated with meeting the Company's statutory obligations.

Financial Accounting Risk

The risk relates to the inadequacy of proper internal controls over financial reporting, including tax provisioning.
In managing the Company's taxation risk, the Company tax policy is as follows:

The Company will fulfill its responsibilities under tax law in each of the jurisdictions in which it operates, whether in relation to compliance, planning or client service matters. Tax law includes all responsibilities which the Company may have in relation to Company taxes, personal taxes, capital gains taxes, indirect taxes and tax administration.

Compliance with this policy is aimed at ensuring that:

- All taxes due by the Company are correctly identified, calculated, paid and accounted for in accordance with the relevant tax legislation;
- The Company continually reviews its existing operations and planned operations in this context; and
- The Company ensures that, where clients participate in Company products, these clients are either aware of the probably tax consequences, or are advised to consult with independent professionals to assess these consequences, or both.

The identification and management of tax risk is the primary objective of the Company tax function, and this objective is achieved through the application of a formulated tax risk approach, which measures the fulfilment of tax responsibilities against the specific requirements of each category of tax to which the Company is exposed, in the context of the various types of activities the Company conducts.

Accounting Risk

Accounting Risk is the risk that the Company fails to explain the current events of the business in the financial statements.

Accounting risk can arise from the failure of management to:

- Maintain proper books and records, accounting system and to have proper accounting policies;
- Establish proper internal accounting controls;
- Prepare periodic financial statements that reflect an accurate financial position; and
- Be transparent and fully disclose all important and relevant matters

Measures to control accounting risk are the use of proper accounting systems, books and records based on proper accounting policies as well as the establishment of proper internal accounting controls. Proposed accounting changes are researched by accounting resources, and if required external resources, to identify and advise on any material impact on the Company. Financial statements are prepared in a transparent manner that fully discloses all important and relevant matters as well as accurately reflecting the financial position, results and cash flows of the Company.

(ii) Business Environment

Reputational Risk

Reputational Risk is the risk of loss caused by a decline in the reputation of the Company or any of its specific business units from the perspective of its stakeholders, shareholders, customers, staff, business partners or the general public.

Reputational risk can both cause and result from losses in all risk categories such as market or credit risk.

Strategic Risk

Strategic Risk is the risk of an unexpected negative change in the Company value, arising from the adverse effect of executive decisions on both business strategies and their implementation.

This risk is a function of the compatibility between strategic goals, the business strategies developed to achieve those goals and the resources deployed to achieve those goals. Strategic risk also includes the ability of management to effectively analyses and react to external factors, which could impact the future direction of the relevant business units.

Company Risk identifies and assesses both those risks qualitatively as part of a quarterly evaluation. On the basis of this evaluation, Company risk creates an overview of local and global risks which also includes reputational risks, analyses the risk profile of the Company and regularly informs directors and management.

(iii) Operational Risk

Operational Risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

The initiation of all transactions and their administration is conducted on the foundation of segregation of duties that has been designed to ensure materially the completeness, accuracy and validity of all transactions. These controls are augmented by management and executive review of control accounts and systems, electronic and manual checks and controls, back-up facilities and contingency planning. The internal control systems and procedures are also subjected to regular internal audit reviews

(iv) Market Risk

Market Risk includes asset liability matching risk, currency risk, interest rate risk and equity price risk.
The Company is exposed to market risk through its financial assets and financial liabilities. The most important components of this risk are interest rate risk and market price risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements.
Interest Rate and Market Price Risk

These risks have very different impacts on the various categories of business used in the Company's Assets and Liabilities Management framework. Interest rate and market price risk have been discussed together since they interact on certain types of liabilities.

Interest Rate Risk

Interest rate risk is the risk that the value and cash flow of a financial instrument will fluctuate due to changes in market interest rates.

Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices.

Foreign Currency Risk

In respect of other monetary assets and liabilities held in currencies other than the Naira, the Company ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates, where necessary, to address short-term imbalances.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a loss to the other party by failing to discharge an obligation.

Key areas where the Company is exposed to credit risk are:

- Certain classes of financial assets such as bonds, term deposits and cash and cash equivalent; and
- Certain accounts within trade and other receivables.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Company Treasury maintains flexibility in funding by keeping committed credit lines available.

Sensitivities

Management applies a number of sensitivity tests to the earnings of the Company to better understand the exposure to and importance of each of the main drivers of profitability.

IFRS 7 requires management to report on the changes in the net income after tax following "reasonable possible" changes in each of the factors to which the Company is exposed. Management has set the upside and downside movements for each factor at a level which represents the amount by which management believes that factor could reasonably change over the year following the valuation date. These opinions have been informed by an analysis of historical one year changes in those factors. The upper and lower limits have been set at the 75th and 25th percentiles of observed changes as these bound and interval which may be expected to contain 50% of the changes in the coming year. Management believes this represents in some sense what is "reasonably possible", though it is important to note that this opinion is based on past experience and the tested range is not sensitive to all the relevant information in the market at the reporting date.

Management has considered the impact of upside and downside movements in foreign exchange rates. In relation to these sensitivity:

The earnings are sensitive to changes in both the shape and level of the yield curve.

Management has not considered changes in the shape of the yield curve due to several constraints although this may be reviewed in the following year. Future rates of expense inflation, catastrophes and tax assumptions were considered but no sensitivities are presented as it is unlikely, in management's opinion that, these assumptions will change over the following year.

It should be noted that each impact on profit after tax is shown individually for each sensitivity being changed, keeping all other assumptions constant. In practice this is unlikely to occur, as changes in some of the variables may be correlated.

Critical accounting judgements and key sources of estimation uncertainty In the application of the Company's accounting policies, which are described above, the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.
The following area are areas where key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Useful lives of property, plant and equipment
- Valuation of biological assets at fair value
- Post-employment benefits.

6. Revenue

	2018 N'000	2017 N'000
Local Sales:		
Fresh fruit bunches	266,587	260,905
Palm oil	5,287	-
Palm kernel	205	-
Other by-products	28	-
	272,107	260,905

7. Cost of Sales

	2018 N'000	2017 N'000
Mill processing, refinery & Packaging costs	3,733	2,078
Upkeep of mature trees, planting, harvesting & Laboratory expenses	16,801	15,365
Direct Harvesters' wages & expenses	73,100	82,437
	93,634	99,880

8. Admin Expenses

	2018 N'000	2017 N'000
Directors' Fees	36,000	-
Directors' Allowance & Expenses	33,326	-
Management Fees	30,328	-
Staff Cost	24,918	63,238
Gratuity on Retirement and Redundancy	49,352	
Repairs & Maintenance	4,885	5,192
Advert, publicity & Subscription	795	205
Hotel & Travelling	13,690	7,357
Postages, Printing & Stationeries	1,576	1,342
Legal & Other Prof. fees	7,273	11,629
Office general expenses	2,117	3,205
Audit fees	1,000	1,000
Depreciation	25,546	26,109
Electricity	2,381	2,604
Unsubstantiated Assets written off	15,507	-
	248,696	121,881

9. Other Operating Income

	2018 N'000	2017 N'000
Scraps sales	-	7
Other sundry income	2,329	837
	2,329	844

10. Finance Cost

	2018 N'000	2017 N'000
Bank Interest & charges	1,830	69

11. Income Tax Expense

	2018 N'000	2017 N'000
Company Income Tax	-	-
Education Tax	-	1,321
Deferred tax	-	-
	-	1,321

12. Property, Plant and Equipment

	Land N'000	Building N'000	Plant & Equipment N'000	Motor Vehicle N'000	Furniture & Fittings N'000	Total N'000
Deemed Cost						
At 1 January 2018	11,047	70,263	473,953	47,826	27,971	631,061
Additions	50	9,279	1,799	2,252	3,100	16,480
Reclassification			(149,030)			(149,030)
Revaluation						-
Disposal	-	-	(4,923)	-	-	(4,923)
At 31 December 2018	11,097	79,542	321,799	50,078	31,071	493,588
Depreciation						
At 1 January 2018	-	45,886	279,911	45,152	25,291	396,240
Charged for the period	-	5,483	9,485	669	659	16,296
Disposal	-	-	-	-	-	-
At 31 December 2018	-	51,369	289,395	45,820	25,951	412,536
Carrying Amount						
At 31 December 2018	11,097	28,173	32,404	4,257	5,121	81,052
At 31 December 2017	11,047	24,377	194,042	2,675	2,680	234,821

13. Biological Assets

	2018 N'000	2017 N'000
Cost		
Cost		
At 1 January	368,132	343,341
Additions	16,886	24,791
Reclassification	149,030	-
Revaluation	-	-
Impairment	-	-
At 31 December	534,049	368,132
Amortization		
At 1 January	144,802	135,665
For the year	9,251	9,138
Impairment	-	-
At 31 December	154,053	144,802
Carrying Amount:		
At 31 December	**379,996**	**223,330**
At 1 January	223,330	207,676

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

14. Inventories

	2018 N'000	2017 N'000
Supplies	516	5,377
Finished goods	-	3,152
	516	**8,529**

15. Trade Receivables

	2018 N'000	2017 N'000
Trade Receivables	-	-
Less: Allow. For doubtful accounts	-	-
Trade Receivables - Net	-	-

16. Other Receivables

	2018 N'000	2017 N'000
Staff Loans and advances	2,552	349
Sundry debtors	27,725	27,725
	30,277	**28,074**

17. Cash & Cash Equivalents

	2018 N'000	2017 N'000
Cash at Bank	1,565	3,376
Cash at hand	353	2,569
	1,917	**5,945**

18a. Authorized Share Capital

	2018 N'000	2017 N'000
100,000,000 ordinary share capital of 50k each	50,000	50,000

18b. Fully Paid Share Capital

	2018 N'000	2017 N'000
Fully Paid Share Capital:		
96,000,000 ordinary shares of 50k each	48,000	48,000

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

19. Share Premium

	2018 N'000	2017 N'000
At 1 January	9,368	9,368
Additions	-	-
At 31 December	9,386	9,386

20. Retained Earnings

	2018 N'000	2017 N'000
At 1 January	(228,829)	(267,428)
Adjustments	(46,900)	-
Reserve as re-stated	(275,729)	(267,428)
Loan written off by ODSG	217,820	-
Retained profit for the year	(68,709)	38,599
Fair value gain	-	-
At 31 December	(126,618)	(228,829)

21. Financial Liabilities

	2018 N'000	2017 N'000
Financial Liabilities:		
ODSG Loan	-	217,820
Bank Overdraft		-
Loan from Creditors	6,271	-
	6,271	217,820

The total amount of N217,820,000 provided by the Ondo State Government was written off vide a resolution adopted during the stakeholder meeting of 5th Feb., 2018. This has been incorporated in the above figures.

22. Trade Payable.

	2018 N'000	2017 N'000
Suppliers	63,298	16,371
	63,298	**16,371**

23. Financial Liabilities

Bank overdrafts:	2018 N'000	2017 N'000
Sterling Bank	6,184	6,184
Wema Bank Plc - Ore	26,600	26,600
Union Bank Plc - Irele	1	1
Unity Bank Plc	15,206	15,196
FBN Igbokoda	6,786	4,102
	54,778	**52,083**

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

24. Other Trade Payable

	2018 N'000	2017 N'000
Advances from Customers	37,404	84,216
Accruals	181,619	86,295
Sundry Creditors	95,318	91,055
	341,341	261,566

25. Tax Payable

	2018 N'000	2017 N'000
At 1 January	8,608	7,287
Provision for the year	-	1,321
Payment during the year	-	-
At 31 December	8,608	8,608

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

STATEMENT OF VALUE ADDED

For the year ended 31st December 2018

	31-Dec-18 N'000	%	31-Dec-17 N'000	%
Revenue	272,107		260,905	
Bought in Materials	188,437		49,977	
	83,669		210,928	
Other Income	3,344		844	
Value added by operating activities.	87,014	100%	211,772	100%
Distribution of Value Added				
To Government as:				
Taxes and Levies	-	0%	1,321	3%
To Employees:				
Salaries, wages & fringe benefits	128,346	148%	145,675	69%
To Providers of finance:				
Financial costs	1,830	2%	69	0.03%
Retained in the business:				
Depreciation & Amortisation.	25,546	29%	26,108	12%
Retained Earnings	(68,709)	-79%	38,599	16.0%
Value Added	87,014	100%	211,772	100%

Certain amounts in these Financial Statements have been re-stated to reflect the true situation of the company as at the Balance Sheet date.

RC 17790

OKITIPUPA
OIL PALM PLC

2017
ANNUAL REPORTS
& FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2017

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Adewale Osomo Esq.	Chairman
Mr. Segun Onayiga	Director
Hon. Chief [Mrs.] Alice M Osomo	Director
Chief Yele Ogundipe	Director
Elder Tayo Akinjomo	Director
Prof. Ige Bolodeoku	Director
John O. O Akinleye	Director
High Chief P. B. Sheile	Director
Mr. Igbasan Sunday	Director
Mr. Fasalejo E. O	Director
B. A Olatubora	Director

COMPANY SECRETARY:
Dele Oluwola Adaramaja

REGISTRAR
GRDS Limited
274, Murtala Mohammed Way
Yaba, Lagos.

AUDITORS:
Abioye Abdul-Razaq & Co.
[Chartered Accountants]
2nd Floor, Rear wing, 313 Agege Motor Road,
Olorunsogo, Mushin, Lagos.

RC No.:
17790

REGISTERED & BUSINESS ADDRESS:
1, Marine Road
Okitipupa, Ondo State.

BANKERS:
First Bank of Nigeria Ltd
Sterling Bank Plc
Wema Bank Plc
Union Bank Plc
Keystone Bank
United Bank of Africa Plc
Polaris Bank Plc
Access Bank
First City Monument Bank
UnityBank
Ecobank Nigeria Ltd

2017 Annual Report Contents

DIRECTORS' REPORT

For the year ended 31st December, 2017

The Directors are pleased to present their annual report together with the audited financial statements of the Company for the year ended 31st December 2017.

1. Principal Activities

The principal activities of the Company are the development of oil palm plantations, palm oil milling, palm kernel processing and vegetable oil refining. The products of the Company are: refined bleached and deodorized palm oil, palm olein, palm stearin, palm fatty acid distillate, palm kernel oil (crude and refined) and palm kernel cake.

2. Review of Operations

Items	2017 N'000	2016 N'000
Revenue	260,905	193,494
Profit/(Loss) before tax	39,920	14,649
Profit/(Loss) after tax	38,599	13,859

3. Dividend

In respect of the current year, no dividend was recommended for payment.

4. Directors

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

S/N	Names	Designation
1	Adewale Osomo	Chairman
2	High Chief P. B Sheile	Director
3	Mr. Igbasan Sunday	Director
4	John O. O Akinleye	Director
5	Hon. Chief [Mrs.] Alice M Osomo	Director
6	Mr. Segun Onayiga	Director
7	Prof. Ige Bolodeoku	Director
8	Chief Yele Ogundipe	Director
9	Elder Tayo Akinjomo	Director
10	B.A Olatubora	Director
11	Mr. Fasalejo E.O	Director

The Board of Directors Meeting for the year 2017

1	High Chief P. B Sheile
2	Mr. Igbasan Sunday
3	John O. O Akinleye
4	Adewale Osomo Esq
5	Hon. Chief [Mrs.] Alice M Osomo
6	Mr. Segun Onayiga
7	Prof. Ige Bolodeoku
8	Chief Yele Ogundipe
9	Elder Tayo Akinjomo
10	B.A Olatubora
11	Mr. Fasalejo E.O

Note: No Board meeetings were held as this was the time of the unauthorised management by Mr. Niyi Ogunwa and Mr. Femi Adeyehun.

5. Directors' Interest In Shares

The interest of each current Director in the issued share capital of the Company as recorded in the Register of Members and/or notified by the Directors for the purpose of Section 275 of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, and disclosed in accordance with Section 342 of the said Act, is as follows:

S/N	Names	As at 31 December 2017 No. of shares.
1	Adewale Osomo	57,020
2	High Chief P. B Sheile	
3	Mr. Igbasan Sunday	
4	John O. O Akinleye	220,000
5	Hon. Chief [Mrs.] Alice M Osomo	1,200
6	Mr. Segun Onayiga	
7	Prof. Ige Bolodeoku	
8	Chief Yele Ogundipe	
9	Elder Tayo Akinjomo	
10	B. A Olatubora	
11	Mr. Fasalejo E. O	

6. Shareholding and Substantial Shareholders

The issued and fully paid-up Share Capital of the Company is 96,000,000 Ordinary Shares of 50 kobo each. The following Shareholders held 5% and above of the issued share capital of the company as at 31 December 2017.

S/N	SHAREHOLDER	NO. OF SHARES	%
1	ESTAPORT FARMS LTD	34,214,546	35.64
2	ONDO STATE INVESTMENTS HOLDINGS LIMITED	28,573,479	29.76

The shareholding analysis as at December 31, 2017 is shown below.

Range of Shareholding	Number of Shareholders	Number of Ordinary shares	% Shareholding
1 - 1000	10,736	4,223,248	4.40
1,001 - 5,000	3,742	6,905,496	7.19
5,001 - 10,000	352	2,391,822	2.49
10,001 - 50,000	273	4,836,444	5.04
50,001 - 100,000	36	2,526,641	2.63
100,001 - 500,000	24	4,308,926	4.49
500,001 - 1,000,000	3	1,899,480	1.98
Above 1,000,000	4	68,907,943	71.78

7. Statement of Directors' Responsibilities

The Directors accept responsibility for the preparation of the annual financial statements set out on pages …. that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, 2011.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria 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.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

8. Property, Plant and Equipment

Information relating to changes in property, plant and equipment is given in Note 12 to the Financial Statements.

9. Employees and Employment

(a) Employment of Physically-Challenged Persons

The company is an equal opportunity employer and does not discriminate on any grounds. Thus, we provide employment opportunities to physically-challenged persons. However, this actually goes beyond the need to ensure that there is no discrimination against such persons, but driven by a deep conviction that even in disability, there could be immense ability.

(b) Employee Involvement and Training

In today's competitive business landscape, human capability has been found to be a key factor for corporate success. The critical challenge towards continuous performance improvement remains the capability and speed of response to changes in the business environment through people development. Thus, a drive in the right direction for employees' development is imperative for sustainable superior company performance. We must not only enable employees to perform in their day-to-day jobs, but must unlock their potentials and make it possible for them to unleash energy to achieve business goals.

Continuous training and upgrading of skills at all levels of the Company is therefore the key to achieving a meaningful competitive advantage and long-term business success.

(c) Health, Safety and Welfare

The Company takes the health, safety and welfare of its employees very seriously, with a strong conviction that a healthy workforce will always be highly productive and will deliver superior performances at all times. Consequently, there are on-site clinics manned by qualified medical personnel in all our oil milling locations that provide primary health care round the clock for employees at work. Furthermore, top health care providers have been carefully selected under a managed care scheme to look after the health care needs of employees and their dependant. We comply with relevant statutory provisions and regulations on health, safety and welfare matters as well as providing the education required to enable compliance by employees.

10. Conflict of Interests

The company recognizes and respects the right of its employees to engage in external activities so long as these activities do not impair, interfere or conflict with the conscientious performance of their duties and do not involve damage to or misuse of the Company's name, trademarks, products, property, reputation, goodwill, confidential information or other resources.

When an employee is engaged in carrying out a task on behalf of the Company and that employee has a factual or potential private interest in the outcome of the task, which is contrary to the best interests of the Company or is substantial enough to affect the employee's unbiased judgment, the Company expects the employee to disclose this as appropriate. Failure to comply with this policy will have serious career consequences for the employee. Okitipupa Oil Palm Plc maintains policies (for instance, on purchasing) that severely reduce the risk of harm to the Company due to a conflict of interest.

11. Corporate Governance

The company adopts a responsible attitude towards corporate governance. The Board is in support of the Code of Corporate Governance for Public Companies in Nigeria ("the Code") released by the Securities & Exchange Commission in 2011. The Board will endeavour to ensure that the Company is in compliance with the provisions of the Code at all times.

(a) The Board of Directors

The Board of Directors is made up of twelve (11) Non-Executive Directors, including the Chairman, and One (1) Executive Director. The Board has a formal guideline and process for appointment of persons as Directors. The Board is inter alia, responsible for supervising the conduct of business of the management as well as the general course of affairs in the Company as well as responsible for assessing the Company's corporate strategy and general policy; the development of the Company's financial position; the Company's risk management and other systems; the Company's organizational structure; and the Company's social policy.

12. Events after the End of the Reporting Period

There were no material events that occurred after the end of the reporting period.

13. Donations

There was no donation during the year under review.

14. Research & Development

The activities of the company did not necessitate any expenditure on research and development during the year under review.

15. Related parties transactions

As at the year ended 31st December 2017, the company has no related parties transactions.

16. Subsequent events

There are no significant subsequent events, which could have had a material effect on the state of affairs of the Company as at 31st December 2017 that have not been adequately provided for or disclosed in the financial statements.

17. Contingent Liabilities

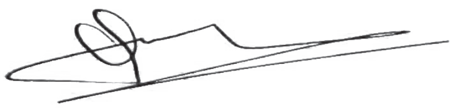
The management is of the opinion that the total claims in respect of pending legal matters are not expected to be of any significant value and we cannot find any evidence to the contrary.

18. Independent Auditors

Abioye Abdul-razaq & Co. served as the Independent Auditors during the year under review.

In accordance with Section 357(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, Abioye Abdul-razaq & Co. have indicated their willingness to continue in office as Independent Auditors to the Company.

By Order of the Board.



Dele Oluwole Adaramaja
Company Secretary/Legal Adviser

ABIOYE ABDUL-RAZAQ & CO.
CHARTERED ACCOUNTANTS

2nd Floor, Rear Wing, 3113, Agege Motor Road, Beside GTBank Plc
Olorunsogo, Mushin, Lagos. P/ O/ Box 8127, Ikeja, Lagos
Email: bioye21@hotmaul.com, abioyeabdulrazaq@yahoo.com
Tel: 08033333045, 08025829330

To the Shareholders of Okitipupa Oil Palm Plc

We have audited the accompanying financial statements of Okitipupa Oil Palm Plc which comprise the Statement of Financial Position as at 31st December, 2017, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the financial statements including a summary of Significant Accounting Policies set out on pages ……to ……..

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act, CAP C20, LFN 2004. These responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Statements that are free from material mis-statements whether due to fraud or error, selecting and applying appropriate Accounting Policies and making Accounting estimates that are reasonable in their circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our Audit. The Audit was conducted in accordance with the International Standards on Auditing (ISA). Those Standards require that we comply with ethical requirements, plan and perform the Audit to obtain reasonable assurance as to whether the Financial Statements are free from material mis-statements. 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 mis-statements of the Financial Statements whether due to fraud or error. We planned and performed our Audit so as to obtain all the information and explanations which we considered necessary, in order to provide us with sufficient evidence to give a reasonable assurance that the Financial Statements are free from material mis-statements.

Disclaimer of Opinion

We do not express an opinion on the accompanying financial statements of the company which comprise the Statement of Financial Position as at 31st December, 2017, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the financial statements including a summary of Significant Accounting Policies. This is as a result of the significance of the matters described in the Basis for Disclaimer of Opinion section of our Report. We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial position of the company as at 31st December, 2017, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing and the Companies and Allied Matters Act Cap C20, LFN 2004.

Basis for Disclaimer of Opinion

As at the date of issuing the audit opinion, we were unable to carry out audit procedures necessary to obtain adequate assurance regarding the balances of assets and liabilities presented in the Management Accounts. Relevant documents and explanations regarding these items were not provided in many instances. Thus, we could not perform necessary tests to confirm the existence or otherwise of the items which include: Fixed Assets, Cash & Bank Balances, Inventories and Payable. As a result of this matter, we were unable to form an opinion about whether the Statement of Financial Position as at 31st December, 2017 gives a true and fair view of the financial position of the Company, which opinion can serve as a basis for the audit of the financial statement for Year 2017. We were also unable to determine whether any further adjustments might have been necessary in respect of the elements making up the Statement of Financial Position as at 31st December, 2017, the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows. The financial effects of this matter were impracticable to quantify. There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the figures. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of Companies and Allied Matters Act CAP C20, LFN 2004, we expressly state that due to the basis of disclaimer opinion above:

- We have not obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- We have not obtained all the information and explanations which will allow us to conclude whether the Company has kept proper books of account, so far as appears from our examination of those books.
- We have not obtained all the information and explanations which will allow us to conclude whether or not the financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2017 and of its profit and cash flow for the year then ended.

Abioye Abdulrazaq
FRC/2015/ICAN/00000013380
Abioye Abdulrazaq & Co.

Lagos, Nigeria
25th August, 2020

Managing Partner: A. O. S. ABIOYE ACA, ACTI, ACS. ACIB. AMNIM, MBA

REPORT OF THE AUDIT COMMITTEE

For the year ended 31st December, 2017

To the members of the OKITIPUPA OUL PALM PLC

In compliance with the provisions of Section 359 (6) of the Company and Allied Matters Act Cap 20 LFN 2004, the members of the Audit Committee reviewd the financial statements of the company for the year ended 31st December 2017 and report as follows:

1. We reviewed the Financial Statements for the year ended 31st December 2017 and are not in a position to express our satisfaction on the position of its contents.
2. We were unable to review the External Auditors' management letter for the year ended 31st December 2017 as none was presented to us.
3. The External Auditors' reported that they have not received the expected cooperation from the Company's Management and have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an unqualified audit opinion on the financial position of the company as at 31st December 2017, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.
4. The External Auditors' report indicate a total absence of management accountability and consequently, we are not in a position to report on the scope, planning and conduct of the audit of the company's financial statements for the year ended 31st December 2017.

SENATOR ANTHONY ADEMUYIWA ADENIYI
CHAIRMAN, STATUTORY AUDIT COMMITTEE
DECEMBER 09, 2019

MEMBERS OF THE STATUTORY AUDIT COMMITTEE

Sen. Anthony Adeniyi	Shareholder	Chairman
HE Surveyor Abiodun Aluko	Shareholder	Member
Mr. Akinboye Oyewumi	Director	Member
Mr. Adewale Osomo	Director	Member
Mr. Tolu Fadahunsi	Shareholder	Member
Chief John Akinleye	Director	Member

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December 2017

	Note	31-Dec-17 N'000	31-Dec-16 N'000
Revenue	6	260,905	193,494
Cost of Sales	7	(99,880)	(84,829)
Gross Profit		161,025	108,665
Selling, general & Admin. Expenses	8	(121,880)	(94,065)
Other Operating Income	9	844	55
Operating Profit		39,988	14,655
Financial Income		-	-
Financial Expenses	10	(69)	(6)
Operating result before tax		39,920	14,649
Income tax expenses	11	(1,321)	(790)
Operating result for the period		38,599	13,859
Other Comprehensive Income:			
Changes in revaluation Surplus		-	-
Gains & losses on re-measuring available for sale financial assets		-	-
Total Comprehensive income for the year.		**38,599**	**13,859**

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December 2017

	Note	31-Dec-17	31-Dec-16
		N'000	N'000
ASSETS			
Non-Current assets			
Property, Plant and Equipment	12	234,821	237,819
Biological assets	13	223,330	207,676
Deferred asset		18,237	18,237
Other non-current assets		50	50
		476,438	463,782
CURRENT ASSETS			
Inventories	14	8,529	8,529
Trade receivables	15	-	-
Other receivables	16	28,074	28,094
Cash and cash equivalents	17	5,945	5,937
		42,548	42,560
TOTAL ASSETS		**518,986**	**506,342**
EQUITY AND LIABILITIES			
Equity.			
Share Capital	18b	48,000	48,000
Share Premium	19	9,368	9,368
Deposit for shares		134,000	134,000
Retained Earnings	20	(228,829)	(267,428)
Other reserves		-	-
		(37,461)	(76,060)

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December 2017

	Note	31-Dec-17 N'000	31-Dec-16 N'000
Non-Current Liabilities			
Deferred tax Liabilities			
Financial Liabilities	21	217,820	217,820
Current Liabilities			
Trade Payable	22	16,371	16,371
Financial liabilities	23	52,083	54,629
Other trade Payable	24	261,566	286,296
Tax Payable	25	8,608	7,287
		338,627	364,582
TOTAL LIABILITIES		556,447	582,402
TOTAL EQUITY AND LIABILITIES		**518,986**	**506,342**

Approved by the Board of Directors on the 5th of September, 2020 and signed on its behalf by:

Chief [Mrs.] Alice M. Osomo
Chairman
FRC/2020/3/00000025784

Mr.Taiwo Adewole
CEO
FRC/2020/03/00000021511

Mr. Tai Ajayi Dahunsi
Chief Finance Officer
FRC/2020/001/00000021936

The notes on pages 97 to 114 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2017

	Issued Share Capital	Deposits for Shares	Share Premium	Retained Earnings	Total equity
	N'000	N'000	N'000	N'000	N'000
For the year ended 31 December 2017					
At 1 January 2017	48,000	134,000	9,368	(267,428)	(76,060)
Total Comprehensive income	-	-	-	38,599	38,599
Dividend	-	-	-	-	-
At 31 December 2017	48,000	134,000	9,368	(228,829)	(37,461)
For the year ended 31 December 2016					
At 1 January 2016	48,000	134,000	9,368	(281,287)	(89,919)
Total Comprehensive income	-	-	-	13,859	13,859
Dividend	-	-	-	-	-
At 31 December 2016	48,000	134,000	9,368	(267,428)	(76,060)

STATEMENT OF CASH FLOWS

For the year ended 31st December 2017

	31-Dec-17 N'000	31-Dec-16 N'000
Cash flows from operating activities		
Profit before taxation	39,920	14,649
Adjustments:		
Interest paid		
Depreciation & Amortization	26,108	25,018
Unrealized net gain/(loss) arising from fair value changes	-	-
Loss/(profit) on disposal of fixed assets	-	-
Changes in assets and Liabilities		
Decrease/(increase) in inventory	-	-
Decrease/(increase) in trade and other receivables	20	(60)
Decrease/(increase) in other current assets	-	-
Increase/(decrease) in financial liabilities (current)	(2,546)	(10)
Increase/(decrease) in trade and other Payable	(24,730)	(15,990)
Increase/(decrease) in other current liabilities.	-	-
Tax paid	-	-
Net cash provided by operating activities	38,773	23,607
Cash flows from Investing Activities		
Acquisition of PPE & Biological assets	(38,765)	(24,727)
Net cash used in Investing activities	(38,765)	(24,727)
Cash flows from Financing Activities		
Loan received/(repayment) during the year	-	-
Shareholders' equity	-	-
Interest paid	-	-
Net cash used in financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	8	(1,120)
Cash and cash equivalents at January	5,937	7,057
Cash and cash equivalents at December	**5,945**	**5,937**

1. General Information

Okitipupa Oil Palm PLC was incorporated as a limited liability company on the 17th day of May, 1976 to take over the Okitipupa Oil Palm Project under the management of the Nigeria Joint Agency Limited. In 1980 the company was brought under the supervision of the Governor's Office. In May 1987, the Ondo State Investment (Holding) Company Limited was established and vested with all the State Government's interest in Okitipupa Oil Palm Company Limited. The company became Public Liability Company in year 1993

Okitipupa Oil Palm Plc was established to carry on the business of palm tree plantation developments, cultivators, growers of other related crops and to treat, process, prepare, render marketable, buy, sell, and dispose of such products either raw or manufactured state and any product or by-product derived there from. The Products of the company include production of: Palm Oil, .Palm Kernel, .Ashes, .Brown Soap; and .Other agro-allied related products.

2. Basis of Preparation

(a) Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and adopted by the Financial Reporting Council of Nigeria (FRC). Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

The Financial Statements were authorized for issue by the Board of Directors of Okitipupa Oil Palm Plc on 5th September 2020.

(b) Basis of Measurement

The principal accounting policies applied in the preparation of the above financial statements are set out below.

The financial statements have been prepared on the basis of the historical cost price method. Any exceptions to the historical cost price method are disclosed in the valuation rules described hereafter (such as biological assets).

(c) Functional and presentation currency

These Financial Statements are presented in Nigeria Naira which is the Company's functional currency. Except otherwise indicated, financial information presented in Nigeria Naira has been rounded to the nearest thousand.

(d) Use of estimates and judgement

The preparation of the financial statements in conformity with IFRSs requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.1 Application of new and revised International Financial Reporting Standards (IFRSs)

2.1.1 Amendments to IFRSs that are mandatorily effective for periods beginning on or after 1 January 2017.

Amendments to IAS 1 Disclosure Initiative.

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

The amendments apply prospectively for annual periods beginning on or after 1 January 2017 with earlier application permitted. The changes in liabilities arising from financing activities, that is, additions to borrowings and repayments of principal and interest amounts have been appropriately disclosed in the financial statements.

Amendments to IFRS that are not mandatorily effective for period beginning 1 January 2017

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2017, which the Company has not applied in preparing these financial statements.

IFRS 9 Financial instruments
IFRS 9, published in July 2014, replaces existing guidance in IAS 39 Financial Instruments: Recognition and Measurement.

IFRS 9 includes revised guidance on classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. The Company will implement IFRS 9 per 1 January 2018 using the modified retrospective approach. The Company has investigated the impact of the new classification principles on financial assets in scope. The assets currently classified as AFS will be measured at FVTOCI under IFRS 9 which constitutes no significant change, except for the accounting for accumulative gains or losses when equity securities measured at FVTOCI are disposed of. These cumulative gains or losses will not be reclassified to P&L upon disposal but kept in the fair value reserve. The Company has no investments classified as held to maturity. The Company has investigated the impact of the expected loss model on trade receivables and both advances and loans to customers and concluded that the impact is immaterial. The impact on The Company's future income statement is also expected to be immaterial as the standard requires provisions to be recorded earlier and the initial impact of this timing difference is recorded in equity upon implementation.

IFRS 15 Revenue from Contracts with Customers
IFRS 15 'Revenue from Contracts with Customers', published in May 2014, establishes a framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance and will be implemented by the Company per 1 January 2018 by applying the retrospective method (restating all prior periods). Under the retrospective method the Company will not apply for practical expedients as within the Company the performance obligations are satisfied at a point in time rather than over time and IFRS 15 will not result in measurement differences. The Company concluded that IFRS 15 impacts the presentation in profit or loss of 'payments to customers for services received', such as payments to customers for marketing support. Most of these marketing support payments are currently classified as marketing expenses, but will be considered a reduction of revenue under IFRS 15 if the marketing support cannot be separated as a distinct service.

Furthermore, IFRS 15 requires assessing the accounting for excise taxes based on the principal versus agent principle. The Company considers to act as a principal for excise taxes in case the excise tax is levied at production. Based on the assessment, it has been concluded that the Company acts as a principal. Revenue will be presented without excise tax expense. The excise tax expense will be presented on a separate line below revenue in the consolidated income statement and a new subtotal, called 'Net revenue' will be added. This 'Net revenue' subtotal is the sum of 'revenue' as defined in IFRS 15 (after discounts) and the excise tax expense. The IFRS 15 changes as described above will have no impact on operating profit, net profit and EPS.

IFRS 16 Leases
IFRS 16 'Leases', published in January 2016, establishes a revised framework for determining whether a lease is recognized on the Statement of Financial Position. It replaces existing guidance on leases, including IAS 17. The Company will implement IFRS 16 per 1 January 2019. In 2017, the Company has completed the extraction of relevant data-points from lease contracts. These will be used for the impact analysis during the first half-year 2018. The operating leases that will be recorded on the Company's balance sheet as a result of IFRS 16 is expected to be mainly offices, warehouses, (forklift) trucks, land.

Other standards and interpretations
The following new or amended standards are not expected to have a significant impact on the Company's financial statements:
- Classification and measurement of Share-based Payments (amendments to IFRS 2)
- Foreign Currency Transactions and Advance Consideration (IFRIC 22)

The Company has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2016:
- Amendments to IAS 19 Defined Benefit Plans: Employee Contributions
- Amendments to IFRS Annual Improvements to IFRS 2010-2012 Cycle and 2011-2013 Cycle

- The Company has applied the amendments to IFRS included in the Annual Improvements to IFRS 2010-2012 Cycle and 2011-2013 Cycle for the first time in the current year. The application of the amendments has had no significant impact on the disclosures or amounts recognized in the Company's financial statements.

3 Summary of Significant Accounting Policies

(a) Foreign currency transactions

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognized in the income statement part of the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

(b) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated Amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and Amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Expenditure on research activities is recognized as an expense in the period in which it is incurred.
An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated Amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognised.

(c) Biological Assets

Produce growing on bearer Plants.
Produce growing on bearer Plants are measured at fair value (IAS 41).
Biological assets are recognized at the fair value according to an internal valuation model. This model is based on the discounted cash flow method (DCF).
The main variables in these models concern:

- Production volumes
- Selling price
- Cost price
- Discount rate

A biological asset or agricultural produce is only recognized when it controls the asset as a result of past events, when it is probable that future economic benefits associated with the asset will flow to the Company and when the fair value or cost of the asset can be measured reliably.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated selling costs and from the change in fair value less estimated selling costs of a biological asset is included in net profit or loss in the period in which it arises.

(d) Property, Plant & Equipment

Items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their cost, less accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Depreciation is recognized so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Unless revised due to specific changes in the estimated useful life, annual depreciation rates are as follows:

- Buildings: 5%
- Mill Machinery & Equipment: 10%
- Furniture, Fittings & Equipment : 20%
- Tools 20%
- Light Vehicles & Lorries: 25%
- Tractors & Trailers: 20%
- Agricultural equipment 20%
- Nursery Equipment 12.5%
- Water Supply 12.5%
- Power supply Equipment 20%
- Bearer plants 4.5%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

(e) Leases

Assets held under finance leases are initially recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a financial liability.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(f) Impairment of Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash- generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(g) Financial Assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognized and derecognised on a trade date basis.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash, and others) are measured at amortized cost using the effective interest method, less any impairment.
Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets measured at amortized cost, 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 recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

(h) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on a weighted average cost basis.

The stock finished products (including biological assets after harvest) are valued by adding production cost to the fair value of the biological asset concerned.

Inventories are written down on a case-by-case basis if the estimated net realizable value declines below the carrying amount of the inventories. Net realizable value is the estimated selling price less the estimated costs necessary to make the sale. When the reason for a write-down of the inventories has ceased to exist, the write-down is reversed.

(i) Cash and Cash Equivalent

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

For the purpose of the statements of cash flows, cash and cash equivalents includes cash on hand and deposits held at call or short term maturity with banks (three months or less), net of bank overdrafts. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet.

(j) Shareholders' Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

(k) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is reasonably certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(l) Retirement benefits and other long term employees' benefits

Employee benefits mainly concern:

- Retirement benefits: pension plans, termination benefits, other retirement obligations and supplemental benefits;
- Other long-term employee benefits: long-service benefits granted to employees according to their seniority in the Group;
- Other employee benefits: post-employment medical care.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Actuarial gains and losses are recognized immediately in profit or loss. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

(m) Financial Liabilities

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified as either "financial liabilities at fair value through profit or loss" or "other financial liabilities".

The Company does not hold any financial liabilities at fair value through profit or loss.

Other financial liabilities (including borrowings) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(n) Government Grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(o) Income Taxes
Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (e.g. differences between carrying amounts under IFRS and the statutory tax bases). Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(p) Revenue Recognition
Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue from rendering services is based on the stage of completion determined by reference to services performed to date as a percentage of total services to be performed.

Interest income is recognized using the effective interest rate method.

Dividends are recognized when the right to receive payment is established.

(q) Borrowing Costs
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 capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

4 Financial Risk Management

(a) Introduction

Risk Management is essential to help ensure business sustainability thereby providing customers and the shareholders with a long-term value proposition.

- Key elements of risk management are:
- Strong corporate governance including relevant and reliable management information and internal control processes;
- Ensuring significant and relevant skills and services are available consistently to the Company;

-

Influencing the business and environment by being active participants in the relevant regulatory and business forums; and

- Keeping abreast of technology and consumer trends and investing capital and resources where required.

The overall Company focus within an appropriate risk framework is to give value to the customers through effective and efficient execution of transactions.

The board of directors acknowledges its responsibility for establishing, monitoring and communicating appropriate risk and control policies.

(b) Significant risks

The Company has exposure to significant risks which are categorized as follows:

i. Regulatory (capital adequacy, legal, accounting and taxation);
ii. Business environment (reputation and strategic);
iii. Operational (people, information technology and internal control processes);
iv. Market (equity prices, interest rate and currency); and
v. Liquidity

(c) Detailed Discussion of significant risks

Regulatory Risk

Regulatory risk is the risk arising from a change in regulations in any legal, taxation and accounting pronouncements or specific industry that pertains to the business of the Company. In order to manage this risk, the Company is an active participant in the agro allied industry and engages in discussions with policy makers and regulators.

Legal Risk

Legal risk is the risk that the Company will be exposed to contractual obligations which have not been provided for.

The Company has a policy of ensuring all contractual obligations are documented and appropriately evidenced to agreements with the relevant parties to the contract.

All significant contracted claims are reviewed by independent legal resources and amounts are provided for if there is consensus as to any possible exposure. At 31 December 2017, the directors are not aware of any significant obligation not provided for.

Taxation Risk

Taxation risk is the risk of suffering a loss, financial or otherwise, as a result of an incorrect interpretation and application of taxation legislation or due to the impact of new taxation legislation on existing products.
Taxation risk occurs in the following key areas:

- Transactional risk;
- Operational risk;
- Compliance risk; and
- Financial accounting risk.
- Transactional Risk

The risk which concerns specific transactions entered into by the Company, including restructuring projects and reorganizations.

Operational Risk
The underlying risks of applying tax laws, regulations and decisions to the day-to-day business operations of the Company.

Compliance Risk
The risk associated with meeting the Company's statutory obligations.

Financial Accounting Risk
The risk relates to the inadequacy of proper internal controls over financial reporting, including tax provisioning. In managing the Company's taxation risk, the Company tax policy is as follows:

The Company will fulfill its responsibilities under tax law in each of the jurisdictions in which it operates, whether in relation to compliance, planning or client service matters. Tax law includes all responsibilities which the Company may have in relation to Company taxes, personal taxes, capital gains taxes, indirect taxes and tax administration.

Compliance with this policy is aimed at ensuring that:

- All taxes due by the Company are correctly identified, calculated, paid and accounted for in accordance with the relevant tax legislation;
- The Company continually reviews its existing operations and planned operations in this context; and
- The Company ensures that, where clients participate in Company products, these clients are either aware of the probably tax consequences, or are advised to consult with independent professionals to assess these consequences, or both.

The identification and management of tax risk is the primary objective of the Company tax function, and this objective is achieved through the application of a formulated tax risk approach, which measures the fulfillment of tax responsibilities against the specific requirements of each category of tax to which the Company is exposed, in the context of the various types of activities the Company conducts.

Accounting Risk
Accounting Risk is the risk that the Company fails to explain the current events of the business in the financial statements.

Accounting risk can arise from the failure of management to:

- Maintain proper books and records, accounting system and to have proper accounting policies;
- Establish proper internal accounting controls;
- Prepare periodic financial statements that reflect an accurate financial position; and
- Be transparent and fully disclose all important and relevant matters.

Measures to control accounting risk are the use of proper accounting systems, books and records based on proper accounting policies as well as the establishment of proper internal accounting controls. Proposed accounting changes are researched by accounting resources, and if required external resources, to identify and advise on any material impact on the Company.

Financial statements are prepared in a transparent manner that fully discloses all important and relevant matters as well as accurately reflecting the financial position, results and cash flows of the Company.

(ii) Business Environment
Reputational Risk
Reputational Risk is the risk of loss caused by a decline in the reputation of the Company or any of its specific business units from the perspective of its stakeholders, shareholders, customers, staff, business partners or the general public.

Reputational risk can both cause and result from losses in all risk categories such as market or credit risk.

Strategic Risk
Strategic Risk is the risk of an unexpected negative change in the Company value, arising from the adverse effect of executive decisions on both business strategies and their implementation.

This risk is a function of the compatibility between strategic goals, the business strategies developed to achieve those goals and the resources deployed to achieve those goals. Strategic risk also includes the ability of management to effectively analyse and react to external factors, which could impact the future direction of the relevant business units.

Company Risk identifies and assesses both those risks qualitatively as part of a quarterly evaluation. On the basis of this evaluation, Company risk creates an overview of local and global risks which also includes reputational risks, analyses the risk profile of the Company and regularly informs directors and management.

(iii) Operational Risk
Operational Risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

The initiation of all transactions and their administration is conducted on the foundation of segregation of duties that has been designed to ensure materially the completeness, accuracy and validity of all transactions. These controls are augmented by management and executive review of control accounts and systems, electronic and manual checks and controls, back-up facilities and contingency planning. The internal control systems and procedures are also subjected to regular internal audit reviews.

(iv) Market Risk
Market Risk includes asset liability matching risk, currency risk, interest rate risk and equity price risk.

The Company is exposed to market risk through its financial assets and financial liabilities. The most important components of this risk are interest rate risk and market price risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements.

Interest Rate and Market Price Risk
These risks have very different impacts on the various categories of business used in the Company's Assets and Liabilities Management framework. Interest rate and market price risk have been discussed together since they interact on certain types of liabilities.

Interest Rate Risk
Interest rate risk is the risk that the value and cash flow of a financial instrument will fluctuate due to changes in market interest rates.

Equity Price Risk
Equity price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices.

Foreign Currency Risk
In respect of other monetary assets and liabilities held in currencies other than the Naira, the Company ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates, where necessary, to address short-term imbalances.

Credit Risk
Credit risk is the risk that one party to a financial instrument will cause a loss to the other party by failing to discharge an obligation.

Key areas where the Company is exposed to credit risk are:
- Certain classes of financial assets such as bonds, term deposits and cash and cash equivalent; and
- Certain accounts within trade and other receivables.

Liquidity Risk
Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Company Treasury maintains flexibility in funding by keeping committed credit lines available.

Sensitivities
Management applies a number of sensitivity tests to the earnings of the Company to better understand the exposure to and importance of each of the main drivers of profitability.

IFRS 7 requires management to report on the changes in the net income after tax following "reasonable possible" changes in each of the factors to which the Company is exposed. Management has set the upside and downside movements for each factor at a level which represents the amount by which management believes that factor could reasonably change over the year following the valuation date. These opinions have been informed by an analysis of historical one year changes in those factors. The upper and lower limits have been set at the 75th and 25th percentiles of observed changes as these bound and interval which may be expected to contain 50% of the changes in the coming year. Management believes this represents in some sense what is "reasonably possible", though it is important to note that this opinion is based on past experience and the tested range is not sensitive to all the relevant information in the market at the reporting date.

Management has considered the impact of upside and downside movements in foreign exchange rates. In relation to these sensitivity:
- The earnings are sensitive to changes in both the shape and level of the yield curve. Management has not considered changes in the shape of the yield curve due to several constraints although this may be reviewed in the following year.

Future rates of expense inflation, catastrophes and tax assumptions were considered but no sensitivities are presented as it is unlikely, in management's opinion that, these assumptions will change over the following year. It should be noted that each impact on profit after tax is shown individually for each sensitivity being changed, keeping all other assumptions constant. In practice this is unlikely to occur, as changes in some of the variables may be correlated.

5 Critical accounting judgement and key sources of estimation uncertainty
In the application of the Company's accounting policies, which are described above, the Company is required to make judgement, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following area are areas where key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:
- Useful lives of property, plant and equipment
- Valuation of biological assets at fair value
- Post-employment benefits

6 Revenue

	2017 N'000	2016 N'000
Local Sales:		
Fresh fruit bunches	260,905	193,494
Palm oil	-	-
Palm kernel	-	-
Other by-products	-	-
	260,905	193,494

7 Cost of Sales

	2017 N'000	2016 N'000
Mill processing, refinery & Packaging costs	2,078	515
Upkeep of mature trees, planting, harvesting & Lab. Expenses	15,365	6,153
Direct Harvesters' wages & expenses	82,437	78,161
	99,880	84,829

8 Admin Expenses

	2017 N'000	2016 N'000
Management Fees	27,224	-
Staff Cost	36,014	47,379
Repairs & Maintenance	5,192	4,112
Advert, publicity & Subscription	205	294
Hotel & Travelling	7,357	4,820
Postages, Printing & Stationery	1,342	1,181
Legal & Other Prof. fees	11,629	391
Office general expenses	3,205	4,428
Audit fees	1,000	1,000
Depreciation	26,109	24,867
Electricity	2,604	5,594
	121,880	94,065

9 Other Operationg Income

	2017 N'000	2016 N'000
Other operating Income:		
Scraps sales	7	10
Other sundry income	837	45
	844	55

10 Finance Cost

	2017 N'000	2016 N'000
Bank Interest & charges	69	6

11 Income Tax Expense

	2017 N'000	2016 N'000
Company Income Tax	-	-
Education Tax	1,321	790
Deferred tax	-	-
	1,321	790

12. Property, Plant and Equipment

	Land N'000	Buildings N'000	Plant & Equipment N'000	Motor Vehicles N'000	Furniture & Fittings N'000	Total N'000
Deemed Cost						
At 1 January 2017	10,931	59,762	472,379	47,769	26,247	617,088
Additions	116	10,502	1,574	57	1,725	13,974
Revaluation						
Disposal	-	-	-	-	-	-
At 31 December 2017	11,047	70,263	473,953	47,826	27,971	631,061
Depreciation:						
At 1 January 2017	-	40,293	270,061	44,260	24,655	379,269
Charged for the period	-	5,593	9,850	892	636	16,971
Disposal	-	-	-	-	-	-
At 31 December 2017		45,886	279,911	45,152	25,291	396,240
Carrying Amount:						
At 31 December 2017	11,047	24,377	194,042	2,675	2,680	234,821
At 31 December 2016	10,931	19,468	202,318	3,509	1,592	237,819

13. Biological Assets

	2017 N'000	2016 N'000
At 1 January		
Cost	343,341	323,957
Additions	24,791	19,384
Revaluation	-	-
Impairment	-	-
At 31 December	368,132	343,341
Amortization		
At 1 January	135,665	127,012
For the year	9,138	96,984
Impairment	-	-
At 31 December	144,802	135,665
Carrying Amount:		
At 31 December	**223,330**	**207,676**
At 1 January	207,676	196,945

14 Inventories

	2017 N'000	2016 N'000
Inventories:		
Supplies	5,377	5,377
Finished goods	3,152	3,152
	8,529	8,529

15. Trade Receivables

	2017 N'000	2016 N'000
Trade Receivables		
Trade Receivables	-	-
Less: Allow. For doubtful account	-	-
Trade Receivables - Net	-	-

16. Other Receivables

	2017 N'000	2016 N'000
Staff Loans and advances	349	369
Prepayment	-	-
Sundry debtors	27,725	27,725
	28,074	28,094

17. Cash & Cash Equivalents

	2017 N'000	2016 N'000
Cash at Bank	3,376	3,356
Cash at hand	2,569	2,581
	5,945	5,937

18a. Authorized Share Capital

	2017 N'000	2016 N'000
Authorized Share Capital		
100,000,000 ordinary shares		
of 50k each	50,000	50,000

18b. Fully Paid Share Capital

	2017 N'000	2016 N'000
96,000,000 ordinary shares of		
50k each	48,000	48,000

19. Share Premium

	2017 N'000	2016 N'000
At 1 January	9,368	9,368
Additions	-	-
At 31 December	9,368	9,368

20. Retained Earnings

	2017 N'000	2016 N'000
At 1 January	(267,428)	(281,287)
Adjustments	-	-
Reserve as restated	(267,428)	(281,287)
Retained profit for the year	38,599	13,859
Fair value gain	-	-
At 31 December	(228,829)	(267,428)

21. Financial Liabilites

	2017 N'000	2016 N'000
ODSG Loan	217,820	217,820
Bank Overdraft	-	-
Bank Loan	-	-
	217,820	217,820

22. Trade & Other Payable

	2017 N'000	2016 N'000
Trade & Other Payable Suppliers	16,371	16,371

23. Financial Liabilities

	2017 N'000	2016 N'000
Bank overdraft:		
Sterling Bank	6,184	6,184
Wema Bank Plc - Ore	26,600	26,600
Union Bank Plc - Irele	1	1
Unity Bank Plc	15,196	15,196
FBN Igbokoda	4,102	6,648
	52,083	54,629

24. Other Trade Payable

	2017 N'000	2016 N'000
Advances from Customers	84,216	87,326
Accruals	86,295	114,765
Sundry Creditors	91,055	84,205
	261,566	286,296

25. Tax Payable

	2017 N'000	2016 N'000
At 1 January	7,287	6,497
Provision for the year	1,321	790
Payment during the year	-	-
At 31 December	8,608	7,287

	31-Dec-17 N'000	%	31-Dec-16 N'000	%
Revenue	260,905		193,494	
Bought in Materials	(49,977)		(28,487)	
	210,928		165,007	
Other Income	844		55	
Value added by operating activities.	211,772	100%	165,062	100%
Distribution of Value Added				
To Government as:				
Taxes and levies	1,321	3%	790	2%
To Employees:				
Salaries, wages & fringe benefits	145,675	69%	125,540	81%
To Providers of finance:				
Financial costs	69	0.03%	6	0.1%
Retained in the business:				
Depreciation & Amortization.	26,108	12%	24,867	15%
Retained Earnings	38,599	16.0%	13,859	2.0%
Value Added	211,772	100%	165,062	100%

FINANCIAL SUMMARY

For the year ended 31st December 2018

	2017 N'000	2016 N'000	2015 N'000	2014 N'000	2013 N'000
Revenue	**260,905**	**193,494**	**154,639**	**179,892**	**210,834**
Results from operating activities	39,988	14,649	(27,811)	(20,674)	(18,800)
Profit before taxation	39,920	6,202	(27,815)	(20,916)	(19,455)
Profit for the year	38,599	13,859	(27,854)	(21,155)	(20,122)
Comprehensive income for the year	38,599	13,859	(27,854)	(21,155)	(20,122)
Employment of Funds					
Property, Plant and equipment	234,821	237,818	248,841	263,131	279,102
Biological assets	223,330	207,676	196,945	193,638	193,500
Deferred asset	18,237	18,237	18,237	18,237	18,237
Other non-current assets	50	50	50	50	50
Net current liabilities	(296,079)	(322,022)	(336,172)	(267,401)	(252,079)
Loans and borrowings	(217,820)	(217,820)	(217,820)	(217,820)	(227,820)
Net Assets	(37,461)	(76,060)	(89,919)	(10,165)	10,990
Funds Employed					
Share Capital	48,000	48,000	48,000	48,000	48,000
Share Premium	9,368	9,368	9,368	9,368	9,368
Deposit for shares	134,000	134,000	134,000	134,000	134,000
Retained Earnings	(228,829)	(267,428)	(281,287)	(201,533)	(180,378)
	(37,461)	(76,060)	(89,919)	(10,165)	10,990
Earnings Per Share	0.40	0.14	(0.29)	(0.22)	(0.21)

NOTES

2016

ANNUAL REPORTS
& FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2016

OKITIPUPA OIL PALM PLC • OKITIPUPA •

RC 17790

OKITIPUPA
OIL PALM PLC

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Adewale Osomo Esq.	Chairman
Mr. Segun Onayiga	Director
Hon. Chief [Mrs.] Alice M Osomo	Director
Chief Yele Ogundipe	Director
Elder Tayo Akinjomo	Director
Prof. Ige Bolodeoku	Director
John O. O Akinleye	Director
High Chief P. B. Sheile	Director
Mr. Igbasan Sunday	Director
Mr. Fasalejo E. O	Director
B. A Olatubora	Director

COMPANY SECRETARY:
Dele Oluwola Adaramaja

REGISTRAR
GRDS Limited
274, Murtala Mohammed Way
Yaba, Lagos.

AUDITORS:
Abioye Abdul-Razaq & Co.
[Chartered Accountants]
2nd Floor, Rear wing, 313 Agege Motor Road,
Olorunsogo, Mushin, Lagos.

RC No.:
17790

REGISTERED & BUSINESS ADDRESS:
1, Marine Road
Okitipupa, Ondo State.

BANKERS:
First Bank of Nigeria Ltd
Sterling Bank Plc
Wema Bank Plc
Union Bank Plc
Keystone Bank
United Bank of Africa Plc
Polaris Bank Plc
Access Bank
First City Monument Bank
UnityBank
Ecobank Nigeria Ltd

2016 Annual Report Contents

DIRECTORS' REPORT

For the year ended 31st December, 2016

The Directors are pleased to present their annual report together with the audited financial statements of the Company for the year ended 31st December 2016.

1. Principal Activities

The principal activities of the Company are the development of oil palm plantations, palm oil milling, palm kernel processing and vegetable oil refining. The products of the Company are: refined bleached and deodorized palm oil, palm olein, palm stearin, palm fatty acid distillate, palm kernel oil (crude and refined) and palm kernel cake.

2. Review of Operations

Item	2016 N'000	2015 N'000
Revenue	193,494	154,639
Profit/(Loss) before tax	14,649	(27,815)
Profit/(Loss) after tax	13,859	(27,854)

3. Dividend

In respect of the current year, no dividend was recommended for payment.

4. Directors

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

S/N	Names	Designation
1	Adewale Osomo Esq	Chairman
2	Mr. Segun Onayiga	Director
3	Hon. Chief [Mrs.] Alice M Osomo	Director
4	Chief Yele Ogundipe	Director
5	Elder Tayo Akinjomo	Director
6	Prof. Ige Bolodeoku	Director
7	John O. O Akinleye	Director
8	High Chief P. B Sheile	Director
9	Mr. Igbasan Sunday	Director
10	Mr. Fasalejo E. O	Director
11	B. A Olatubora	Director

The Board of Directors Meeting for the Year 2016

1	Adewale Osomo Esq
2	Mr. Segun Onayiga
3	Hon. Chief [Mrs.] Alice M Osomo
4	Chief Yele Ogundipe
5	Elder Tayo Akinjomo
6	Prof. Ige Bolodeoku
7	John O. O Akinleye
8	High Chief P. B Sheile
9	Mr. Igbasan Sunday
10	Mr. Fasalejo E. O
11	B. A Olatubora

Note: No Board meetings were held as this was the time of the unauthorised management by Mr. Niyi Ogunwa and Mr. Femi Adeyehun.

5. Directors' Interest in Shares

The interest of each current Director in the issued share capital of the Company as recorded in the Register of Members and/or notified by the Directors for the purpose of Section 275 of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, and disclosed in accordance with Section 342 of the said Act, is as follows:

S/N	Names	As at 31 December 2016 No. of shares.
1	Adewale Osomo	57,020
2	High Chief P. B Sheile	
3	Mr. Igbasan Sunday	
4	John O. O Akinleye	220,000
5	Hon. Chief [Mrs.] Alice M Osomo	1,200
6	Mr. Segun Onayiga	
7	Prof. Ige Bolodeoku	
8	Chief Yele Ogundipe	
9	Elder Tayo Akinjomo	
10	B. A Olatubora	
11	Mr. Fasalejo E. O	

6. Shareholding and Substantial Shareholders

The issued and fully paid-up Share Capital of the Company is 96,000,000 Ordinary Shares of 50 kobo each. The following Shareholders held 5% and above of the issued share capital of the company as at 31 December 2016.

S/N	SHAREHOLDER	NO. OF SHARES	%
1	ESTAPORT FARMS LTD	34,214,546	35.64
2	ONDO STATE INVESTMENTS HOLDINGS LIMITED	28,573,479	29.76

The shareholding analysis as at December 31, 2016 is shown below.

Range of Shareholding	Number of Shareholders	Number of Ordinary shares	% Shareholding
1 - 1000	10,731	4,221,548	4.40
1,001 - 5,000	3,743	6,910,296	7.19
5,001 - 10,000	352	2,391,662	2.50
10,001 - 50,000	275	4,903,124	5.11
50,001 - 100,000	35	2,457,021	2.56
100,001 - 500,000	24	4,308,926	4.49
500,001 - 1,000,000	3	1,899,480	1.98
Above 1,000,000	4	68,907,943	71.78

7. Statement of Directors' Responsibilities

The Directors accept responsibility for the preparation of the annual financial statements set out on pages …. that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, 2011.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria 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.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

8. Property, Plant and Equipment

Information relating to changes in property, plant and equipment is given in Note 12 to the Financial Statements.

9. Employees and Employment

(a) Employment of Physically-Challenged Persons

The company is an equal opportunity employer and does not discriminate on any grounds. Thus, we provide employment opportunities to physically-challenged persons. However, this actually goes beyond the need to ensure that there is no discrimination against such persons, but driven by a deep conviction that even in disability, there could be immense ability.

(b) Employee Involvement and Training

In today's competitive business landscape, human capability has been found to be a key factor for corporate success. The critical challenge towards continuous performance improvement remains the capability and speed of response to changes in the business environment through people development. Thus, a drive in the right direction for employees' development is imperative for sustainable superior company performance. We must not only enable employees to perform in their day-to-day jobs, but must unlock their potentials and make it possible for them to unleash energy to achieve business goals.
Continuous training and upgrading of skills at all levels of the Company is therefore the key to achieving a meaningful competitive advantage and long-term business success.

(c) Health, Safety and Welfare

The Company takes the health, safety and welfare of its employees very seriously, with a strong conviction that a healthy workforce will always be highly productive and will deliver superior performances at all times. Consequently, there are on-site clinics manned by qualified medical personnel in all our oil milling locations that provide primary health care round the clock for employees at work. Furthermore, top health care providers have been carefully selected under a managed care scheme to look after the health care needs of employees and their dependant. We comply with relevant statutory provisions and regulations on health, safety and welfare matters as well as providing the education required to enable compliance by employees.

10. Conflict of Interests

The company recognized and respects the right of its employees to engage in external activities so long as these activities do not impair, interfere or conflict with the conscientious performance of their duties and do not involve damage to or misuse of the Company's name, trademarks, products, property, reputation, goodwill, confidential information or other resources.

When an employee is engaged in carrying out a task on behalf of the Company and that employee has a factual or potential private interest in the outcome of the task, which is contrary to the best interests of the Company or is substantial enough to affect the employee's unbiased judgment, the Company expects the employee to disclose this as appropriate. Failure to comply with this policy will have serious career consequences for the employee. Okitipupa Oil Palm Plc maintains policies (for instance, on purchasing) that severely reduce the risk of harm to the Company due to a conflict of interest.

11. Corporate Governance

The company adopts a responsible attitude towards corporate governance. The Board is in support of the Code of Corporate Governance for Public Companies in Nigeria ("the Code") released by the Securities & Exchange Commission in 2011. The Board will endeavour to ensure that the Company is in compliance with the provisions of the Code at all times.

(a) The Board of Directors
The Board of Directors is made up of twelve (11) Non-Executive Directors, including the Chairman, and One (1) Executive Director. The Board has a formal guideline and process for appointment of persons as Directors. The Board is inter alia, responsible for supervising the conduct of business of the management as well as the general course of affairs in the Company as well as responsible for assessing the Company's corporate strategy and general policy; the development of the Company's financial position; the Company's risk management and other systems; the Company's organizational structure; and the Company's social policy.

12. Events after the End of the Reporting Period
There were no material events that occurred after the end of the reporting period.

13. Donations
There was no donation during the year under review.

14. Research & Development
The activities of the company did not necessitate any expenditure on research and development during the year under review.

15. Related Parties Transactions
As at the year ended 31st December 2016, the company has no related parties transactions.

16. Subsequent Events
There are no significant subsequent events, which could have had a material effect on the state of affairs of the Company as at 31st December 2016 that have not been adequately provided for or disclosed in the financial statements.

17. Contingent Liabilities
The management is of the opinion that the total claims in respect of pending legal matters are not expected to be of any significant value and we cannot find any evidence to the contrary.

18. Independent Auditors
Abioye Abdul-razaq & Co. served as the Independent Auditors during the year under review.

In accordance with Section 357(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, Abioye Abdul-razaq & Co. have indicated their willingness to continue in office as Independent Auditors to the Company.

By Order of the Board.

Dele Oluwole Adaramaja
Company Secretary/Legal Adviser

ABIOYE ABDUL-RAZAQ & CO.
CHARTERED ACCOUNTANTS

2nd Floor, Rear Wing, 3113, Agege Motor Road, Beside GTBank Plc
Olorunsogo, Mushin, Lagos. P/ O/ Box 8127, Ikeja, Lagos
Email: bioye21@hotmaul.com, abioyeabdulrazaq@yahoo.com
Tel: 08033333045, 08025829330

To the Shareholders of Okitipupa Oil Palm Plc

We have audited the accompanying financial statements of Okitipupa Oil Palm Plc which comprise the Statement of Financial Position as at 31st December, 2016, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the financial statements including a summary of Significant Accounting Policies set out on pages ……to ……..

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act, CAP C20, LFN 2004. These responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Statements that are free from material mis-statements whether due to fraud or error, selecting and applying appropriate Accounting Policies and making Accounting estimates that are reasonable in their circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our Audit. The Audit was conducted in accordance with the International Standards on Auditing (ISA). Those Standards require that we comply with ethical requirements, plan and perform the Audit to obtain reasonable assurance as to whether the Financial Statements are free from material mis-statements. 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 mis-statements of the Financial Statements whether due to fraud or error. We planned and performed our Audit so as to obtain all the information and explanations which we considered necessary, in order to provide us with sufficient evidence to give a reasonable assurance that the Financial Statements are free from material mis-statements.

Disclaimer of Opinion

We do not express an opinion on the accompanying financial statements of the company which comprise the Statement of Financial Position as at 31st December, 2016, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the financial statements including a summary of Significant Accounting Policies. This is as a result of the significance of the matters described in the Basis for Disclaimer of Opinion section of our Report. We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial position of the company as at 31st December, 2016, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing and the Companies and Allied Matters Act Cap C20, LFN 2004.

Basis for Disclaimer of Opinion

As at the date of issuing the audit opinion, we were unable to carry out audit procedures necessary to obtain adequate assurance regarding the balances of assets and liabilities presented in the Management Accounts. Relevant documents and explanations regarding these items were not provided in many instances. Thus, we could not perform necessary tests to confirm the existence or otherwise of the items which include: Fixed Assets, Cash & Bank Balances, Inventories and Payable. As a result of this matter, we were unable to form an opinion about whether the Statement of Financial Position as at 31st December, 2016 gives a true and fair view of the financial position of the Company, which opinion can serve as a basis for the audit of the financial statement for Year 2016. We were also unable to determine whether any further adjustments might have been necessary in respect of the elements making up the Statement of Financial Position as at 31st December, 2016, the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows. The financial effects of this matter were impracticable to quantify. There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the figures. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of Companies and Allied Matters Act CAP C20, LFN 2004, we expressly state that due to the basis of disclaimer opinion above:

i. We have not obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii. We have not obtained all the information and explanations which will allow us to conclude whether the Company has kept proper books of account, so far as appears from our examination of those books.

iii. We have not obtained all the information and explanations which will allow us to conclude whether or not the financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2016 and of its profit and cash flow for the year then ended.

Abioye Abdulrazaq
FRC/2015/ICAN/00000013380
Abioye Abdulrazaq & Co.

Lagos, Nigeria
25th August, 2020

Managing Partner: A. O. S. ABIOYE ACA, ACTI, ACS. ACIB. AMNIM, MBA

To the members of the OKITIPUPA OUL PALM PLC

In compliance with the provisions of Section 359 (6) of the Company and Allied Matters Act Cap 20 LFN 2004, the members of the Audit Committee reviewd the financial statements of the company for the year ended 31st December 2016 and report as follows:

1. We reviewed the Financial Statements for the year ended 31st December 2016 and are not in a position to express our satisfaction on the position of its contents.
2. We were unable to review the External Auditors' management letter for the year ended 31st December 2016 as none was presented to us.
3. The External Auditors' reported that they have not received the expected cooperation from the Company's Management and have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an unqualified audit opinion on the financial position of the company as at 31st December 2016, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.
4. The External Auditors' report indicate a total absence of management accountability and consequently, we are not in a position to report on the scope, planning and conduct of the audit of the company's financial statements for the year ended 31st December 2016.

SENATOR ANTHONY ADEMUYIWA ADENIYI
CHAIRMAN, STATUTORY AUDIT COMMITTEE
DECEMBER 09, 2019

MEMBERS OF THE STATUTORY AUDIT COMMITTEE

Sen. Anthony Adeniyi	Shareholder	Chairman
HE Surveyor Abiodun Aluko	Shareholder	Member
Mr. Akinboye Oyewumi	Director	Member
Mr. Adewale Osomo	Director	Member
Mr. Tolu Fadahunsi	Shareholder	Member
Chief John Akinleye	Director	Member

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December, 2016

	Note	31-Dec-16 N'000	31-Dec-15 N'000
Revenue	6	193,494	154,639
Cost of Sales	7	(84,829)	(89,807)
Gross Profit		108,665	64,831
Selling, general & Admin. Expenses	8	(94,065)	(92,961)
Other Operating Income	9	55	319
Operating Profit		14,655	(27,811)
Financial Income		-	-
Financial Expenses	10	(6)	(4)
Operating result before tax		14,649	(27,815)
Income tax expenses	11	(790)	(38)
Operating result for the period		13,859	(27,854)
Other Comprehensive Income:			
Changes in revaluation Surplus		-	-
Gains & losses on re-measuring available for sale financial assets		-	-
Total Comprehensive income for the year.		**13,859**	**(27,854)**

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December, 2016

	Note	31-Dec-16 N'000	31-Dec-15 N'000
ASSETS			
Non-Current assets			
Property, Plant and Equipment	12	237,818	248,841
Biological assets	13	207,676	196,945
Deferred asset		18,237	18,237
Other non-current assets		50	50
		463,782	464,073
CURRENT ASSETS			
Inventories	14	8,529	8,529
Trade receivables	15	-	-
Other receivables	16	28,094	28,034
Cash and cash equivalents	17	5,937	7,057
		42,560	43,620
TOTAL ASSETS		**506,342**	**507,693**
EQUITY AND LIABILITIES			
Equity.			
Share Capital	18b	48,000	48,000
Share Premium	19	9,368	9,368
Deposit for shares		134,000	134,000
Retained Earnings	20	(267,428)	(281,287)
Other reserves		-	-
		(76,060)	(89,919)

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December, 2016

	Note	31-Dec-16 N'000	31-Dec-15 N'000
Non - Current Liabilities			
Deferred tax Liabilities			
Financial Liabilities	21	217,820	217,820
Current Liabilities			
Trade Payable	22	16,371	16,371
Financial liabilities	23	54,629	54,639
Other trade Payable	24	286,296	302,286
Tax Payable	25	7,287	6,497
		364,582	379,792
TOTAL LIABILITIES		582,402	597,612
TOTAL EQUITY AND LIABILITIES		**506,342**	**507,693**

Approved by the Board of Directors on the 5th of September, 2020 and signed on its behalf by:

Chief [Mrs.] Alice M. Osomo
Chairman
FRC/2020/3/00000025784

Mr.Taiwo Adewole
CEO
FRC/2020/03/00000021511

Mr. Tai Ajayi Dahunsi
Chief Finance Officer
FRC/2020/001/00000021936

The notes on pages 131 to 146 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2016

	Issued Share Capital N'000	Deposits for Shares N'000	Share Premium N'000	Retained Earnings N'000	Total equity N'000
For the year ended 31 December 2016					
At 1 January 2016	48,000	134,000	9,368	(281,287)	(89,919)
Total Comprehensive income	-	-	-	13,859	13,859
Dividend	-	-	-	-	-
At 31 December 2016	48,000	134,000	9,368	(267,428)	(76,060)
For the year ended 31 December 2015					
At 1 January 2015	48,000	134,000	9,368	(201,533)	(10,165)
Total Comprehensive income	-	-	-	(27,854)	(27,854)
Adjustments	-	-	-	(51,900)	(51,900)
Dividend	-	-	-	-	-
At 31 December 2015	48,000	134,000	9,368	(281,287)	(89,919)

STATEMENT OF CASH FLOWS

For the year ended 31st December 2016

	31-Dec-16 N'000	31-Dec-15 N'000
Cash flows from operating activities		
Profit before taxation	14,649	(27,811)
Adjustments:		
Interest paid		
Depreciation & Amortization	25,018	29,740
Unrealized net gain/(loss) arising from fair value changes	-	-
Loss/(profit) on disposal of fixed assets	-	-
Changes in assets and Liabilities		
Decrease/(increase) in inventory	-	122
Decrease/(increase) in trade and other receivables	(60)	(15)
Decrease/(increase) in other current assets		
Increase/(decrease) in financial liabilities (current)	(10)	6,648
Increase/(decrease) in trade and other Payable	(15,990)	60,770
Increase/(decrease) in other current liabilities.	-	-
Net cash provided by operating activities	23,607	69,453
Cash flows from Investing Activities		
Acquisition of PPE & Biological assets	(24,727)	(18,606)
Net cash used in Investing activities	(24,727)	(18,606)
Cash flows from Financing Activities		
Loan received/(repayment) during the year	-	-
Shareholders' equity	-	(51,900)
Interest paid	-	-
Net cash used in financing activities	-	(51,900)
Net increase/(decrease) in cash and cash equivalents	(1,120)	(1,053)
Cash and cash equivalents at January 1	7,057	8,110
Cash and cash equivalents at December 31	**5,937**	**7,057**

1. General Information

Okitipupa Oil Palm PLC was incorporated as a limited liability company on the 17th day of May, 1976 to take over the Okitipupa Oil Palm Project under the management of the Nigeria Joint Agency Limited. In 1980 the company was brought under the supervision of the Governor's Office. In May 1987, the Ondo State Investment (Holding) Company Limited was established and vested with all the State Government's interest in Okitipupa Oil Palm Company Limited. The company became Public Liability Company in year 1993

Okitipupa Oil Palm Plc was established to carry on the business of palm tree plantation developments, cultivators, growers of other related crops and to treat, process, prepare, render marketable, buy, sell, and dispose of such products either raw or manufactured state and any product or by-product derived therefrom. The Products of the company include production of: .Palm Oil, .Palm Kernel, .Ashes, .Brown Soap; and .Other agro-allied related products.

2 Basis of Preparation

(a) Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and adopted by the Financial Reporting Council of Nigeria (FRC). Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

The Financial Statements were authorized for issue by the Board of Directors of Okitipupa Oil Palm Plc on 5th September 2020.

(b) Basis of Measurement

The principal accounting policies applied in the preparation of the above financial statements are set out below.

The financial statements have been prepared on the basis of the historical cost price method. Any exceptions to the historical cost price method are disclosed in the valuation rules described hereafter (such as biological assets).

(c) Functional and presentation currency

These Financial Statements are presented in Nigeria Naira which is the Company's functional currency. Except otherwise indicated, financial information presented in Nigeria Naira has been rounded to the nearest thousand.

(d) Use of estimates and judgement

The preparation of the financial statements in conformity with IFRSs requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.1 New and amended standards adopted by the Company

The following standards have been adopted by the company for the first time for the financial year beginning on or after 1 January 2016. The standards that may impact the company's financial statements only have been considered below:

2.1.1 IAS 16 and ISA 41 – Amendments to Agriculture: Bearer Plants (effective 1 January 2016)

"IAS 41 'Agriculture' requires all biological assets that are related to agricultural activity to be measured at fair value less costs to sell (subject to fair value being reliably measurable), based on the principle that their biological transformation is best reflected by fair value measurement. However, there is a class of biological assets, known as bearer plants, that, once mature, are held by an entity solely to grow produce over their productive life. Examples include grape vines, rubber trees and oil palms.

Constituents told the IASB that IAS 41's fair value model was not appropriate for mature bearer plants that are no longer undergoing significant biological transformation as the way they use these assets is more similar in nature to manufacturing. The IASB listened to these concerns and made changes by issuing 'Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)'."

The Amendments define a bearer plant as a living plant that:

- is used in the production or supply of agricultural produce;
- is expected to bear produce for more than one period; and
- has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales (this definition is not met if there is a more than 'remote' likelihood that the plant will be sold as agricultural produce, incidental scrap sales excepted)
- include bearer plants within the scope of IAS 16 'Property, plant and equipment' instead of IAS 41 (produce growing on bearer plants remains within the scope of IAS 41)
- clarify that until bearer plants are mature, they are to be accounted for as self-constructed items of property, plant and equipment
- require any difference between fair value and the carrying amount under IAS 41 (fair value less costs to sell) at the time of initial adoption to be recognized in opening retained earnings 'exempt entities from the requirement in IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' to disclose the impact of initial application on each financial statement line item affected.
- permit the fair value of the bearer plants at the beginning of the earliest period presented to be used as the deemed cost for IAS 16 purposes when first applied.

The Amendments do not result in any changes to existing accounting for 'bearer livestock' or plants with more than a remote likelihood of being harvested and sold as agricultural produce."

IFRS 14, 'Regulatory Deferral Accounts', issued in January 2014 (effective 1 January 2016)
The Standard was issued in January 2014 and is effective from 1 January 2016, with earlier application permitted. Many governments regulate the supply and pricing of particular types of activity by private entities, including utilities such as gas, electricity and water. These regulations are often designed to allow the suppliers to recover specified costs and other amounts through the prices they charge to customers. However, rate regulation is also designed to protect the interests of customers. Consequently, the rate regulation may defer the recovery of these amounts in order to reduce price volatility. The suppliers usually keep track of these deferred amounts in separate regulatory deferral accounts until they are recovered through future sales of the regulated goods or services.

In some jurisdictions, national accounting standard setting bodies permit or require entities that are subject to particular types of rate regulation to recognize these deferred amounts as part of assets (such as the related property, plant and equipment) or as separate receivables or Payable. This changes the timing of when these amounts are recognized in profit or loss. IFRS does not have requirements specific to rate regulation. The IFRS Interpretations Committee has previously concluded that simply applying the specific requirements of another jurisdiction, such as US generally accepted accounting principles (US GAAP), might lead to the recognition of some items in the statement of financial position that would potentially conflict with the requirements of other Standards. The established practice of most entities that currently apply IFRS is not to recognize these regulatory deferral account balances but to allow them, instead, to flow through profit or loss as they arise.

The application does not have material impact on the financial statements.

Amendments to IAS 1 Disclosure Initiative.
The amendments were a response to comments that there were difficulties in applying the concept of materiality in practice as the wording of some of the requirements in IAS 1 had in some cases been read to prevent the use of judgement. Certain key highlights in the amendments are as follows:

- An entity should not reduce the understandability of its financial statements by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.
- An entity needs not provide a specific disclosure required by an IFRS if the information resulting from that disclosure is not material.
- In the other comprehensive income section of a statement of profit or loss and other comprehensive income, the amendments require separate disclosures for the following items:
- the share of other comprehensive income of associates and joint ventures accounted for using the equity method that will not be reclassified subsequently to profit or loss; and
- the share of other comprehensive income of associates and joint ventures accounted for using the equity method that will be reclassified subsequently to profit or loss.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2016 with earlier application permitted. Application of the amendments need not be disclosed

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the company.

3 Summary of Significant Accounting Policies

(a) Foreign currency transactions

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognized in the income statement part of the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

(b) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated Amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and Amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Expenditure on research activities is recognized as an expense in the period in which it is incurred.
An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated Amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognised.

(c) Biological Assets

Biological activities are measured at fair value (IAS 41).
Biological assets are recognized at the fair value according to an internal valuation model. This model is based on the discounted cash flow method (DCF).
The main variables in these models concern:

- Production volumes
- Selling price
- Cost price

A biological asset or agricultural produce is only recognized when it controls the asset as a result of past events, when it is probable that future economic benefits associated with the asset will flow to the Company and when the fair value or cost of the asset can be measured reliably.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated selling costs and from the change in fair value less estimated selling costs of a biological asset is included in net profit or loss in the period in which it arises.

(d) Property, Plant & Equipment

Items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their cost, less accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Depreciation is recognized so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Unless revised due to specific changes in the estimated useful life, annual depreciation rates are as follows:

Buildings:	5%
Mill Machinery & Equipment:	10%
Furniture, Fittings & Equipment:	20%
Tools	20%
Light Vehicles & Lorries:	25%
Tractors & Trailers:	20%
Agricultural equipment	20%
Nursery Equipment	12.5%
Water Supply	12.5%
Power supply Equipment	20%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

(e) Leases

Assets held under finance leases are initially recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a financial liability.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(f) Impairment of Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash- generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(g) Financial Assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognized and derecognised on a trade date basis.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash, and others) are measured at amortized cost using the effective interest method, less any impairment.
Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets measured at amortized cost, 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 recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

(h) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on a weighted average cost basis.

The stock finished products (including biological assets after harvest) are valued by adding production cost to the fair value of the biological asset concerned.

Inventories are written down on a case-by-case basis if the estimated net realizable value declines below the carrying amount of the inventories. Net realizable value is the estimated selling price less the estimated costs necessary to make the sale. When the reason for a write-down of the inventories has ceased to exist, the write-down is reversed.

(i) Cash and Cash Equivalent

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

For the purpose of the statements of cash flows, cash and cash equivalents includes cash on hand and deposits held at call or short term maturity with banks (three months or less), net of bank overdrafts. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet.

(j) Shareholders' Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

(k) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is reasonably certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(l) Retirement benefits and other long term employees' benefits

Employee benefits mainly concern:

- retirement benefits: pension plans, termination benefits, other retirement obligations and supplemental benefits;
- other long-term employee benefits: long-service benefits granted to employees according to their seniority in the Group;
- other employee benefits: post-employment medical care.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Actuarial gains and losses are recognized immediately in profit or loss. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

(m) Financial Liabilities

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified as either “financial liabilities at fair value through profit or loss” or “other financial liabilities”.

The Company does not hold any financial liabilities at fair value through profit or loss.

Other financial liabilities (including borrowings) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(n) Government Grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognized as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(o) Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (e.g. differences between carrying amounts under IFRS and the statutory tax bases). Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(p) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue from rendering services is based on the stage of completion determined by reference to services performed to date as a percentage of total services to be performed.

Interest income is recognized using the effective interest rate method.

Dividends are recognized when the right to receive payment is established.

(q) Borrowing Costs

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 capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

4 Financial Risk Management

(a) Introduction

Risk Management is essential to help ensure business sustainability thereby providing customers and the shareholders with a long-term value proposition.

- Key elements of risk management are:
- Strong corporate governance including relevant and reliable management information and internal control processes;
- Ensuring significant and relevant skills and services are available consistently to the Company;
- Influencing the business and environment by being active participants in the relevant regulatory and business forums; and
- Keeping abreast of technology and consumer trends and investing capital and resources where required.

The overall Company focus within an appropriate risk framework is to give value to the customers through effective and efficient execution of transactions.

The board of directors acknowledges its responsibility for establishing, monitoring and communicating appropriate risk and control policies.

(b) Significant risks

The Company has exposure to significant risks which are categorized as follows:

i. Regulatory (capital adequacy, legal, accounting and taxation);
ii. Business environment (reputation and strategic);
iii. Operational (people, information technology and internal control processes);
iv. Market (equity prices, interest rate and currency); and
v. Liquidity

(c) Detailed Discussion of significant risks

Regulatory Risk

Regulatory risk is the risk arising from a change in regulations in any legal, taxation and accounting pronouncements or specific industry that pertains to the business of the Company. In order to manage this risk, the Company is an active participant in the agro allied industry and engages in discussions with policy makers and regulators.

Legal Risk

Legal risk is the risk that the Company will be exposed to contractual obligations which have not been provided for.

The Company has a policy of ensuring all contractual obligations are documented and appropriately evidenced to agreements with the relevant parties to the contract.

All significant contracted claims are reviewed by independent legal resources and amounts are provided for if there is consensus as to any possible exposure. At 31 December 2016, the directors are not aware of any significant obligation not provided for.

Taxation Risk

Taxation risk is the risk of suffering a loss, financial or otherwise, as a result of an incorrect interpretation and application of taxation legislation or due to the impact of new taxation legislation on existing products.
Taxation risk occurs in the following key areas:

- Transactional risk;
- Operational risk;
- Compliance risk; and
- Financial accounting risk.

Transactional Risk

The risk which concerns specific transactions entered into by the Company, including restructuring projects and reorganizations.

Operational Risk

The underlying risks of applying tax laws, regulations and decisions to the day-to-day business operations of the Company.

Compliance Risk

The risk associated with meeting the Company's statutory obligations.

Financial Accounting Risk

The risk relates to the inadequacy of proper internal controls over financial reporting, including tax provisioning. In managing the Company's taxation risk, the Company tax policy is as follows:

The Company will fulfill its responsibilities under tax law in each of the jurisdictions in which it operates, whether in relation to compliance, planning or client service matters. Tax law includes all responsibilities which the Company may have in relation to Company taxes, personal taxes, capital gains taxes, indirect taxes and tax administration.

Compliance with this policy is aimed at ensuring that:

- All taxes due by the Company are correctly identified, calculated, paid and accounted for in accordance with the relevant tax legislation;
- The Company continually reviews its existing operations and planned operations in this context; and
- The Company ensures that, where clients participate in Company products, these clients are either aware of the probably tax consequences, or are advised to consult with independent professionals to assess these consequences, or both.

The identification and management of tax risk is the primary objective of the Company tax function, and this objective is achieved through the application of a formulated tax risk approach, which measures the fulfillment of tax responsibilities against the specific requirements of each category of tax to which the Company is exposed, in the context of the various types of activities the Company conducts.

Accounting Risk

Accounting Risk is the risk that the Company fails to explain the current events of the business in the financial statements.

Accounting risk can arise from the failure of management to:

- Maintain proper books and records, accounting system and to have proper accounting policies;
- Establish proper internal accounting controls;
- Prepare periodic financial statements that reflect an accurate financial position; and
- Be transparent and fully disclose all important and relevant matters.

Measures to control accounting risk are the use of proper accounting systems, books and records based on proper accounting policies as well as the establishment of proper internal accounting controls. Proposed accounting changes are researched by accounting resources, and if required external resources, to identify and advise on any material impact on the Company.
Financial statements are prepared in a transparent manner that fully discloses all important and relevant matters as well as accurately reflecting the financial position, results and cash flows of the Company.

(ii) Business Environment

Reputational Risk

Reputational Risk is the risk of loss caused by a decline in the reputation of the Company or any of its specific business units from the perspective of its stakeholders, shareholders, customers, staff, business partners or the general public.

Reputational risk can both cause and result from losses in all risk categories such as market or credit risk.

Strategic Risk

Strategic Risk is the risk of an unexpected negative change in the Company value, arising from the adverse effect of executive decisions on both business strategies and their implementation.

This risk is a function of the compatibility between strategic goals, the business strategies developed to achieve those goals and the resources deployed to achieve those goals. Strategic risk also includes the ability of management to effectively analyse and react to external factors, which could impact the future direction of the relevant business units.

Company Risk identifies and assesses both those risks qualitatively as part of a quarterly evaluation. On the basis of this evaluation, Company risk creates an overview of local and global risks which also includes reputational risks, analyses the risk profile of the Company and regularly informs directors and management.

(iii) Operational Risk

Operational Risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

The initiation of all transactions and their administration is conducted on the foundation of segregation of duties that has been designed to ensure materially the completeness, accuracy and validity of all transactions. These controls are augmented by management and executive review of control accounts and systems, electronic and manual checks and controls, back-up facilities and contingency planning. The internal control systems and procedures are also subjected to regular internal audit reviews.

(iv) Market Risk

Market Risk includes asset liability matching risk, currency risk, interest rate risk and equity price risk. The Company is exposed to market risk through its financial assets and financial liabilities. The most important components of this risk are interest rate risk and market price risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements.

Interest Rate and Market Price Risk

These risks have very different impacts on the various categories of business used in the Company's Assets and Liabilities Management framework. Interest rate and market price risk have been discussed together since they interact on certain types of liabilities.

Interest Rate Risk

Interest rate risk is the risk that the value and cash flow of a financial instrument will fluctuate due to changes in market interest rates.

Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices.

Foreign Currency Risk

In respect of other monetary assets and liabilities held in currencies other than the Naira, the Company ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates, where necessary, to address short-term imbalances.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a loss to the other party by failing to discharge an obligation.

Key areas where the Company is exposed to credit risk are:

- Certain classes of financial assets such as bonds, term deposits and cash and cash equivalent; and
- Certain accounts within trade and other receivables.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Company Treasury maintains flexibility in funding by keeping committed credit lines available.

Sensitivities

Management applies a number of sensitivity tests to the earnings of the Company to better understand the exposure to and importance of each of the main drivers of profitability.

IFRS 7 requires management to report on the changes in the net income after tax following "reasonable possible" changes in each of the factors to which the Company is exposed. Management has set the upside and downside movements for each factor at a level which represents the amount by which management believes that factor could reasonably change over the year following the valuation date. These opinions have been informed by an analysis of historical one year changes in those factors. The upper and lower limits have been set at the 75th and 25th percentiles of observed changes as these bound and interval which may be expected to contain 50% of the

changes in the coming year. Management believes this represents in some sense what is "reasonably possible", though it is important to note that this opinion is based on past experience and the tested range is not sensitive to all the relevant information in the market at the reporting date.
Management has considered the impact of upside and downside movements in foreign exchange rates. In relation to these sensitivity:

- The earnings are sensitive to changes in both the shape and level of the yield curve. Management has not considered changes in the shape of the yield curve due to several constraints although this may be reviewed in the following year.

Future rates of expense inflation, catastrophes and tax assumptions were considered but no sensitivities are presented as it is unlikely, in management's opinion that, these assumptions will change over the following year.

It should be noted that each impact on profit after tax is shown individually for each sensitivity being changed, keeping all other assumptions constant. In practice this is unlikely to occur, as changes in some of the variables may be correlated.

5 Critical accounting judgement and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the Company is required to make judgement, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.
The following area are areas where key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Useful lives of property, plant and equipment
- Valuation of biological assets at fair value
- Post-employment benefits

6. Revenue

	2016 N'000	2015 N'000
Local Sales:		
Fresh fruit bunches	193,494	154,462
Palm oil	-	73
Palm kernel	-	52
Other by-products	-	53
	193,494	154,639

7. Cost of Sales

	2016 N'000	2015 N'000
Mill processing, refinery & Packaging costs	515	6,337
Upkeep of mature trees, planting, harvesting & Lab. expenses	6,153	11,286
Direct Harvesters' wages & expenses	78,161	72,184
	84,829	89,807

8. Admin Expense

	2016 N'000	2015 N'000
Staff Cost	47,379	47,822
Repairs & Maintenance	9,706	5,293
Advert, publicity & Subscription	294	157
Hotel & Travelling	4,820	4,935
Postages, Printing & Stationery	1,181	1,408
Legal & Other Prof. fees	391	2,326
Office general expenses	4,428	281
Audit fees	1,000	1,000
Depreciation	24,867	29,740
	94,065	92,961

9. Other Operating Income

	2016 N'000	2015 N'000
Scraps sales	10	89
Other sundry income	45	230
	55	319

10. Finance Cost

	2016 N'000	2015 N'000
Bank Interest & charges	6	4

11. Income Tax Expense

	2016 N'000	2015 N'000
Company Income Tax	-	-
Education Tax	790	38
Deferred tax	-	-
	790	38

12. Property, Pland and Equipment

	Land N'000	Buildings N'000	Plant & Equipment N'000	Motor Vehicles N'000	Furniture & Fittings N'000	Total N'000
Deemed Cost						
At 1 January 2016	8,031	59,482	470,636	47,569	26,027	611,745
Additions	2,900	280	1,743	200	220	5,342
Revaluation						
Disposal	-	-	-	-	-	-
At 31 December 2016	10,931	59,762	472,379	47,769	26,247	617,088

	Land N'000	Buildings N'000	Plant & Equipment N'000	Motor Vehicles N'000	Furniture & Fittings N'000	Total N'000
Depreciation:						
At 1 January 2016	-	35,737	259,795	43,090	24,282	362,905
Charged for the period		4,556	10,266	1,170	373	16,365
Disposal	-	-	-	-	-	-
At 31 December 2016		40,293	270,061	44,260	24,655	379,269
Carrying Amount:						
At 31 December 2016	10,931	19,468	202,318	3,509	1,592	237,818
At 31 December 2015	8,031	23,745	210,841	4,479	1,745	248,841

13. Biological Assets

	2016 N'000	2015 N'000
At 1 January		
Cost	323,957	307,691
Additions	19,384	16,265
Revaluation	-	-
Impairment	-	-
At 31 December	343,341	323,957
Amortization		
At 1 January	127,012	114,053
For the year	96,984	12,958
Impairment	-	-
At 31 December	135,665	127,012
Carrying Amount:		
At 31 December	**207,676**	**196,945**
At 1 January	196,945	193,638

14. Inventoris

	2016 N'000	2015 N'000
Supplies	5,377	5,377
Finished goods	3,152	3,152
	8,529	8,529

15. Trade Receivables

	2016 N'000	2015 N'000
Trade Receivables	-	-
Less: Allow. For doubtful account	-	-
Trade Receivables - Net	-	-

16. Other Receivables

	2016 N'000	2015 N'000
Staff Loans and advances	369	309
Prepayment	-	-
Sundry debtors	27,725	27,725
	28,094	28,034

17. Cash & Cash Equivalents

	2016 N'000	2015 N'000
Cash at Bank	3,356	3,357
Cash at hand	2,581	3,700
	5,937	7,057

18a Authorized Share Capital

	2016 N'000	2015 N'000
100,000,000 ordinary shares of 50k each	50,000	50,000

18b Fully Paid Share Capital

	2016 N'000	2015 N'000
96,000,000 ordinary shares of 50k each	48,000	48,000

19 Share Premium

	2016 N'000	2015 N'000
At 1 January	9,368	9,368
Additions	-	-
At 31 December	9,368	9,368

20 Retained Earnings

	2016 N'000	2015 N'000
At 1 January	(281,287)	(201,533)
Adjustments	-	(51,900)
Reserve as restated	(281,287)	(253,433)
Retained profit for the year	13,859	(27,854)
Fair value gain	-	-
At 31 December	(267,428)	(281,287)

21 Financial Liabilities

	2016 N'000	2015 N'000
ODSG Loan	217,820	217,820
Bank Overdraft	-	-
Bank Loan	-	-
	217,820	217,820

22 Trade & Other Payable

	2016 N'000	2015 N'000
Suppliers	16,371	16,371

23 Financial Liabilities

	2016 N'000	2015 N'000
Bank overdraft:		
Sterling Bank	6,184	6,184
Wema Bank Plc - Ore	26,600	26,600
Union Bank Plc - Irele	1	1
Unity Bank Plc	15,196	15,206
FBN Igbokoda	6,648	6,648
	54,629	54,639

24 Other Trade Payable

	2016 N'000	2015 N'000
Advances from Customers	87,326	133,737
Accruals	114,765	99,323
Sundry Creditors	84,205	69,226
	286,296	302,286

25 Tax Payable

	2016 N'000	2015 N'000
At 1 January	6,497	6,458
Provision for the year	790	38
Payment during the year	-	-
At 31 December	7,287	6,479

STATEMENT OF VALUE ADDED

For the year ended 31st December 2016

	31-Dec16 N'000		31-Dec-15 N'000	
Revenue	193,494		154,639	
Bought in Materials	(28,487)		(33,023)	
	165,007		121,616	
Other Income	55		319	
Value added by operating activities.	165,062	100%	121,935	100%
Distribution of Value Added				
To Government as:				
Taxes and levies	790	2%	38	1%
To Employees:				
Salaries, wages, fringe benefits	125,540	81%	120,006	88%
To Providers of finance:				
Financial costs	6	0.1%	4	0.1%
Retained in the business:				
Depreciation & Amortization.	24,867	15%	29,740	23%
Retained Earnings	13,859	2.0%	(27,854)	-12.1%
Value Added	165,062	100%	121,934	100%

FINANCIAL SUMMARY

For the year ended 31st December 2016

	2016 N'000	2015 N'000	2014 N'000	2013 N'000	2012 N'000
Revenue	193,494	154,639	179,892	210,834	161,579
Results from operating activities	14,649	(27,811)	(20,674)	(18,800)	(47,520)
Profit before taxation	6,202	(27,815)	(20,916)	(19,455)	(48,285)
Profit for the year	13,859	(27,854)	(21,155)	(20,122)	(48,525)
Comprehensive income for the year	13,859	(27,854)	(21,155)	(20,122)	(48,525)
Employment of Funds					
Property, Plant and equipment	237,818	248,841	263,131	279,102	304,777
Biological assets	207,676	196,945	193,638	193,500	201,702
Deferred asset	18,237	18,237	18,237	18,237	18,237
Other non-current assets	50	50	50	50	50
Net current liabilities	(322,022)	(336,172)	(267,401)	(252,079)	(250,754)
Loans and borrowings	(217,820)	(217,820)	(217,820)	(227,820)	(242,901)
Net Assets	**(76,060)**	**(89,919)**	**(10,165)**	**10,990**	**31,112**
Funds Employed					
Share Capital	48,000	48,000	48,000	48,000	48,000
Share Premium	9,368	9,368	9,368	9,368	9,368
Deposit for shares	134,000	134,000	134,000	134,000	134,000
Retained Earnings	(267,428)	(281,287)	(201,533)	(180,378)	(160,256)
	(76,060)	**(89,919)**	**(10,165)**	**10,990**	**31,112**
Earnings Per Share	**0.14**	**(0.29)**	**(0.22)**	**(0.21)**	**(0.51)**

2015

ANNUAL REPORTS
& FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2015

RC 17790

OKITIPUPA
OIL PALM PLC

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Adewale Osomo Esq.	Chairman
Mr. Segun Onayiga	Director
Hon. Chief [Mrs.] Alice M Osomo	Director
Chief Yele Ogundipe	Director
Elder Tayo Akinjomo	Director
Prof. Ige Bolodeoku	Director
John O. O Akinleye	Director
High Chief P. B. Sheile	Director
Mr. Igbasan Sunday	Director
Mr. Fasalejo E. O	Director
B. A Olatubora	Director

COMPANY SECRETARY:
Dele Oluwola Adaramaja

REGISTRAR
GRDS Limited
274, Murtala Mohammed Way
Yaba, Lagos.

AUDITORS:
Abioye Abdul-Razaq & Co.
[Chartered Accountants]
2nd Floor, Rear wing, 313 Agege Motor Road,
Olorunsogo, Mushin, Lagos.

RC No.:
17790

REGISTERED & BUSINESS ADDRESS:
1, Marine Road
Okitipupa, Ondo State.

BANKERS:
First Bank of Nigeria Ltd
Sterling Bank Plc
Wema Bank Plc
Union Bank Plc
Keystone Bank
United Bank of Africa Plc
Polaris Bank Plc
Access Bank
First City Monument Bank
UnityBank
Ecobank Nigeria Ltd

2015 Annual Report Contents

DIRECTORS' REPORT

For the year ended 31st December, 2015

The Directors are pleased to present their annual report together with the audited financial statements of the Company for the year ended 31st December 2015.

1. Principal Activities

The principal activities of the Company are the development of oil palm plantations, palm oil milling, palm kernel processing and vegetable oil refining. The products of the Company are: refined bleached and deodorized palm oil, palm olein, palm stearin, palm fatty acid distillate, palm kernel oil (crude and refined) and palm kernel cake.

2. Review of Operations

Item	2015 N'000	2014 N'000
Revenue	154,639	179,892
Profit/(Loss) before tax	(27,815)	(20,916)
Profit/(Loss) after tax	(27,854)	(21,155)

3. Dividend

In respect of the current year, no dividend was recommended for payment.

4. Directors

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

S/N	Names	Designation
1	Adewale Osomo Esq	Chairman
2	Mr. Segun Onayiga	Director
3	Hon. Chief [Mrs.] Alice M Osomo	Director
4	Chief Yele Ogundipe	Director
5	Elder Tayo Akinjomo	Director
6	Prof. Ige Bolodeoku	Director
7	John O. O Akinleye	Director
8	High Chief P. B Sheile	Director
9	Mr. Igbasan Sunday	Director
10	Mr. Fasalejo E. O	Director
11	B. A Olatubora	Director

The Board of Directors Meeting for the Year 2015

1	Adewale Osomo Esq
2	Mr. Segun Onayiga
3	Hon. Chief [Mrs.] Alice M Osomo
4	Chief Yele Ogundipe
5	Elder Tayo Akinjomo
6	Prof. Ige Bolodeoku
7	John O. O Akinleye
8	High Chief P. B Sheile
9	Mr. Igbasan Sunday
10	Mr. Fasalejo E. O
11	B. A Olatubora

Note: No Board meetings were held as this was the time of the unauthorised management by Mr. Niyi Ogunwa and Mr. Femi Adeyehun.

5. Directors' Interest in Shares

The interest of each current Director in the issued share capital of the Company as recorded in the Register of Members and/or notified by the Directors for the purpose of Section 275 of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, and disclosed in accordance with Section 342 of the said Act, is as follows:

S/N	Names	As at 31 December 2015 No. of shares.
1	Adewale Osomo	57,020
2	High Chief P. B Sheile	
3	Mr. Igbasan Sunday	
4	John O. O Akinleye	220,000
5	Hon. Chief [Mrs.] Alice M Osomo	1,200
6	Mr. Segun Onayiga	
7	Prof. Ige Bolodeoku	
8	Chief Yele Ogundipe	
9	Elder Tayo Akinjomo	
10	B. A Olatubora	
11	Mr. Fasalejo E. O	

6. Shareholding and Substantial Shareholders

The issued and fully paid-up Share Capital of the Company is 96,000,000 Ordinary Shares of 50 kobo each. The following Shareholders held 5% and above of the issued share capital of the company as at 31 December 2015.

S/N	SHAREHOLDER	NO. OF SHARES	%
1	ESTAPORT FARMS LTD	34,214,546	35.64
2	ONDO STATE INVESTMENTS HOLDINGS LIMITED	28,573,479	29.76

The shareholding analysis as at December 31, 2015 is shown below.

Range of Shareholding	Number of Shareholders	Number of Ordinary shares	% Shareholding
1 - 1000	10,727	4,222,198	4.40
1,001 - 5,000	3,741	6,904,596	7.19
5,001 - 10,000	353	2,396,712	2.50
10,001 - 50,000	275	4,903,124	5.11
50,001 - 100,000	35	2,457,021	2.56
100,001 - 500,000	24	4,308,926	4.49
500,001 - 1,000,000	3	1,899,480	1.98
Above 1,000,000	4	68,907,943	71.78

7. Statement of Directors' Responsibilities

The Directors accept responsibility for the preparation of the annual financial statements set out on pages …. that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, 2011.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria 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.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

8. Property, Plant and Equipment

Information relating to changes in property, plant and equipment is given in Note 12 to the Financial Statements.

9. Employees and Employment

(a) Employment of Physically-Challenged Persons

The company is an equal opportunity employer and does not discriminate on any grounds. Thus, we provide employment opportunities to physically-challenged persons. However, this actually goes beyond the need to ensure that there is no discrimination against such persons, but driven by a deep conviction that even in disability, there could be immense ability.

(b) Employee Involvement and Training

In today's competitive business landscape, human capability has been found to be a key factor for corporate success. The critical challenge towards continuous performance improvement remains the capability and speed of response to changes in the business environment through people development. Thus, a drive in the right direction for employees' development is imperative for sustainable superior company performance. We must not only enable employees to perform in their day-to-day jobs, but must unlock their potentials and make it possible for them to unleash energy to achieve business goals.

Continuous training and upgrading of skills at all levels of the Company is therefore the key to achieving a meaningful competitive advantage and long-term business success.

(c) Health, Safety and Welfare

The Company takes the health, safety and welfare of its employees very seriously, with a strong conviction that a healthy workforce will always be highly productive and will deliver superior performances at all times. Consequently, there are on-site clinics manned by qualified medical personnel in all our oil milling locations that provide primary health care round the clock for employees at work. Furthermore, top health care providers have been carefully selected under a managed care scheme to look after the health care needs of employees and their dependant. We comply with relevant statutory provisions and regulations on health, safety and welfare matters as well as providing the education required to enable compliance by employees.

10. Conflict of Interests

The company recognizes and respects the right of its employees to engage in external activities so long as these activities do not impair, interfere or conflict with the conscientious performance of their duties and do not involve damage to or misuse of the Company's name, trademarks, products, property, reputation, goodwill, confidential information or other resources.

When an employee is engaged in carrying out a task on behalf of the Company and that employee has a factual or potential private interest in the outcome of the task, which is contrary to the best interests of the Company or is substantial enough to affect the employee's unbiased judgment, the Company expects the employee to disclose this as appropriate. Failure to comply with this policy will have serious career consequences for the employee. Okitipupa Oil Palm Plc maintains policies (for instance, on purchasing) that severely reduce the risk of harm to the Company due to a conflict of interest.

11. Corporate Governance

The company adopts a responsible attitude towards corporate governance. The Board is in support of the Code of Corporate Governance for Public Companies in Nigeria ("the Code") released by the Securities & Exchange Commission in 2011. The Board will endeavour to ensure that the Company is in compliance with the provisions of the Code at all times.

(a) The Board of Directors

The Board of Directors is made up of twelve (11) Non-Executive Directors, including the Chairman, and One (1) Executive Director. The Board has a formal guideline and process for appointment of persons as Directors. The Board is inter alia, responsible for supervising the conduct of business of the management as well as the general course of affairs in the Company as well as responsible for assessing the Company's corporate strategy and general policy; the development of the Company's financial position; the Company's risk management and other systems; the Company's organizational structure; and the Company's social policy.

12. Events after the End of the Reporting Period

There were no material events that occurred after the end of the reporting period.

13. Donations

There was no donation during the year under review.

14. Research & Development

The activities of the company did not necessitate any expenditure on research and development during the year under review.

15. Related parties transactions

As at the year ended 31st December 2015, the company has no related parties transactions.

16. Subsequent events

There are no significant subsequent events, which could have had a material effect on the state of affairs of the Company as at 31st December 2015 that have not been adequately provided for or disclosed in the financial statements.

17. Contingent Liabilities

The management is of the opinion that the total claims in respect of pending legal matters are not expected to be of any significant value and we cannot find any evidence to the contrary.

18. Independent Auditors

Abioye Abdul-razaq & Co. served as the Independent Auditors during the year under review.

In accordance with Section 357(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, Abioye Abdul-razaq & Co. have indicated their willingness to continue in office as Independent Auditors to the Company.

By Order of the Board.

Dele Oluwole Adaramaja
Company Secretary/Legal Adviser

ABIOYE ABDUL-RAZAQ & CO.
CHARTERED ACCOUNTANTS

2nd Floor, Rear Wing, 3113, Agege Motor Road, Beside GTBank Plc
Olorunsogo, Mushin, Lagos. P/ O/ Box 8127, Ikeja, Lagos
Email: bioye21@hotmaul.com, abioyeabdulrazaq@yahoo.com
Tel: 08033333045, 08025829330

To the Shareholders of Okitipupa Oil Palm Plc

We have audited the accompanying financial statements of Okitipupa Oil Palm Plc which comprise the Statement of Financial Position as at 31st December, 2015, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the financial statements including a summary of Significant Accounting Policies set out on pages ……to ……..

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, CAP C20, LFN 2004. These responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Statements that are free from material mis-statements whether due to fraud or error, selecting and applying appropriate Accounting Policies and making Accounting estimates that are reasonable in their circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our Audit. The Audit was conducted in accordance with the International Standards on Auditing (ISA). Those Standards require that we comply with ethical requirements, plan and perform the Audit to obtain reasonable assurance as to whether the Financial Statements are free from material mis-statements. 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 mis-statements of the Financial Statements whether due to fraud or error. We planned and performed our Audit so as to obtain all the information and explanations which we considered necessary, in order to provide us with sufficient evidence to give a reasonable assurance that the Financial Statements are free from material mis-statements.

Disclaimer of Opinion

We do not express an opinion on the accompanying financial statements of the company which comprise the Statement of Financial Position as at 31st December, 2015, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the financial statements including a summary of Significant Accounting Policies. This is as a result of the significance of the matters described in the Basis for Disclaimer of Opinion section of our Report. We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial position of the company as at 31st December, 2015, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing and the Companies and Allied Matters Act Cap C20, LFN 2004.

Basis for Disclaimer of Opinion

As at the date of issuing the audit opinion, we were unable to carry out audit procedures necessary to obtain adequate assurance regarding the balances of assets and liabilities presented in the Management Accounts. Relevant documents and explanations regarding these items were not provided in many instances. Thus, we could not perform necessary tests to confirm the existence or otherwise of the items which include: Fixed Assets, Cash & Bank Balances, Inventories and Payable. As a result of this matter, we were unable to form an opinion about whether the Statement of Financial Position as at 31st December, 2015 gives a true and fair view of the financial position of the Company, which opinion can serve as a basis for the audit of the financial statement for Year 2015. We were also unable to determine whether any further adjustments might have been necessary in respect of the elements making up the Statement of Financial Position as at 31st December, 2015, the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows. The financial effects of this matter were impracticable to quantify. There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the figures. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of Companies and Allied Matters Act CAP C20, LFN 2004, we expressly state that due to the basis of disclaimer opinion above:

i. We have not obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii. We have not obtained all the information and explanations which will allow us to conclude whether the Company has kept proper books of account, so far as appears from our examination of those books.

iii. We have not obtained all the information and explanations which will allow us to conclude whether or not the financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2015 and of its loss and cash flow for the year then ended.

Abioye Abdulrazaq
FRC/2015/ICAN/00000013380
Abioye Abdulrazaq & Co.

Lagos, Nigeria
25th August, 2020

Managing Partner: A. O. S. ABIOYE ACA, ACTI, ACS. ACIB. AMNIM, MBA

REPORT OF THE AUDIT COMMITTEE

For the year ended 31st December, 2015

To the members of the OKITIPUPA OUL PALM PLC

In compliance with the provisions of Section 359 (6) of the Company and Allied Matters Act Cap 20 LFN 2004, the members of the Audit Committee reviewd the financial statements of the company for the year ended 31st December 2015 and report as follows:

1. We reviewed the Financial Statements for the year ended 31st December 2015 and are not in a position to express our satisfaction on the position of its contents.
2. We were unable to review the External Auditors' management letter for the year ended 31st December 2015 as none was presented to us.
3. The External Auditors' reported that they have not received the expected cooperation from the Company's Management and have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an unqualified audit opinion on the financial position of the company as at 31st December 2015, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.
4. The External Auditors' report indicate a total absence of management accountability and consequently, we are not in a position to report on the scope, planning and conduct of the audit of the company's financial statements for the year ended 31st December 2015.

SENATOR ANTHONY ADEMUYIWA ADENIYI
CHAIRMAN, STATUTORY AUDIT COMMITTEE
DECEMBER 09, 2019

MEMBERS OF THE STATUTORY AUDIT COMMITTEE

Sen. Anthony Adeniyi	Shareholder	Chairman
HE Surveyor Abiodun Aluko	Shareholder	Member
Mr. Akinboye Oyewumi	Director	Member
Mr. Adewale Osomo	Director	Member
Mr. Tolu Fadahunsi	Shareholder	Member
Chief John Akinleye	Director	Member

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December, 2015

	Note	31-Dec-15 N'000	31-Dec-14 N'000
Revenue	6	154,639	179,892
Cost of Sales	7	(89,807)	(100,557)
Gross Profit		64,831	79,335
Selling, general & Admin. Expenses	8	(92,961)	(100,860)
Other Operating Income	9	319	851
Operating Profit		(27,811)	(20,674)
Financial Income		-	-
Financial Expenses	10	(4)	(242)
Operating result before tax		(27,815)	(20,916)
Income tax expenses	11	(38)	(239)
Operating result for the period		(27,854)	(21,155)
Other Comprehensive Income:			
Changes in revaluation Surplus		-	-
Gains & losses on re-measuring available for sale financial assets		-	-
Total Comprehensive income for the year.		**(27,854)**	**(21,155)**

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December, 2015

	Note	31-Dec-15 N'000	31-Dec-14 N'000
ASSETS			
Non-Current assets			
Property, Plant and Equipment	12	248,841	263,131
Biological assets	13	196,945	193,638
Deferred asset		18,237	18,237
Other non-current assets		50	50
		464,073	475,056
CURRENT ASSETS			
Inventories	14	8,529	8,651
Trade receivables	15	-	-
Other receivables	16	28,034	28,019
Cash and cash equivalents	17	7,057	8,110
		43,620	44,780
TOTAL ASSETS		507,693	519,836
EQUITY AND LIABILITIES			
Equity.			
Share Capital	18b	48,000	48,000
Share Premium	19	9,368	9,368
Deposit for shares		134,000	134,000
Retained Earnings	20	(281,287)	(201,533)
Other reserves		-	-
		(89,919)	(10,165)

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December, 2015

	Note	31-Dec-15 N'000	31-Dec-14 N'000
Non-Current Liabilities			
Deferred tax Liabilities		-	-
Financial Liabilities	21	217,820	217,820
Current Liabilities			
Trade Payable	22	16,371	16,371
Financial liabilities	23	54,639	47,992
Other trade Payable	24	302,286	241,361
Tax Payable	25	6,497	6,458
		379,792	312,181
TOTAL LIABILITIES		597,612	530,001
TOTAL EQUITY AND LIABILITIES		**507,693**	**519,836**

Approved by the Board of Directors on the 5th of September, 2020 and signed on its behalf by:

A.M. Osomo

Chief [Mrs.] Alice M. Osomo
Chairman
FRC/2020/3/00000025784

Mr.Taiwo Adewole
CEO
FRC/2020/03/00000021511

Mr. Tai Ajayi Dahunsi
Chief Finance Officer
FRC/2020/001/00000021936

The note on pages 163 to 179 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2015

	Issued Share Capital N'000	Deposits for Shares N'000	Share Premium N'000	Retained Earnings N'000	Total equity N'000
For the year ended 31 December 2015					
At 1 January 2015	48,000	134,000	9,368	(201,533)	(10,165)
Total Comprehensive income	-	-	-	(27,854)	(27,854)
Adjustments				(51,900)	(51,900)
Dividend	-	-	-	-	-
At 31 December 2015	48,000	134,000	9,368	(281,287)	(89,919)
For the year ended 31 December 2014					
At 1 January 2014	48,000	134,000	9,368	(180,378)	(10,990)
Total Comprehensive income	-	-	-	(21,155)	(21,155)
Dividend	-	-	-	-	-
At 31 December 2014	48,000	134,000	9,368	(201,533)	(10,165)

STATEMENT OF CASH FLOWS

For the year ended 31st December 2015

	31-Dec-15	31-Dec-14
	N'000	N'000
Cash flows from operating activities		
Profit before taxation	(27,811)	(20,674)
Adjustments:		
Interest paid	-	-
Depreciation & Amortization	29,740	32,855
Unrealized net gain/(loss) arising from fair value changes	-	-
Changes in assets and Liabilities		
Decrease/(increase) in inventory	122	125
Decrease/(increase) in trade and other receivables	(15)	(50)
Decrease/(increase) in other current assets	-	-
Increase/(decrease) in financial liabilities (current)	6,648	(400)
Increase/(decrease) in trade and other Payable	60,770	(1,079)
Increase/(decrease) in other current liabilities.	-	8,139
Tax Paid	-	(203)
Net cash provided by operating activities	69,453	18,713
Cash flows from Investing Activities		
Acquisition of PPE & Biological assets	(18,606)	(17,023)
Net cash used in Investing activities	(18,606)	(17,023)
Cash flows from Financing Activities		
Loan received/(repayment) during the year	-	(10,000)
Shareholders' equity	(51,900)	-
Interest paid	-	(242)
Net cash used in financing activities	(51,900)	(10,242)
Net increase/(decrease) in cash and cash equivalents	(1,053)	(8,552)
Cash and cash equivalents at January 1	8,110	16,662
Cash and cash equivalents at December 31	**7,057**	**8,110**

1. General Information

Okitipupa Oil Palm PLC was incorporated as a limited liability company on the 17th day of May, 1976 to take over the Okitipupa Oil Palm Project under the management of the Nigeria Joint Agency Limited. In 1980 the company was brought under the supervision of the Governor's Office. In May 1987, the Ondo State Investment (Holding) Company Limited was established and vested with all the State Government's interest in Okitipupa Oil Palm Company Limited. The company became Public Liability Company in year 1993

Okitipupa Oil Palm Plc was established to carry on the business of palm tree plantation developments, cultivators, growers of other related crops and to treat, process, prepare, render marketable, buy, sell, and dispose of such products either raw or manufactured state and any product or by-product derived therefrom. The Products of the company include production of: .Palm Oil, .Palm Kernel, .Ashes, .Brown Soap; and .Other agro-allied related products.

2 Basis of Preparation

(a) Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and adopted by the Financial Reporting Council of Nigeria (FRC). Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

The Financial Statements were authorized for issue by the Board of Directors of Okitipupa Oil Palm Plc on 5th September 2020.

(b) Basis of Measurement

The principal accounting policies applied in the preparation of the above financial statements are set out below.

The financial statements have been prepared on the basis of the historical cost price method. Any exceptions to the historical cost price method are disclosed in the valuation rules described hereafter (such as biological assets).

(c) Functional and presentation currency

These Financial Statements are presented in Nigeria Naira which is the Company's functional currency. Except otherwise indicated, financial information presented in Nigeria Naira has been rounded to the nearest thousand.

(d) Use of estimates and judgement

The preparation of the financial statements in conformity with IFRSs requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company.

At the date of authorization of these financial statements, certain new IFRS standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the Company. Management anticipates that all of the relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

2.1 New standards not yet effective

IFRS 14, 'Regulatory Deferral Accounts', issued in January 2014 (effective 1 January 2016)

The Standard was issued in January 2014 and is effective from 1 January 2016, with earlier application permitted. Many governments regulate the supply and pricing of particular types of activity by private entities, including utilities such as gas, electricity and water. These regulations are often designed to allow the suppliers to recover specified costs and other amounts through the prices they charge to customers. However, rate regulation is also designed to protect the interests of customers. Consequently, the rate regulation may defer the recovery of these amounts in order to reduce price volatility. The suppliers usually keep track of these deferred amounts in separate regulatory deferral accounts until they are recovered through future sales of the regulated goods or services.

In some jurisdictions, national accounting standard setting bodies permit or require entities that are subject to particular types of rate regulation to recognize these deferred amounts as part of assets (such as the related property, plant and equipment) or as separate receivables or Payable. This changes the timing of when these amounts are recognized in profit or loss. IFRS does not have requirements specific to rate regulation. The IFRS Interpretations Committee has previously concluded that simply applying the specific requirements of another jurisdiction, such as US generally accepted accounting principles (US GAAP), might lead to the recognition of some items in the statement of financial position that would potentially conflict with the requirements of other Standards. The established practice of most entities that currently apply IFRS is not to recognize these regulatory deferral account balances but to allow them, instead, to flow through profit or loss as they arise.

IFRS 15, 'Revenue from Contracts with Customers', Issued: May 2014 (effective 1 January 2017)
IFRS 15 specifies how and when an IFRS reporter will recognize revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides five-step model to be applied to all contracts with customers. IFRS 15 was issued in May 2014 and applies to an annual reporting period beginning on or after 1 January 2017.

IFRS 9, 'Financial instruments', issued in November 2009 (effective 1 January 2018)
IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2015.

IAS 16 and IAS 41 - Amendments to Agriculture: Bearer Plants (effective 1 January 2016)
"IAS 41 'Agriculture' requires all biological assets that are related to agricultural activity to be measured at fair value less costs to sell (subject to fair value being reliably measurable), based on the principle that their biological transformation is best reflected by fair value measurement. However, there is a class of biological assets, known as bearer plants, that, once mature, are held by an entity solely to grow produce over their productive life. Examples include grape vines, rubber trees and oil palms.
Constituents told the IASB that IAS 41's fair value model was not appropriate for mature bearer plants that are no longer undergoing significant biological transformation as the way they use these assets is more similar in nature to manufacturing. The IASB listened to these concerns and made changes by issuing 'Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)'."

The Amendments define a bearer plant as a living plant that:
- is used in the production or supply of agricultural produce;
- is expected to bear produce for more than one period; and
- has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales (this definition is not met if there is a more than 'remote' likelihood that the plant will be sold as agricultural produce, incidental scrap sales excepted)
- include bearer plants within the scope of IAS 16 'Property, plant and equipment' instead of IAS 41 (produce growing on bearer plants remains within the scope of IAS 41)
- clarify that until bearer plants are mature, they are to be accounted for as self-constructed items of property, plant and equipment

- require any difference between fair value and the carrying amount under IAS 41 (fair value less costs to sell) at the time of initial adoption to be recognized in opening retained earnings 'exempt entities from the requirement in IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' to disclose the impact of initial application on each financial statement line item affected.
- permit the fair value of the bearer plants at the beginning of the earliest period presented to be used as the deemed cost for IAS 16 purposes when first applied.

The Amendments do not result in any changes to existing accounting for 'bearer livestock' or plants with more than a remote likelihood of being harvested and sold as agricultural produce."

Amendments to IAS 1 Disclosure Initiative.
The amendments were a response to comments that there were difficulties in applying the concept of materiality in practice as the wording of some of the requirements in IAS 1 had in some cases been read to prevent the use of judgement. Certain key highlights in the amendments are as follows:

- An entity should not reduce the understandability of its financial statements by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.
- An entity needs not provide a specific disclosure required by an IFRS if the information resulting from that disclosure is not material.
- In the other comprehensive income section of a statement of profit or loss and other comprehensive income, the amendments require separate disclosures for the following items:
- the share of other comprehensive income of associates and joint ventures accounted for using the equity method that will not be reclassified subsequently to profit or loss; and
- the share of other comprehensive income of associates and joint ventures accounted for using the equity method that will be reclassified subsequently to profit or loss.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2016 with earlier application permitted. Application of the amendments need not be disclosed

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the company.

3 Summary of Significant Accounting Policies

(a) Foreign currency transactions
Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognized in the income statement part of the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

(b) Intangible assets
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated Amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and Amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Expenditure on research activities is recognized as an expense in the period in which it is incurred.
An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated Amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognised.

(c) Biological Assets
Biological activities are measured at fair value (IAS 41).

Biological assets are recognized at the fair value according to an internal valuation model. This model is based on the discounted cash flow method (DCF).

The main variables in these models concern:
- Production volumes
- Selling price
- Cost price
- Discount rate

A biological asset or agricultural produce is only recognized when it controls the asset as a result of past events, when it is probable that future economic benefits associated with the asset will flow to the Company and when the fair value or cost of the asset can be measured reliably.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated selling costs and from the change in fair value less estimated selling costs of a biological asset is included in net profit or loss in the period in which it arises.

(d) Property, Plant & Equipment
Items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their cost, less accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Depreciation is recognized so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Unless revised due to specific changes in the estimated useful life, annual depreciation rates are as follows:

Buildings:	5%
Mill Machinery & Equipment:	10%
Furniture, Fittings & Equipment :	20%
Tool	20%
Light Vehicles & Lorries:	25%
Tractors & Trailers:	20%
Agricultural equipment	20%

Nursery Equipment	12.5%
Water Supply	12.5%
Power supply Equipment	20%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

(e) Leases
Assets held under finance leases are initially recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a financial liability.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(f) Impairment of Assets
At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash- generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(g) Financial Assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognized and derecognised on a trade date basis.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash, and others) are measured at amortized cost using the effective interest method, less any impairment.

Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets measured at amortized cost, 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 recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

(h) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on a weighted average cost basis.

The stock finished products (including biological assets after harvest) are valued by adding production cost to the fair value of the biological asset concerned.

Inventories are written down on a case-by-case basis if the estimated net realizable value declines below the carrying amount of the inventories. Net realizable value is the estimated selling price less the estimated costs necessary to make the sale. When the reason for a write-down of the inventories has ceased to exist, the write-down is reversed.

(i) Cash and Cash Equivalent

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

For the purpose of the statements of cash flows, cash and cash equivalents includes cash on hand and deposits held at call or short term maturity with banks (three months or less), net of bank overdrafts. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet.

(j) Shareholders' Equity
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

(k) Provisions
Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is reasonably certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(l) Retirement benefits and other long term employees' benefits
Employee benefits mainly concern:
- retirement benefits: pension plans, termination benefits, other retirement obligations and supplemental benefits;
- other long-term employee benefits: long-service benefits granted to employees according to their seniority in the Group;
- other employee benefits: post-employment medical care.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Actuarial gains and losses are recognized immediately in profit or loss. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

(m) Financial Liabilities
Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified as either "financial liabilities at fair value through profit or loss" or "other financial liabilities".

The Company does not hold any financial liabilities at fair value through profit or loss.
Other financial liabilities (including borrowings) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(n) Government Grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(o) Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (e.g. differences between carrying amounts under IFRS and the statutory tax bases). Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(p) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue from rendering services is based on the stage of completion determined by reference to services performed to date as a percentage of total services to be performed.

Interest income is recognized using the effective interest rate method.

Dividends are recognized when the right to receive payment is established.

(q) Borrowing Costs

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 capitalization.
All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

4 Financial Risk Management

(a) Introduction

Risk Management is essential to help ensure business sustainability thereby providing customers and the shareholders with a long-term value proposition.

Key elements of risk management are:

- Strong corporate governance including relevant and reliable management information and internal control processes;
- Ensuring significant and relevant skills and services are available consistently to the Company;
    - Influencing the business and environment by being active participants in the relevant regulatory and business forums; and
    - Keeping abreast of technology and consumer trends and investing capital and resources where required.

The overall Company focus within an appropriate risk framework is to give value to the customers through effective and efficient execution of transactions.

The board of directors acknowledges its responsibility for establishing, monitoring and communicating appropriate risk and control policies.

(b) Significant risks

The Company has exposure to significant risks which are categorized as follows:

i. Regulatory (capital adequacy, legal, accounting and taxation);
ii. Business environment (reputation and strategic);
iii. Operational (people, information technology and internal control processes);
iv. Market (equity prices, interest rate and currency); and
v. Liquidity

(c) Detailed Discussion of significant risks

Regulatory Risk

Regulatory risk is the risk arising from a change in regulations in any legal, taxation and accounting pronouncements or specific industry that pertains to the business of the Company. In order to manage this risk, the Company is an active participant in the agro allied industry and engages in discussions with policy makers and regulators.

Legal Risk

Legal risk is the risk that the Company will be exposed to contractual obligations which have not been provided for.

The Company has a policy of ensuring all contractual obligations are documented and appropriately evidenced to agreements with the relevant parties to the contract.

All significant contracted claims are reviewed by independent legal resources and amounts are provided for if there is consensus as to any possible exposure. At 31 December 2015, the directors are not aware of any significant obligation not provided for.

Taxation Risk
Taxation risk is the risk of suffering a loss, financial or otherwise, as a result of an incorrect interpretation and application of taxation legislation or due to the impact of new taxation legislation on existing products.
Taxation risk occurs in the following key areas:
- Transactional risk;
- Operational risk;
- Compliance risk; and
- Financial accounting risk.

Transactional Risk
The risk which concerns specific transactions entered into by the Company, including restructuring projects and reorganizations.

Operational Risk
The underlying risks of applying tax laws, regulations and decisions to the day-to-day business operations of the Company.

Compliance Risk
The risk associated with meeting the Company's statutory obligations.

Financial Accounting Risk
The risk relates to the inadequacy of proper internal controls over financial reporting, including tax provisioning.
In managing the Company's taxation risk, the Company tax policy is as follows:

The Company will fulfill its responsibilities under tax law in each of the jurisdictions in which it operates, whether in relation to compliance, planning or client service matters. Tax law includes all responsibilities which the Company may have in relation to Company taxes, personal taxes, capital gains taxes, indirect taxes and tax administration.

Compliance with this policy is aimed at ensuring that:
- All taxes due by the Company are correctly identified, calculated, paid and accounted for in accordance with the relevant tax legislation;
- The Company continually reviews its existing operations and planned operations in this context; and
- The Company ensures that, where clients participate in Company products, these clients are either aware of the probably tax consequences, or are advised to consult with independent professionals to assess these consequences, or both.

The identification and management of tax risk is the primary objective of the Company tax function, and this objective is achieved through the application of a formulated tax risk approach, which measures the fulfillment of tax responsibilities against the specific requirements of each category of tax to which the Company is exposed, in the context of the various types of activities the Company conducts.

Accounting Risk
Accounting Risk is the risk that the Company fails to explain the current events of the business in the financial statements.

Accounting risk can arise from the failure of management to:
- Maintain proper books and records, accounting system and to have proper accounting policies;
- Establish proper internal accounting controls;
- Prepare periodic financial statements that reflect an accurate financial position; and
- Be transparent and fully disclose all important and relevant matters.

Measures to control accounting risk are the use of proper accounting systems, books and records based on proper accounting policies as well as the establishment of proper internal accounting controls. Proposed accounting changes are researched by accounting resources, and if required external resources, to identify and advise on any material impact on the Company.

Financial statements are prepared in a transparent manner that fully discloses all important and relevant matters as well as accurately reflecting the financial position, results and cash flows of the Company.

(ii) Business Environment
Reputational Risk
Reputational Risk is the risk of loss caused by a decline in the reputation of the Company or any of its specific business units from the perspective of its stakeholders, shareholders, customers, staff, business partners or the general public.

Reputational risk can both cause and result from losses in all risk categories such as market or credit risk.

Strategic Risk
Strategic Risk is the risk of an unexpected negative change in the Company value, arising from the adverse effect of executive decisions on both business strategies and their implementation.

This risk is a function of the compatibility between strategic goals, the business strategies developed to achieve those goals and the resources deployed to achieve those goals. Strategic risk also includes the ability of management to effectively analyse and react to external factors, which could impact the future direction of the relevant business units.

Company Risk identifies and assesses both those risks qualitatively as part of a quarterly evaluation. On the basis of this evaluation, Company risk creates an overview of local and global risks which also includes reputational risks, analyses the risk profile of the Company and regularly informs directors and management.

(iii) Operational Risk
Operational Risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

The initiation of all transactions and their administration is conducted on the foundation of segregation of duties that has been designed to ensure materially the completeness, accuracy and validity of all transactions. These controls are augmented by management and executive review of control accounts and systems, electronic and manual checks and controls, back-up facilities and contingency planning. The internal control systems and procedures are also subjected to regular internal audit reviews.

(iv) Market Risk
Market Risk includes asset liability matching risk, currency risk, interest rate risk and equity price risk.

The Company is exposed to market risk through its financial assets and financial liabilities. The most important components of this risk are interest rate risk and market price risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements.

Interest Rate and Market Price Risk
These risks have very different impacts on the various categories of business used in the Company's Assets and Liabilities Management framework. Interest rate and market price risk have been discussed together since they interact on certain types of liabilities.

Interest Rate Risk
Interest rate risk is the risk that the value and cash flow of a financial instrument will fluctuate due to changes in market interest rates.

Equity Price Risk
Equity price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices.

Foreign Currency Risk
In respect of other monetary assets and liabilities held in currencies other than the Naira, the Company ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates, where necessary, to address short-term imbalances.

Credit Risk
Credit risk is the risk that one party to a financial instrument will cause a loss to the other party by failing to discharge an obligation.

Key areas where the Company is exposed to credit risk are:
- Certain classes of financial assets such as bonds, term deposits and cash and cash equivalent; and
- Certain accounts within trade and other receivables.

Liquidity Risk
Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Company Treasury maintains flexibility in funding by keeping committed credit lines available.

Sensitivities
Management applies a number of sensitivity tests to the earnings of the Company to better understand the exposure to and importance of each of the main drivers of profitability.

IFRS 7 requires management to report on the changes in the net income after tax following "reasonable possible" changes in each of the factors to which the Company is exposed. Management has set the upside and downside movements for each factor at a level which represents the amount by which management believes that factor could reasonably change over the year following the valuation date. These opinions have been informed by an analysis of historical one year changes in those factors. The upper and lower limits have been set at the 75th and 25th percentiles of observed changes as these bound and interval which may be expected to contain 50% of the changes in the coming year. Management believes this represents in some sense what is "reasonably possible", though it is important to note that this opinion is based on past experience and the tested range is not sensitive to all the relevant information in the market at the reporting date.
Management has considered the impact of upside and downside movements in foreign exchange rates. In relation to these sensitivity:
- The earnings are sensitive to changes in both the shape and level of the yield curve. Management has not considered changes in the shape of the yield curve due to several constraints although this may be reviewed in the following year.

Future rates of expense inflation, catastrophes and tax assumptions were considered but no sensitivities are presented as it is unlikely, in management's opinion that, these assumptions will change over the following year. It should be noted that each impact on profit after tax is shown individually for each sensitivity being changed, keeping all other assumptions constant. In practice this is unlikely to occur, as changes in some of the variables may be correlated.

5. Critical accounting judgement and key sources of estimation uncertainty
In the application of the Company's accounting policies, which are described above, the Company is required to make judgement, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following area are areas where key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Useful lives of property, plant and equipment
- Valuation of biological assets at fair value
- Post-employment benefits

6. Revenue

	2015 N'000	2014 N'000
Revenue:		
Local Sales:		
Fresh fruit bunches	154,462	177,575
Palm oil	73	2,218
Palm kernel	52	-
Other by-products	53	99
	154,639	179,892

7. Cost of Sales

	2015 N'000	2014 N'000
Mill processing, refinery & Packaging costs	6,337	7,022
Upkeep of mature trees, planting, harvesting & Lab. expenses	11,286	15,243
Direct Harvesters wages & expenses	72,184	78,292
	89,,807	100,557

8. Admin Expemses

	2015 N'000	2014 N'000
Staff Cost	47,822	49,776
Repairs & Maintenance	5,293	3,751
Advert, publicity & Subscription	157	177
Hotel & Travelling	4,935	4,479
Postages, Printing & Stationery	1,408	2,004
Legal & Other Prof. fees	2,326	3,581
Office general expenses	281	3,238
Audit fees	1,000	1,000
Depreciation	29,740	32,855
	92,961	100,860

9. Other Operating Income

	2015 N'000	2014 N'000
Scraps sales	89	-
Other sundry income	230	851
	319	851

10. Finance Cost

	2015 N'000	2014 N'000
Bank Interest & charges	4	242

11. Income Tax Expenses

	2015 N'000	2014 N'000
Company Income Tax	-	-
Education Tax	38	239
Deferred tax	-	-
	38	239

12. Property, Plant and Equipment

	Land N'000	Buildings N'000	Plant & Equipment N'000	Motor Vehicles N'000	Furniture & Fittings N'000	Total N'000
Deemed Cost						
At 1 January 2015	8,031	59,187	468,590	47,569	26,027	609,405
Additions	-	295	2,045	-	-	2,340
Revaluation						
Disposal	-	-	-	-	-	-
At 31 December 2015	**8,031**	**59,482**	**470,636**	**47,569**	**26,027**	**611,745**
Depreciation:						
At 1 January 2015	-	31,204	249,643	41,598	23,829	346,274
Charged for the period	-	4,533	10,152	1,493	453	16,631
Disposal	-		-	-	-	-
At 31 December 2015	**-**	**35,737**	**259,795**	**43,090**	**24,282**	**362,905**
Carrying Amount:						
At 31 December 2015	**8,031**	**23,745**	**210,841**	**4,479**	**1,745**	**248,841**
At 31 December 2014	8,031	27,983	218,948	5,972	2,198	263,131

13. Biological Assets

	2015 N'000	2014 N'000
At 1 January		
Cost	307,691	295,245
Additions	16,265	12,446
Revaluation	-	-
Impairment	-	-
At 31 December	323,957	307,691

	2015 N'000	2014 N'000
Amortization		
At 1 January	114,053	101,746
For the year	12,958	12,308
Impairment	-	-
At 31 December	127,012	114,053
Carrying Amount:		
At 31 December	**196,945**	**193,638**
At 1 January	193,638	193,500

14. Inventories

	2015 N'000	2014 N'000
Supplies	5,377	5,499
Finished goods	3,152	3,152
	8,529	8,651

15. Trade Receivables

	2015 N'000	2014 N'000
Trade Receivables	-	-
Less: Allow. For doubtful account	-	-
Trade Receivables - Net	-	-

16. Other Receivables

	2015 N'000	2014 N'000
Staff Loans and advances	309	294
Prepayment	-	-
Sundry debtors	27,725	27,725
	28,034	28,019

17. Cash & Cash Equivalents

	2015 N'000	2014 N'000
Cash at Bank	3,357	3,127
Cash at hand	3,700	4,983
	7,057	8,110

18a. Authorized Share Capital

	2015 N'000	2014 N'000
100,000,000 ordinary shares of 50k each	50,000	50,000

18b. Fully Paid Share Capital

	2015 N'000	2014 N'000
96,000,000 ordinary shares of 50k each	48,000	48,000

19. Share Premium

	2015 N'000	2014 N'000
At 1 January	9,368	9,368
Additions	-	-
At 31 December	9,368	9,368

20. Retained Earnings

	2015 N'000	2014 N'000
At 1 January	(201,533)	(180,378)
Adjustments	(51,900)	-
Reserve as restated	(253,433)	(180,378)
Retained profit for the year	(27,854)	(21,155)
Fair value gain	-	-
At 31 December	(281,287)	(201,533)

21. Financial Liabilities

	2015 N'000	2014 N'000
ODSG Loan	217,820	217,820
Bank Overdraft	-	-
Bank Loan	-	-
	217,820	217,820

22. Trade & Other Payable

	2015 N'000	2014 N'000
Suppliers	16,371	16,371

23. Financial Liabilities

	2015 N'000	2014 N'000
Bank overdraft:		
Sterling Bank	6,184	6,184
Wema Bank Plc - Ore	26,600	26,600
Union Bank Plc - Irele	1	1
Unity Bank Plc	15,206	15,206
FBN Igbokoda	6,648	-
	54,639	47,992

24. Other Trade Payable

	2015 N'000	2014 N'000
Advances from Customers	133,737	86,050
Accruals	99,323	85,037
Sundry Creditors	69,226	70,274
	302,286	241,361

25. Tax Payable

	2015 N'000	2014 N'000
At 1 January	6,458	6,871
Provision for the year	38	239
Payment during the year	-	(203)
At 31 December	6,497	6,458

STATEMENT OF VALUE ADDED

For the year ended 31st December 2015

	31-Dec15 N'000		31-Dec-14 N'000	
Revenue	154,639		179,892	
Bought in Materials	(33,023)		(40,493)	
	121,616		139,399	
Other Income	319		851	
Value added by operating activities.	121,935	100%	140,250	100%
Distribution of Value Added				
To Government as:				
Taxes and Levies	38	1%	239	1%
To Employees:				
Salaries, wages, fringe benefits	120,006	88%	128,068	88%
To Providers of finance:				
Financial costs	4	0.1%	242	0.1%
Retained in the business:				
Depreciation & Amortization.	29,740	23%	32,855	23%
Retained Earnings	(27,854)	-12.1%	(21,155)	-12.1%
Value Added	**121,934**	**100%**	**140,250**	**100%**

FINANCIAL SUMMARY

For the year ended 31st December 2015

	2015	2014	2013	2012	2011
	N'000	N'000	N'000	N'000	N'000
Revenue	154,639	179,892	210,834	161,579	195,469
Results from operating activities	(27,811)	(20,674)	(18,800)	(47,520)	7,146
Profit before taxation	(27,815)	(20,916)	(19,455)	(48,285)	6,788
Profit for the year	(27,854)	(21,155)	(20,122)	(48,525)	4,678
Comprehensive income for the year	(27,854)	(21,155)	(20,122)	(48,525)	4,678
Employment of Funds					
Property, Plant and equipment	248,841	263,131	297,102	304,777	338,553
Biological assets	196,945	193,638	193,500	201,702	209,685
Deferred asset	18,237	18,237	18,237	18,237	18,237
Other non-current assets	50	50	50	50	50
Net current liabilities	(336,172)	(267,401)	(252,079)	(250,754)	(244,926)
Loans and borrowings	(217,820)	(217,820)	(227,820)	(242,901)	(242,901)
Net Assets	**(89,919)**	**(10,165)**	**10,990**	**31,112**	**78,698**
Funds Employed					
Share Capital	48,000	48,000	48,000	48,000	48,000
Share Premium	9,368	9,368	9,368	9,368	9,368
Deposit for shares	134,000	134,000	134,000	134,000	134,000
Retained Earnings	(281,287)	(201,533)	(180,378)	(160,256)	(112,670)
	(89,919)	**(10,165)**	**10,990**	**31,112**	**78,698**
Earnings Per Share	**(0.29)**	**(0.22)**	**(0.21)**	**(0.51)**	**0.05**

NOTES

2014

ANNUAL REPORTS & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2014

RC 17790

OKITIPUPA OIL PALM PLC

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Adewale Osomo Esq.	Chairman
Mr. Segun Onayiga	Director
Hon. Chief [Mrs.] Alice M Osomo	Director
Chief Yele Ogundipe	Director
Elder Tayo Akinjomo	Director
Prof. Ige Bolodeoku	Director
John O. O Akinleye	Director
High Chief P. B. Sheile	Director
Mr. Igbasan Sunday	Director
Mr. Fasalejo E. O	Director
B. A Olatubora	Director

COMPANY SECRETARY:
Dele Oluwola Adaramaja

REGISTRAR
GRDS Limited
274, Murtala Mohammed Way
Yaba, Lagos.

AUDITORS:
Abioye Abdul-Razaq & Co.
[Chartered Accountants]
2nd Floor, Rear wing, 313 Agege Motor Road,
Olorunsogo, Mushin, Lagos.

RC No.:
17790

REGISTERED & BUSINESS ADDRESS:
1, Marine Road
Okitipupa, Ondo State.

BANKERS:
First Bank of Nigeria Ltd
Sterling Bank Plc
Wema Bank Plc
Union Bank Plc
Keystone Bank
United Bank of Africa Plc
Polaris Bank Plc
Access Bank
First City Monument Bank
UnityBank
Ecobank Nigeria Ltd

2014 Annual Report Contents

DIRECTORS' REPORT

For the year ended 31st December, 2014

The Directors are pleased to present their annual report together with the audited financial statements of the Company for the year ended 31st December 2014.

1. Principal Activities

The principal activities of the Company are the development of oil palm plantations, palm oil milling, palm kernel processing and vegetable oil refining. The products of the Company are: refined bleached and deodorized palm oil, palm olein, palm stearin, palm fatty acid distillate, palm kernel oil (crude and refined) and palm kernel cake.

2. Review of Operations

Item	2014 N'000	2013 N'000
Revenue	179,892	210,834
Profit/(Loss) before tax	(20,916)	(19,455)
Profit/(Loss) after tax	(21,155)	(20,122)

3. Dividend

In respect of the current year, no dividend was recommended for payment.

4. Directors

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

S/N	Names	Designation
1	Adewale Osomo Esq	Chairman
2	Mr. Segun Onayiga	Director
3	Hon. Chief [Mrs.] Alice M Osomo	Director
4	Chief Yele Ogundipe	Director
5	Elder Tayo Akinjomo	Director
6	Prof. Ige Bolodeoku	Director
7	John O. O Akinleye	Director
8	High Chief P. B Sheile	Director
9	Mr. Igbasan Sunday	Director
10	Mr. Fasalejo E. O	Director
11	B. A Olatubora	Director

The Board of Directors Meeting for the Year 2014

1	Adewale Osomo Esq
2	Mr. Segun Onayiga
3	Hon. Chief [Mrs.] Alice M Osomo
4	Chief Yele Ogundipe
5	Elder Tayo Akinjomo
6	Prof. Ige Bolodeoku
7	John O. O Akinleye
8	High Chief P. B Sheile
9	Mr. Igbasan Sunday
10	Mr. Fasalejo E. O
11	B. A Olatubora

Note: No Board meetings were held as this was the time of the unauthorised management by Mr. Niyi Ogunwa and Mr. Femi Adeyehun.

5. Directors' Interest in Shares

The interest of each current Director in the issued share capital of the Company as recorded in the Register of Members and/or notified by the Directors for the purpose of Section 275 of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, and disclosed in accordance with Section 342 of the said Act, is as follows:

S/N	Names	As at 31 December 2014 No. of shares.
1	Adewale Osomo	57,020
2	High Chief P. B Sheile	
3	Mr. Igbasan Sunday	
4	John O. O Akinleye	220,000
5	Hon. Chief [Mrs.] Alice M Osomo	1,200
6	Mr. Segun Onayiga	
7	Prof. Ige Bolodeoku	
8	Chief Yele Ogundipe	
9	Elder Tayo Akinjomo	
10	B. A Olatubora	
11	Mr. Fasalejo E. O	

6. Shareholding and Substantial Shareholders

The issued and fully paid-up Share Capital of the Company is 96,000,000 Ordinary Shares of 50 kobo each. The following Shareholders held 5% and above of the issued share capital of the company as at 31 December 2014.

S/N	SHAREHOLDER	NO. OF SHARES	%
1	ESTAPORT FARMS LTD	34,214,546	35.64
2	ONDO STATE INVESTMENTS HOLDINGS LIMITED	28,573,479	29.76

The shareholding analysis as at December 31, 2014 is shown below.

Range of Shareholding	Number of Shareholders	Number of Ordinary shares	% Shareholding
1 - 1000	10,727	4,222,198	4.40
1,001 - 5,000	3,741	6,904,596	7.19
5,001 - 10,000	353	2,396,712	2.50
10,001 - 50,000	275	4,903,124	5.11
50,001 - 100,000	35	2,457,021	2.56
100,001 - 500,000	24	4,308,926	4.49
500,001 - 1,000,000	3	1,899,480	1.98
Above 1,000,000	4	68,907,943	71.78

7. Statement of Directors' Responsibilities

The Directors accept responsibility for the preparation of the annual financial statements set out on pages …. that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, 2011.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria 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.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

8. Property, plant and equipment

Information relating to changes in property, plant and equipment is given in Note 12 to the Financial Statements.

9. Employees and Employment

(a) Employment of Physically-Challenged Persons

The company is an equal opportunity employer and does not discriminate on any grounds. Thus, we provide employment opportunities to physically-challenged persons. However, this actually goes beyond the need to ensure that there is no discrimination against such persons, but driven by a deep conviction that even in disability, there could be immense ability.

(b) Employee Involvement and Training

In today's competitive business landscape, human capability has been found to be a key factor for corporate success. The critical challenge towards continuous performance improvement remains the capability and speed of response to changes in the business environment through people development. Thus, a drive in the right direction for employees' development is imperative for sustainable superior company performance. We must not only enable employees to perform in their day-to-day jobs, but must unlock their potentials and make it possible for them to unleash energy to achieve business goals.

Continuous training and upgrading of skills at all levels of the Company is therefore the key to achieving a meaningful competitive advantage and long-term business success.

(c Health, Safety and Welfare

The Company takes the health, safety and welfare of its employees very seriously, with a strong conviction that a healthy workforce will always be highly productive and will deliver superior performances at all times. Consequently, there are on-site clinics manned by qualified medical personnel in all our oil milling locations that provide primary health care round the clock for employees at work. Furthermore, top health care providers have been carefully selected under a managed care scheme to look after the health care needs of employees and their dependant. We comply with relevant statutory provisions and regulations on health, safety and welfare matters as well as providing the education required to enable compliance by employees.

10. Conflict of Interests

The company recognizes and respects the right of its employees to engage in external activities so long as these activities do not impair, interfere or conflict with the conscientious performance of their duties and do not involve damage to or misuse of the Company's name, trademarks, products, property, reputation, goodwill, confidential information or other resources.

When an employee is engaged in carrying out a task on behalf of the Company and that employee has a factual or potential private interest in the outcome of the task, which is contrary to the best interests of the Company or is substantial enough to affect the employee's unbiased judgment, the Company expects the employee to disclose this as appropriate. Failure to comply with this policy will have serious career consequences for the employee. Okitipupa Oil Palm Plc maintains policies (for instance, on purchasing) that severely reduce the risk of harm to the Company due to a conflict of interest.

11. Corporate Governance

The company adopts a responsible attitude towards corporate governance. The Board is in support of the Code of Corporate Governance for Public Companies in Nigeria ("the Code") released by the Securities & Exchange Commission in 2011. The Board will endeavor to ensure that the Company is in compliance with the provisions of the Code at all times.

(a) The Board of Directors

The Board of Directors is made up of twelve (11) Non-Executive Directors, including the Chairman, and One (1) Executive Director. The Board has a formal guideline and process for appointment of persons as Directors. The Board is inter alia, responsible for supervising the conduct of business of the management as well as the general course of affairs in the Company as well as responsible for assessing the Company's corporate strategy and general policy; the development of the Company's financial position; the Company's risk management and other systems; the Company's organizational structure; and the Company's social policy.

12. Events after the End of the Reporting Period

There were no material events that occurred after the end of the reporting period.

13. Donations

There was no donation during the year under review.

14. Research & Development

The activities of the company did not necessitate any expenditure on research and development during the year under review.

15. Related parties transactions

As at the year ended 31st December 2014, the company has no related parties transactions.

16. Subsequent events

There are no significant subsequent events, which could have had a material effect on the state of affairs of the Company as at 31st December 2014 that have not been adequately provided for or disclosed in the financial statements.

17. Contingent Liabilities

The management is of the opinion that the total claims in respect of pending legal matters are not expected to be of any significant value and we cannot find any evidence to the contrary.

18. Independent Auditors

Abioye Abdul-razaq & Co. served as the Independent Auditors during the year under review.
In accordance with Section 357(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, Abioye Abdul-razaq & Co. have indicated their willingness to continue in office as Independent Auditors to the Company.

By Order of the Board.

Dele Oluwole Adaramaja
Company Secretary/Legal Adviser

ABIOYE ABDUL-RAZAQ & CO.
CHARTERED ACCOUNTANTS

2nd Floor, Rear Wing, 3113, Agege Motor Road, Beside GTBank Plc
Olorunsogo, Mushin, Lagos. P/ O/ Box 8127, Ikeja, Lagos
Email: bioye21@hotmaul.com, abioyeabdulrazaq@yahoo.com
Tel: 08033333045, 08025829330

To the Shareholders of Okitipupa Oil Palm Plc

We have audited the accompanying financial statements of Okitipupa Oil Palm Plc which comprise the Statement of Financial Position as at 31st December, 2014, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the financial statements including a summary of Significant Accounting Policies set out on pages ……to ……..

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, CAP C20, LFN 2004. These responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Statements that are free from material mis-statements whether due to fraud or error, selecting and applying appropriate Accounting Policies and making Accounting estimates that are reasonable in their circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our Audit. The Audit was conducted in accordance with the International Standards on Auditing (ISA). Those Standards require that we comply with ethical requirements, plan and perform the Audit to obtain reasonable assurance as to whether the Financial Statements are free from material mis-statements. 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 mis-statements of the Financial Statements whether due to fraud or error. We planned and performed our Audit so as to obtain all the information and explanations which we considered necessary, in order to provide us with sufficient evidence to give a reasonable assurance that the Financial Statements are free from material mis-statements.

Disclaimer of Opinion

We do not express an opinion on the accompanying financial statements of the company which comprise the Statement of Financial Position as at 31st December, 2014, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the financial statements including a summary of Significant Accounting Policies. This is as a result of the significance of the matters described in the Basis for Disclaimer of Opinion section of our Report. We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial position of the company as at 31st December, 2014, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing and the Companies and Allied Matters Act Cap C20, LFN 2004.

Basis for Disclaimer of Opinion

As at the date of issuing the audit opinion, we were unable to carry out audit procedures necessary to obtain adequate assurance regarding the balances of assets and liabilities presented in the Management Accounts. Relevant documents and explanations regarding these items were not provided in many instances. Thus, we could not perform necessary tests to confirm the existence or otherwise of the items which include: Fixed Assets, Cash & Bank Balances, Inventories and Payable. As a result of this matter, we were unable to form an opinion about whether the Statement of Financial Position as at 31st December, 2014 gives a true and fair view of the financial position of the Company, which opinion can serve as a basis for the audit of the financial statement for Year 2014. We were also unable to determine whether any further adjustments might have been necessary in respect of the elements making up the Statement of Financial Position as at 31st December, 2014, the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows. The financial effects of this matter were impracticable to quantify. There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the figures. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of Companies and Allied Matters Act CAP C20, LFN 2004, we expressly state that due to the basis of disclaimer opinion above:

i. We have not obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
ii. We have not obtained all the information and explanations which will allow us to conclude whether the Company has kept proper books of account, so far as appears from our examination of those books.
iii. We have not obtained all the information and explanations which will allow us to conclude whether or not the financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2014 and of its loss and cash flow for the year then ended.

Abioye Abdulrazaq
FRC/2015/ICAN/00000013380
Abioye Abdulrazaq & Co.

Lagos, Nigeria
25th August, 2020

Managing Partner: A. O. S. ABIOYE ACA, ACTI, ACS. ACIB. AMNIM, MBA

REPORT OF THE AUDIT COMMITTEE

For the year ended 31st December, 2014

To the members of the OKITIPUPA OUL PALM PLC

In compliance with the provisions of Section 359 (6) of the Company and Allied Matters Act Cap 20 LFN 2004, the members of the Audit Committee reviewd the financial statements of the company for the year ended 31st December 2014 and report as follows:

1. We reviewed the Financial Statements for the year ended 31st December 2014 and are not in a position to express our satisfaction on the position of its contents.
2. We were unable to review the External Auditors' management letter for the year ended 31st December 2014 as none was presented to us.
3. The External Auditors' reported that they have not received the expected cooperation from the Company's Management and have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an unqualified audit opinion on the financial position of the company as at 31st December 2014, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.
4. The External Auditors' report indicate a total absence of management accountability and consequently, we are not in a position to report on the scope, planning and conduct of the audit of the company's financial statements for the year ended 31st December 2014.

SENATOR ANTHONY ADEMUYIWA ADENIYI
CHAIRMAN, STATUTORY AUDIT COMMITTEE
DECEMBER 09, 2019

MEMBERS OF THE STATUTORY AUDIT COMMITTEE

Sen. Anthony Adeniyi	Shareholder	Chairman
HE Surveyor Abiodun Aluko	Shareholder	Member
Mr. Akinboye Oyewumi	Director	Member
Mr. Adewale Osomo	Director	Member
Mr. Tolu Fadahunsi	Shareholder	Member
Chief John Akinleye	Director	Member

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December, 2014

	Note	31-Dec-14 N'000	31-Dec-13 N'000
Revenue	6	179,892	210,834
Cost of Sales	7	(100,557)	(101,684)
Gross Profit		79,335	109,150
Selling, general & Admin. Expenses	8	(100,860)	(129,298)
Other Operating Income	9	851	1,347
Operating Profit		(20,674)	(18,800)
Financial Income		-	-
Financial Expenses	10	(242)	(654)
Operating result before tax		(20,916)	(19,455)
Income tax expenses	11	(239)	(668)
Operating result for the period		(21,155)	(20,122)
Other Comprehensive Income:			
Changes in revaluation Surplus		-	-
Gains & losses on re-measuring available for sale financial assets		-	-
Total Comprehensive income for the year.		**(21,155)**	**(20,122)**

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December, 2014

	Note	31-Dec-14 N'000	31-Dec-13 N'000
ASSETS			
Non-Current assets			
Property, Plant and Equipment	12	263,131	279,102
Biological assets	13	193,638	193,500
Deferred asset		18,237	18,237
Other non-current assets		50	50
		475,056	490,888
CURRENT ASSETS			
Inventories	14	8,651	8,776
Trade receivables	15	-	-
Other receivables	16	28,019	27,969
Cash and cash equivalents	17	8,110	16,662
		44,780	53,407
TOTAL ASSETS		519,836	544,295
EQUITY AND LIABILITIES			
Equity.			
Share Capital	18b	48,000	48,000
Share Premium	19	9,368	9,368
Deposit for shares		134,000	134,000
Retained Earnings	20	(201,533)	(180,378)
Other reserves		-	-
		(10,165)	10,990

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December, 2014

	Note	31-Dec-14 N'000	31-Dec-13 N'000
Non-Current Liabilities			
Deferred tax Liabilities		-	-
Financial Liabilities	21	217,820	227,820
Current Liabilities			
Trade Payable	22	16,371	17,450
Financial liabilities	23	47,992	48,392
Other trade Payable	24	241,361	233,222
Tax Payable	25	6,458	6,423
		312,181	305,486
TOTAL LIABILITIES		530,001	533,306
TOTAL EQUITY AND LIABILITIES		**519,836**	**544,295**

Approved by the Board of Directors on the 5th of September, 2020 and signed on its behalf by:

Chief [Mrs.] Alice M. Osomo
Chairman
FRC/2020/3/00000025784

Mr.Taiwo Adewole
CEO
FRC/2020/03/00000021511

Mr. Tai Ajayi Dahunsi
Chief Finance Officer
FRC/2020/001/00000021936

The note on pages 197 to 213 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2014

	Issued Share Capital N'000	Deposits for Shares N'000	Share Premium N'000	Retained Earnings N'000	Total equity N'000
For the year ended 31 December 2014					
At 1 January 2014	48,000	134,000	9,368	(180,378)	10,990
Total Comprehensive income	-	-	-	(21,155)	(21,155)
Dividend	-	-	-	-	-
At 31 December 2014	48,000	134,000	9,368	(20`1,533)	(10,165)
For the year ended 31 December 2013					
At 1 January 2013	48,000	134,000	9,368	(160,256)	31,112
Total Comprehensive income	-	-	-	(20,122)	(20,122)
Dividend	-	-	-	-	
At 31 December 2013	48,000	134,000	9,368	(180,378)	10,990

STATEMENT OF CASH FLOWS

For the year ended 31st December 2014

	31-Dec-14 N'000	31-Dec-13 N'000
Cash flows from operating activities		
Profit before taxation	(20,674)	(18,800)
Adjustments:		
Interest paid		
Depreciation & Amortization	32,855	52,835
Unrealized net gain/(loss) arising from fair value changes	-	-
Loss/(profit) on disposal of fixed assets	-	-
Changes in assets and Liabilities		
Decrease/(increase) in inventory	125	(103)
Decrease/(increase) in trade and other receivables	(50)	(20)
Decrease/(increase) in other current assets	-	-
Increase/(decrease) in financial liabilities (current)	(400)	(15,081)
Increase/(decrease) in trade and other Payable	(1,079)	(300)
Increase/(decrease) in other current liabilities.	8,139	3,057
Tax Paid	(203)	-
Net cash provided by operating activities	18,713	21,722
Cash flows from Investing Activities		
Acquisition of PPE & Biological assets	(17,023)	(19,747)
Net cash used in Investing activities	(17,023)	(19,747)
Cash flows from Financing Activities		
Loan received/(repayment) during the year	(10,000)	-
Shareholders' equity	-	-
Interest paid	(242)	-
Net cash used in financing activities	(10,242)	-
Net increase/(decrease) in cash and cash equivalents	(8,552)	1,975
Cash and cash equivalents at January 1	16,662	14,687
Cash and cash equivalents at December 31	8,110	16,662

1 General Information

Okitipupa Oil Palm PLC was incorporated as a limited liability company on the 17th day of May, 1976 to take over the Okitipupa Oil Palm Project under the management of the Nigeria Joint Agency Limited. In 1980 the company was brought under the supervision of the Governor's Office. In May 1987, the Ondo State Investment (Holding) Company Limited was established and vested with all the State Government's interest in Okitipupa Oil Palm Company Limited. The company became Public Liability Company in year 1993

Okitipupa Oil Palm Plc was established to carry on the business of palm tree plantation developments, cultivators, growers of other related crops and to treat, process, prepare, render marketable, buy, sell, and dispose of such products either raw or manufactured state and any product or by-product derived there from. The Products of the company include production of: .Palm Oil, .Palm Kernel, .Ashes, .Brown Soap; and .Other agro-allied related products.

2 Basis of Preparation

(a) Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and adopted by the Financial Reporting Council of Nigeria (FRC). Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

The Financial Statements were authorized for issue by the Board of Directors of Okitipupa Oil Palm PLC on 5th September 2020.

(b) Basis of Measurement

The principal accounting policies applied in the preparation of the above financial statements are set out below.

The financial statements have been prepared on the basis of the historical cost price method. Any exceptions to the historical cost price method are disclosed in the valuation rules described hereafter (such as biological assets).

(c) Functional and presentation currency

These Financial Statements are presented in Nigeria Naira which is the Company's functional currency. Except otherwise indicated, financial information presented in Nigeria Naira has been rounded to the nearest thousand.

(d) Use of estimates and judgement

The preparation of the financial statements in conformity with IFRS requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company.

At the date of authorization of these financial statements, certain new IFRS standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the Company. Management anticipates that all of the relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2014 and not early adopted.

A number of new standards and amendments to standards and interpretations that are effective for annual periods beginning after 1 January 2015, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the company, except the following set out below:

IFRS 14, 'Regulatory Deferral Accounts', issued in January 2014 (effective 1 January 2016)

The Standard was issued in January 2014 and is effective from 1 January 2016, with earlier application permitted. Many governments regulate the supply and pricing of particular types of activity by private entities, including utilities such as gas, electricity and water. These regulations are often designed to allow the suppliers to recover specified costs and other amounts through the prices they charge to customers. However, rate regulation is also designed to protect the interests of customers. Consequently, the rate regulation may defer the recovery of these amounts in order to reduce price volatility. The suppliers usually keep track of these deferred amounts in separate regulatory deferral accounts until they are recovered through future sales of the regulated goods or services.

In some jurisdictions, national accounting standard setting bodies permit or require entities that are subject to particular types of rate regulation to recognize these deferred amounts as part of assets (such as the related property, plant and equipment) or as separate receivables or Payable. This changes the timing of when these amounts are recognized in profit or loss. IFRS does not have requirements specific to rate regulation. The IFRS Interpretations Committee has previously concluded that simply applying the specific requirements of another jurisdiction, such as US generally accepted accounting principles (US GAAP), might lead to the recognition of some items in the statement of financial position that would potentially conflict with the requirements of other Standards. The established practice of most entities that currently apply IFRS is not to recognize these regulatory deferral account balances but to allow them, instead, to flow through profit or loss as they arise.

IFRS 15, 'Revenue from Contracts with Customers', Issued: May 2014 (effective 1 January 2017)

IFRS 15 specifies how and when an IFRS reporter will recognize revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principle based five-step model to be applied to all contracts with customers. IFRS 15 was issued in May 2014 and applies to an annual reporting period beginning on or after 1 January 2017.

IFRS 9, 'Financial Instruments issued in November 2009 (effective 1 January 2015)

IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2015.

IAS 16 and IAS 41 - Amendments to Agriculture:

Bearer Plants (effective 1 January 2016)

IAS 41 'Agriculture' requires all biological assets that are related to agricultural activity to be measured at fair value less costs to sell (subject to fair value being reliably measurable), based on the principle that their biological transformation is best reflected by fair value measurement. However, there is a class of biological assets, known as bearer plants, that, once mature, are held by an entity solely to grow produce over their productive life. Examples include grape vines, rubber trees and oil palms.
Constituents told the IASB that IAS 41's fair value model was not appropriate for mature bearer plants that are no longer undergoing significant biological transformation as the way they use these assets is more similar in nature to manufacturing. The IASB listened to these concerns and made changes by issuing 'Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)'.

The Amendments define a bearer plant as a living plant that:
- is used in the production or supply of agricultural produce;
- is expected to bear produce for more than one period; and
- has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales (this definition is not met if there is a more than 'remote' likelihood that the plant will be sold as agricultural produce, incidental scrap sales excepted)

- include bearer plants within the scope of IAS 16 'Property,
- Plant and Equipment' instead of IAS 41 (produce growing on bearer plants remains within the scope of IAS 41)
- clarify that until bearer plants are mature, they are to be accounted for as self-constructed items of property, plant and equipment
- require any difference between fair value and the carrying amount under IAS 41 (fair value less costs to sell) at the time of initial adoption to be recognized in opening retained earnings 'exempt entities from the requirement in IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' to disclose the impact of initial application on each financial statement line item affected.
- permit the fair value of the bearer plants at the beginning of the earliest period presented to be used as the deemed cost for IAS 16 purposes when first applied.

The Amendments do not result in any changes to existing accounting for 'bearer livestock' or plants with more than a remote likelihood of being harvested and sold as agricultural produce.

3 Summary of Significant Accounting Policies

(a) Foreign currency transactions

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognized in the income statement part of the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

(b) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated Amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and Amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Expenditure on research activities is recognized as an expense in the period in which it is incurred.
An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated Amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognised.

(c) Biological Assets
Biological activities are measured at fair value (IAS 41).

Biological assets are recognized at the fair value according to an internal valuation model. This model is based on the discounted cash flow method (DCF).

The main variables in these models concern:
- Production volumes
- Selling price
- Cost price
- Discount rate

A biological asset or agricultural produce is only recognized when it controls the asset as a result of past events, when it is probable that future economic benefits associated with the asset will flow to the Company and when the fair value or cost of the asset can be measured reliably.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated selling costs and from the change in fair value less estimated selling costs of a biological asset is included in net profit or loss in the period in which it arises.

(d) Property, Plant & Equipment
Items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their cost, less accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Depreciation is recognized so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Unless revised due to specific changes in the estimated useful life, annual depreciation rates are as follows:

Buildings:	5%
Mill Machinery & Equipment:	10%
Furniture, Fittings & Equipment:	20%
Tools	20%
Light Vehicles & Lorries:	25%
Tractors & Trailers:	20%
Agricultural equipment	20%
Nursery Equipment	12.5%
Water Supply	12.5%
Power supply Equipment	20%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

(e) Leases
Assets held under finance leases are initially recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a financial liability.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(f) Impairment of Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.
Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash- generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(g) Financial Assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognized and derecognised on a trade date basis.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash, and others) are measured at amortized cost using the effective interest method, less any impairment.
Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets measured at amortized cost, 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 recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

(h) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on a weighted average cost basis.

The stock finished products (including biological assets after harvest) are valued by adding production cost to the fair value of the biological asset concerned.

Inventories are written down on a case-by-case basis if the estimated net realizable value declines below the carrying amount of the inventories. Net realizable value is the estimated selling price less the estimated costs necessary to make the sale. When the reason for a write-down of the inventories has ceased to exist, the write-down is reversed.

(i) Cash and Cash Equivalent

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

For the purpose of the statements of cash flows, cash and cash equivalents includes cash on hand and deposits held at call or short term maturity with banks (three months or less), net of bank overdrafts. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet.

(j) Shareholders' Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

(k) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is reasonably certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(l) Retirement benefits and other long term employees' benefits

Employee benefits mainly concern:

- Retirement benefits: pension plans, termination benefits, other retirement obligations and supplemental benefits;
- Other long-term employee benefits: long-service benefits granted to employees according to their seniority in the Group;
- Other employee benefits: post-employment medical care.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Actuarial gains and losses are recognized immediately in profit or loss. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

(m) Financial Liabilities

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified as either "financial liabilities at fair value through profit or loss" or "other financial liabilities".

The Company does not hold any financial liabilities at fair value through profit or loss.
Other financial liabilities (including borrowings) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(n) Government Grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(o) Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (e.g. differences between carrying amounts under IFRS and the statutory tax bases). Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(p) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue from rendering services is based on the stage of completion determined by reference to services performed to date as a percentage of total services to be performed.

Interest income is recognized using the effective interest rate method.

Dividends are recognized when the right to receive payment is established.

(q) Borrowing Costs

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 capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

4 Financial Risk Management

(a) Introduction

Risk Management is essential to help ensure business sustainability thereby providing customers and the shareholders with a long-term value proposition.

Key elements of risk management are:

- - Strong corporate governance including relevant and reliable management information and internal control processes;
- Ensuring significant and relevant skills and services are available consistently to the Company;
  - Influencing the business and environment by being active participants in the relevant regulatory and business forums; and
  - Keeping abreast of technology and consumer trends and investing capital and resources where required.

The overall Company focus within an appropriate risk framework is to give value to the customers through effective and efficient execution of transactions.

The board of directors acknowledges its responsibility for establishing, monitoring and communicating appropriate risk and control policies.

(b) Significant risks

The Company has exposure to significant risks which are categorized as follows:

i. Regulatory (capital adequacy, legal, accounting and taxation);
ii. Business environment (reputation and strategic);
iii. Operational (people, information technology and internal control processes);
iv. Market (equity prices, interest rate and currency); and
v. Liquidity

(c) Detailed Discussion of significant risks

Regulatory Risk

Regulatory risk is the risk arising from a change in regulations in any legal, taxation and accounting pronouncements or specific industry that pertains to the business of the Company. In order to manage this risk, the Company is an active participant in the agro allied industry and engages in discussions with policy makers and regulators.

Legal Risk

Legal risk is the risk that the Company will be exposed to contractual obligations which have not been provided for.

The Company has a policy of ensuring all contractual obligations are documented and appropriately evidenced to agreements with the relevant parties to the contract.

All significant contracted claims are reviewed by independent legal resources and amounts are provided for if there is consensus as to any possible exposure. At 31 December 2014, the directors are not aware of any significant obligation not provided for.

Taxation Risk

Taxation risk is the risk of suffering a loss, financial or otherwise, as a result of an incorrect interpretation and application of taxation legislation or due to the impact of new taxation legislation on existing products.

Taxation risk occurs in the following key areas:

- Transactional risk;
- Operational risk;
- Compliance risk; and
- Financial accounting risk.
- Transactional Risk

The risk which concerns specific transactions entered into by the Company, including restructuring projects and reorganizations.

Operational Risk
The underlying risks of applying tax laws, regulations and decisions to the day-to-day business operations of the Company.

Compliance Risk
The risk associated with meeting the Company's statutory obligations.

Financial Accounting Risk
The risk relates to the inadequacy of proper internal controls over financial reporting, including tax provisioning. In managing the Company's taxation risk, the Company tax policy is as follows:

The Company will fulfill its responsibilities under tax law in each of the jurisdictions in which it operates, whether in relation to compliance, planning or client service matters. Tax law includes all responsibilities which the Company may have in relation to Company taxes, personal taxes, capital gains taxes, indirect taxes and tax administration.

Compliance with this policy is aimed at ensuring that:
- All taxes due by the Company are correctly identified, calculated, paid and accounted for in accordance with the relevant tax legislation;
- The Company continually reviews its existing operations and planned operations in this context; and
- The Company ensures that, where clients participate in Company products, these clients are either aware of the probably tax consequences, or are advised to consult with independent professionals to assess these consequences, or both.

The identification and management of tax risk is the primary objective of the Company tax function, and this objective is achieved through the application of a formulated tax risk approach, which measures the fulfillment of tax responsibilities against the specific requirements of each category of tax to which the Company is exposed, in the context of the various types of activities the Company conducts.

Accounting Risk
Accounting Risk is the risk that the Company fails to explain the current events of the business in the financial statements.

Accounting risk can arise from the failure of management to:
- Maintain proper books and records, accounting system and to have proper accounting policies;
- Establish proper internal accounting controls;
- Prepare periodic financial statements that reflect an accurate financial position; and
- Be transparent and fully disclose all important and relevant matters.

Measures to control accounting risk are the use of proper accounting systems, books and records based on proper accounting policies as well as the establishment of proper internal accounting controls. Proposed accounting changes are researched by accounting resources, and if required external resources, to identify and advise on any material impact on the Company.

Financial statements are prepared in a transparent manner that fully discloses all important and relevant matters as well as accurately reflecting the financial position, results and cash flows of the Company.

(ii) Business Environment

Reputational Risk
Reputational Risk is the risk of loss caused by a decline in the reputation of the Company or any of its specific business units from the perspective of its stakeholders, shareholders, customers, staff, business partners or the general public.

Reputational risk can both cause and result from losses in all risk categories such as market or credit risk.

Strategic Risk
Strategic Risk is the risk of an unexpected negative change in the Company value, arising from the adverse effect of executive decisions on both business strategies and their implementation.

This risk is a function of the compatibility between strategic goals, the business strategies developed to achieve those goals and the resources deployed to achieve those goals. Strategic risk also includes the ability of management to effectively analyse and react to external factors, which could impact the future direction of the relevant business units.

Company Risk identifies and assesses both those risks qualitatively as part of a quarterly evaluation. On the basis of this evaluation, Company risk creates an overview of local and global risks which also includes reputational risks, analyses the risk profile of the Company and regularly informs directors and management.

(iii) Operational Risk
Operational Risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

The initiation of all transactions and their administration is conducted on the foundation of segregation of duties that has been designed to ensure materially the completeness, accuracy and validity of all transactions. These controls are augmented by management and executive review of control accounts and systems, electronic and manual checks and controls, back-up facilities and contingency planning. The internal control systems and procedures are also subjected to regular internal audit reviews.

(iv) Market Risk
Market Risk includes asset liability matching risk, currency risk, interest rate risk and equity price risk.

The Company is exposed to market risk through its financial assets and financial liabilities. The most important components of this risk are interest rate risk and market price risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements.

Interest Rate and Market Price Risk
These risks have very different impacts on the various categories of business used in the Company's Assets and Liabilities Management framework. Interest rate and market price risk have been discussed together since they interact on certain types of liabilities.

Interest Rate Risk
Interest rate risk is the risk that the value and cash flow of a financial instrument will fluctuate due to changes in market interest rates.

Equity Price Risk
Equity price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices.

Foreign Currency Risk
In respect of other monetary assets and liabilities held in currencies other than the Naira, the Company ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates, where necessary, to address short-term imbalances.

Credit Risk
Credit risk is the risk that one party to a financial instrument will cause a loss to the other party by failing to discharge an obligation.
Key areas where the Company is exposed to credit risk are:

- Certain classes of financial assets such as bonds, term deposits and cash and cash equivalent; and
- Certain accounts within trade and other receivables.

Liquidity Risk
Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Company Treasury maintains flexibility in funding by keeping committed credit lines available.

Sensitivities
Management applies a number of sensitivity tests to the earnings of the Company to better understand the exposure to and importance of each of the main drivers of profitability.

IFRS 7 requires management to report on the changes in the net income after tax following “reasonable possible” changes in each of the factors to which the Company is exposed. Management has set the upside and downside movements for each factor at a level which represents the amount by which management believes that factor could reasonably change over the year following the valuation date. These opinions have been informed by an analysis of historical one year changes in those factors. The upper and lower limits have been set at the 75th and 25th percentiles of observed changes as these bound and interval which may be expected to contain 50% of the changes in the coming year. Management believes this represents in some sense what is “reasonably possible”, though it is important to note that this opinion is based on past experience and the tested range is not sensitive to all the relevant information in the market at the reporting date.

Management has considered the impact of upside and downside movements in foreign exchange rates. In relation to these sensitivity:

- The earnings are sensitive to changes in both the shape and level of the yield curve. Management has not considered changes in the shape of the yield curve due to several constraints although this may be reviewed in the following year.

Future rates of expense inflation, catastrophes and tax assumptions were considered but no sensitivities are presented as it is unlikely, in management’s opinion that, these assumptions will change over the following year. It should be noted that each impact on profit after tax is shown individually for each sensitivity being changed, keeping all other assumptions constant. In practice this is unlikely to occur, as changes in some of the variables may be correlated.

5 Critical accounting judgement and key sources of estimation uncertainty

In the application of the Company’s accounting policies, which are described above, the Company is required to make judgement, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.
The following area are areas where key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Useful lives of property, plant and equipment
- Valuation of biological assets at fair value
- Post-employment benefits

6 Revenue

	2014 N'000	2013 N'000
Local Sales:		
Fresh fruit bunches	177,575	207,271
Palm oil	2,218	3,500
Palm kernel	-	44
Other by-products	99	20
	179,892	210,834

7 Cost of Sales

	2014 N'000	2013 N'000
Mill processing, refinery & Packaging cost	7,022	3,322
Upkeep of mature trees, planting, harvesting & Lab. expenses	15,243	9,500
Direct Harvester wages & expenses	78,292	88,862
	100,557	101,684

8 Admin Expenses

	2014 N'000	2013 N'000
Directors' fees	-	1,948
Staff Cost	49,776	48,113
Repairs & Maintenance	3,751	9,024
Advert, publicity & Subscription	177	343
Hotel & Travelling	4,479	7,948
Postages, Printing & Stationery	2,004	948
Legal & Other Prof. fees	3,581	6,690
Office general expenses	3,238	393
Audit fees	1,000	1,000
Government Fees & Levies	-	56
Depreciation	32,855	52,836
	100,860	129,298

9 Other Operating Income

	2014 N'000	2013 N'000
Scraps sales	-	5
Other sundry income	851	1,342
	851	1,347

10 Finance Cost

	2014 N'000	2013 N'000
Bank Interest & charges	242	654

11 Income Tax Expenses

	2014	2013
	N'000	N'000
Company Income Tax	-	-
Education Tax	239	668
Deferred tax	-	-
	239	668

12 Property, Plant and Equipment

	Land	Buildings	Plant & Equipment	Motor Vehicles	Furniture & Fittings	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Deemed Cost						
At 1 January 2014	6,193	58,593	467,350	46,833	25,857	604,828
Additions	1,838	594	1,240	736	170	4,577
Revaluation						
Disposal	-	-	-	-	-	-
At 31 December 2014	**8,031**	**59,187**	**468,590**	**47,569**	**26,027**	**609,405**
Depreciation:						
At 1 January 2014	-	26,701	236,161	39,608	23,257	325,726
Charged for the period	-	4,503	13,482	1,991	572	20,548
Disposal	-		-	-	-	-
At 31 December 2014	**-**	**31,204**	**249,643**	**41,598**	**23,829**	**346,274**
Carrying Amount:						
At 31 December 2014	**8,031**	**27,983**	**218,948**	**5,972**	**2,198**	**263,121**
At 31 December 2013	6,193	31,892	231,189	7,226	2,600	279,102

13 Biological Assets

	2014	2013
	N'000	N'000
At 1 January		
Cost	295,245	291,638
Additions	12,446	3,607
Revaluation	-	-
Impairment	-	-
At 31 December	307,691	295,245
Amortization		
At 1 January	101,746	89,936
For the year	12,308	11,810
Impairment	-	-
At 31 December	114,053	101,746

	2014 N'000	2013 N'000
Carrying Amount:		
At 31 December	193,638	193,500
At 1 January	193,500	201,702

14 Inventories

	2014 N'000	2013 N'000
Supplies	5,499	5,624
Finished goods	3,152	3,152
	8,651	8,776

15 Trade Receivables

	2014 N'000	2013 N'000
Trade Receivables	-	-
Less: Allow. For doubtful account	-	-
Trade Receivables - Net	-	-

16 Other Receivables

	2014 N'000	2013 N'000
Staff Loans and advances	294	244
Prepayment	-	-
Sundry debtors	27,725	27,725
	28,019	27,969

17 Cash & Cash Equivalents

	2014 N'000	2013 N'000
Cash at Bank	3,127	14,101
Cash at hand	4,983	2,561
	8,110	16,662

18a Authorized Share Capital

	2014 N'000	2013 N'000
100,000,000 ordinary shares of 50k eack	50,000	50,000

18b Fully Paid Share Capital

	2014 N'000	2013 N'000
96,000,000 ordinary shares of 50k each	48,000	48,000

19 Share Premium

	2014 N'000	2013 N'000
At 1 January	9,368	9,368
Additions	-	-
At 31 December	9,368	9,368

20 Retained Earnings

	2014 N'000	2013 N'000
At 1 January	(180,378)	(160,256)
Adjustments	-	-
Reserve as restated	(180,378)	(160,256)
Retained profit for the year	(21,155)	(20,122)
Fair value gain	-	-
At 31 December	(201,533)	(180,378)

21 Financial Liabilities

	2014 N'000	2013 N'000
ODSG Loan	217,820	227,820
Bank Overdraft	-	-
Bank Loan	-	-
	217,820	227,820

22 Trade & Other Payable

	2014 N'000	2013 N'000
Suppliers	16,371	17,450

23 Financial Liabilities

	2014 N'000	2013 N'000
Bank overdraft:		
Sterling Bank	6,184	6,184
Wema Bank Plc - Ore	26,600	27,000
Union Bank Plc - Irele	1	1
Unity Bank Plc	15,206	15,196
FBN Igbokoda	-	-
	47,992	48,392

24 Other Trade Payable

	2014	2013
	N'000	N'000
Advances from Customers	86,050	94,553
Accruals	85,037	75,162
Sundry Creditors	70,274	63,507
	241,361	233,222

25 Tax Payable

	2014	2013
	N'000	N'000
At 1 January	6,423	5,755
Provision for the year	239	668
Payment during the year	(203)	-
At 31 December 2014	6,458	6,423

STATEMENT OF VALUE ADDED

For the year ended 31st December 2014

	31-Dec14 N'000		31-Dec-13 N'000	
Revenue	179,892		210,834	
Bought in Materials	(40,493)		(41,171)	
	139,399		169,663	
Other Income	851		1,347	
Value added by operating activities.	140,250	100%	171,010	100%
Distribution of Value Added				
To Government as:				
Taxes and levies	239	1%	668	0.39%
To Employees:				
Salaries, wages, fringe benefits	128,068	88%	136,975	80%
To Providers of finance:				
Financial costs	242	0.1%	654	0.38%
Retained in the business:				
Depreciation & Amortization.	32,855	23%	52,836	31%
Retained Earnings	(21,155)	-12.1%	(20,122)	-12%
Value Added	**140,250**	**100%**	**171,010**	**100%**

FINANCIAL SUMMARY

For the year ended 31st December 2014

	2014	2013	2012	2011	2010
	N'000	N'000	N'000	N'000	N'000
Revenue	**179,892**	**210,834**	**161,579**	**195,469**	**197,193**
Results from operating activities	(20,674)	(18,800)	(47,520)	7,146	53,171
Profit before taxation	(20,916)	(19,455)	(48,285)	6,788	52,872
Profit for the year	(21,155)	(20,122)	(48,525)	4,678	52,872
Comprehensive income for the year	(21,155)	(20,122)	(48,525)	4,678	52,872
Employment of Funds					
Property, Plant and equipment	263,131	279,102	304,777	338,553	400,668
Biological assets	193,638	193,500	201,702	209,685	129,834
Deferred asset	18,237	18,237	18,237	18,237	18,237
Other non-current assets	50	50	50	50	50
Net current liabilities	(267,401)	(252,079)	(250,754)	(244,926)	(262,143)
Loans and borrowings	(217,820)	(227,820)	(242,901)	(242,901)	(345,176)
Net Assets	**(10,165)**	**10,990**	**31,112**	**78,698**	**(58,530)**
Funds Employed					
Share Capital	48,000	48,000	48,000	48,000	48000
Share Premium	9,368	9,368	9,368	9,368	9368
Deposit for shares	134,000	134,000	134,000	134,000	-
Retained Earnings	(201,533)	(180,378)	(160,256)	(112,670)	(115,899)
	(10,165)	**10,990**	**31,112**	**78,698**	**(58,531)**
Earnings Per Share	**(0.22)**	**(0.21)**	**(0.51)**	**0.05**	**0.55**

NOTES

2013

ANNUAL REPORTS
& FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2013

RC 17790

OKITIPUPA
OIL PALM PLC

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Adewale Osomo Esq.	Chairman
Mr. Segun Onayiga	Director
Hon. Chief [Mrs.] Alice M Osomo	Director
Chief Yele Ogundipe	Director
Elder Tayo Akinjomo	Director
Prof. Ige Bolodeoku	Director
John O. O Akinleye	Director
High Chief P. B. Sheile	Director
Mr. Igbasan Sunday	Director
Mr. Fasalejo E. O	Director
B. A Olatubora	Director

COMPANY SECRETARY:
Dele Oluwola Adaramaja

REGISTRAR
GRDS Limited
274, Murtala Mohammed Way
Yaba, Lagos.

AUDITORS:
Abioye Abdul-Razaq & Co.
[Chartered Accountants]
2nd Floor, Rear wing, 313 Agege Motor Road,
Olorunsogo, Mushin, Lagos.

RC No.:
17790

REGISTERED & BUSINESS ADDRESS:
1, Marine Road
Okitipupa, Ondo State.

BANKERS:
First Bank of Nigeria Ltd
Sterling Bank Plc
Wema Bank Plc
Union Bank Plc
Keystone Bank
United Bank of Africa Plc
Polaris Bank Plc
Access Bank
First City Monument Bank
UnityBank
Ecobank Nigeria Ltd

2013 Annual Report Contents

DIRECTORS' REPORT

For the year ended 31st December, 2013

The Directors are pleased to present their annual report together with the audited financial statements of the Company for the year ended 31st December 2013.

1. Principal Activities

The principal activities of the Company are the development of oil palm plantations, palm oil milling, palm kernel processing and vegetable oil refining. The products of the Company are: refined bleached and deodorized palm oil, palm olein, palm stearin, palm fatty acid distillate, palm kernel oil (crude and refined) and palm kernel cake.

2. Review of Operations

Item	2013 N'000	2012 N'000
Revenue	210,834	161,579
Profit/(Loss) before tax	(19,455)	(48,285)
Profit/(Loss) after tax	(20,122)	(48,525)

3. Dividend

In respect of the current year, no dividend was recommended for payment.

4. Directors

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

S/N	Names	Designation
1	Adewale Osomo Esq	Chairman
2	Mr. Segun Onayiga	Director
3	Hon. Chief [Mrs.] Alice M Osomo	Director
4	Chief Yele Ogundipe	Director
5	Elder Tayo Akinjomo	Director
6	Prof. Ige Bolodeoku	Director
7	John O. O Akinleye	Director
8	High Chief P. B Sheile	Director
9	Mr. Igbasan Sunday	Director
10	Mr. Fasalejo E. O	Director
11	B. A Olatubora	Director

ATTENDANCE OF DIRECTORS AT THE BOARD OF DIRECTORS MEETING FOR 2013

S/N	NAME	MEETING DATE 7 FEB 2013	MEETING DATE 12 MAR 2013	TOTAL ATTENDANCE
1	Adewale Osomo Esq	√	x	1 Meeting
2	Mr. Segun Onayiga	√	x	1 Meeting
3	Hon. Chief [Mrs.] A. M Osomo	√	x	1 Meeting
4	Chief Yele Ogundipe	√	√	2 Meetings
5	Elder Tayo Akinjomo	√	√	2 Meetings
6	Prof. Ige Bolodeoku	√	√	2 Meetings
7	John O. O Akinleye	√	√	2 Meetings
8	High Chief P. B Sheile	√	x	1 Meeting
9	Mr. Igbasan Sunday	√	x	1 Meeting
10	Mr. Fasalejo E. O	x	√	1 Meeting
11	B. A Olatubora	x	√	1 Meeting

NOTE: √ means present **X** means absent **NLB** means No Longer on the Board

No records wer found for Board meetings held between 2014 and 2017.

5. Directors' Interest in Shares

The interest of each current Director in the issued share capital of the Company as recorded in the Register of Members and/or notified by the Directors for the purpose of Section 275 of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, and disclosed in accordance with Section 342 of the said Act, is as follows:

S/N	Names	As at 31 December 2013 No. of shares.
1	Hon. Chief [Mrs.] Alice M Osomo	1,200
2	High Chief P. B Sheile	
3	Mr. Igbasan Sunday	
4	John O. O Akinleye	220,000
5	Adewale Osomo	57,020
6	Mr. Segun Onayiga	
7	Prof. Ige Bolodeoku	
8	Chief Yele Ogundipe	
9	Elder Tayo Akinjomo	
10	B. A Olatubora	
11	Mr. Fasalejo E. O	

6. Shareholding and Substantial Shareholders

The issued and fully paid-up Share Capital of the Company is 96,000,000 Ordinary Shares of 50 kobo each. The following Shareholders held 5% and above of the issued share capital of the company as at 31 December 2014.

S/N	SHAREHOLDER	NO. OF SHARES	%
1	ESTAPORT FARMS LTD	34,214,546	35.64
2	ONDO STATE INVESTMENTS HOLDINGS LIMITED	28,573,479	29.76

The shareholding analysis as at December 31, 2013 is shown below.

Range of Shareholding	Number of Shareholders	Number of Ordinary shares	% Shareholding
1 - 1000	10,727	4,222,198	4.40
1,001 - 5,000	3,741	6,904,596	7.19
5,001 - 10,000	353	2,396,712	2.50
10,001 - 50,000	275	4,903,124	5.11
50,001 - 100,000	35	2,457,021	2.56
100,001 - 500,000	24	4,308,926	4.49
500,001 - 1,000,000	3	1,899,480	1.98
Above 1,000,000	4	68,907,943	71.78

7. Statement of Directors' Responsibilities

The Directors accept responsibility for the preparation of the annual financial statements set out on pages …. that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, 2011.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria 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.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

8. Property, plant and equipment

Information relating to changes in property, plant and equipment is given in Note 12 to the Financial Statements.

9. Employees and Employment

(a) Employment of Physically-Challenged Persons

The company is an equal opportunity employer and does not discriminate on any grounds. Thus, we provide employment opportunities to physically-challenged persons. However, this actually goes beyond the need to ensure that there is no discrimination against such persons, but driven by a deep conviction that even in disability, there could be immense ability.

(b) Employee Involvement and Training

In today's competitive business landscape, human capability has been found to be a key factor for corporate success. The critical challenge towards continuous performance improvement remains the capability and speed of response to changes in the business environment through people development. Thus, a drive in the right direction for employees' development is imperative for sustainable superior company performance. We must not only enable employees to perform in their day-to-day jobs, but must unlock their potentials and make it possible for them to unleash energy to achieve business goals.

Continuous training and upgrading of skills at all levels of the Company is therefore the key to achieving a meaningful competitive advantage and long-term business success.

(c) Health, Safety and Welfare

The Company takes the health, safety and welfare of its employees very seriously, with a strong conviction that a healthy workforce will always be highly productive and will deliver superior performances at all times. Consequently, there are on-site clinics manned by qualified medical personnel in all our oil milling locations that provide primary health care round the clock for employees at work. Furthermore, top health care providers have been carefully selected under a managed care scheme to look after the health care needs of employees and their dependant. We comply with relevant statutory provisions and regulations on health, safety and welfare matters as well as providing the education required to enable compliance by employees.

10. Conflict of Interests

The company recognizes and respects the right of its employees to engage in external activities so long as these activities do not impair, interfere or conflict with the conscientious performance of their duties and do not involve damage to or misuse of the Company's name, trademarks, products, property, reputation, goodwill, confidential information or other resources.

When an employee is engaged in carrying out a task on behalf of the Company and that employee has a factual or potential private interest in the outcome of the task, which is contrary to the best interests of the Company or is substantial enough to affect the employee's unbiased judgment, the Company expects the employee to disclose this as appropriate. Failure to comply with this policy will have serious career consequences for the employee. Okitipupa Oil Palm Plc maintains policies (for instance, on purchasing) that severely reduce the risk of harm to the Company due to a conflict of interest.

11. Corporate Governance

The company adopts a responsible attitude towards corporate governance. The Board is in support of the Code of Corporate Governance for Public Companies in Nigeria ("the Code") released by the Securities & Exchange Commission in 2011. The Board will endeavor to ensure that the Company is in compliance with the provisions of the Code at all times.

(a) The Board of Directors

The Board of Directors is made up of twelve (11) Non-Executive Directors, including the Chairman, and One (1) Executive Director. The Board has a formal guideline and process for appointment of persons as Directors. The Board is inter alia, responsible for supervising the conduct of business of the management as well as the general course of affairs in the Company as well as responsible for assessing the Company's corporate strategy and general policy; the development of the Company's financial position; the Company's risk management and other systems; the Company's organizational structure; and the Company's social policy.

12. Events after the End of the Reporting Period

There were no material events that occurred after the end of the reporting period.

13. Donations

There was no donation during the year under review.

14. Research & Development

The activities of the company did not necessitate any expenditure on research and development during the year under review.

15. Related parties transactions

As at the year ended 31st December 2013, the company has no related parties transactions.

16. Subsequent events

There are no significant subsequent events, which could have had a material effect on the state of affairs of the Company as at 31st December 2013 that have not been adequately provided for or disclosed in the financial statements.

17. Contingent Liabilities

The management is of the opinion that the total claims in respect of pending legal matters are not expected to be of any significant value and we cannot find any evidence to the contrary.

18. Independent Auditors

_______served as the Independent Auditors during the year under review.

In accordance with Section 357(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, ... have indicated their willingness to continue in office as Independent Auditors to the Company.

By Order of the Board.

Dele Oluwole Adaramaja
Company Secretary/Legal Adviser

INDEPENDENT AUDITOR'S REPORT

For the year ended 31st December, 2013

ABIOYE ABDUL-RAZAQ & CO.

CHARTERED ACCOUNTANTS

2nd Floor, Rear Wing, 3113, Agege Motor Road, Beside GTBank Plc
Olorunsogo, Mushin, Lagos. P/ O/ Box 8127, Ikeja, Lagos
Email: bioye21@hotmaul.com, abioyeabdulrazaq@yahoo.com
Tel: 08033333045, 08025829330

To the Shareholders of Okitipupa Oil Palm Plc

We have audited the accompanying financial statements of Okitipupa Oil Palm Plc which comprise the Statement of Financial Position as at 31st December, 2013, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the financial statements including a summary of Significant Accounting Policies set out on pages ……to ……..

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, CAP C20, LFN 2004. These responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Statements that are free from material mis-statements whether due to fraud or error, selecting and applying appropriate Accounting Policies and making Accounting estimates that are reasonable in their circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our Audit. The Audit was conducted in accordance with the International Standards on Auditing (ISA). Those Standards require that we comply with ethical requirements, plan and perform the Audit to obtain reasonable assurance as to whether the Financial Statements are free from material mis-statements. 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 mis-statements of the Financial Statements whether due to fraud or error. We planned and performed our Audit so as to obtain all the information and explanations which we considered necessary, in order to provide us with sufficient evidence to give a reasonable assurance that the Financial Statements are free from material mis-statements.

Disclaimer of Opinion

We do not express an opinion on the accompanying financial statements of the company which comprise the Statement of Financial Position as at 31st December, 2013, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the financial statements including a summary of Significant Accounting Policies. This is as a result of the significance of the matters described in the Basis for Disclaimer of Opinion section of our Report. We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial position of the company as at 31st December, 2013, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing and the Companies and Allied Matters Act Cap C20, LFN 2004.

Basis for Disclaimer of Opinion

As at the date of issuing the audit opinion, we were unable to carry out audit procedures necessary to obtain adequate assurance regarding the balances of assets and liabilities presented in the Management Accounts. Relevant documents and explanations regarding these items were not provided in many instances. Thus, we could not perform necessary tests to confirm the existence or otherwise of the items which include: Fixed Assets, Cash & Bank Balances, Inventories and Payable. As a result of this matter, we were unable to form an opinion about whether the Statement of Financial Position as at 31st December, 2013 gives a true and fair view of the financial position of the Company, which opinion can serve as a basis for the audit of the financial statement for Year 2013. We were also unable to determine whether any further adjustments might have been necessary in respect of the elements making up the Statement of Financial Position as at 31st December, 2013, the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows. The financial effects of this matter were impracticable to quantify. There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the figures. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of Companies and Allied Matters Act CAP C20, LFN 2004, we expressly state that due to the basis of disclaimer opinion above:

We have not obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

We have not obtained all the information and explanations which will allow us to conclude whether the Company has kept proper books of account, so far as appears from our examination of those books.

We have not obtained all the information and explanations which will allow us to conclude whether or not the financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2013 and of its loss and cash flow for the

Abioye Abdulrazaq
FRC/2015/ICAN/00000013380
Abioye Abdulrazaq & Co.

Lagos, Nigeria
25th August, 2020

Managing Partner: A. O. S. ABIOYE ACA, ACTI, ACS. ACIB. AMNIM, MBA

REPORT OF THE AUDIT COMMITTEE

For the year ended 31st December, 2013

To the members of the OKITIPUPA OUL PALM PLC

In compliance with the provisions of Section 359 (6) of the Company and Allied Matters Act Cap 20 LFN 2004, the members of the Audit Committee reviewd the financial statements of the company for the year ended 31st December 2013 and report as follows:

1. We reviewed the Financial Statements for the year ended 31st December 2013 and are not in a position to express our satisfaction on the position of its contents.
2. We were unable to review the External Auditors' management letter for the year ended 31st December 2013 as none was presented to us.
3. The External Auditors' reported that they have not received the expected cooperation from the Company's Management and have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an unqualified audit opinion on the financial position of the company as at 31st December 2013, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.
4. The External Auditors' report indicate a total absence of management accountability and consequently, we are not in a position to report on the scope, planning and conduct of the audit of the company's financial statements for the year ended 31st December 2013.

SENATOR ANTHONY ADEMUYIWA ADENIYI
CHAIRMAN, STATUTORY AUDIT COMMITTEE
DECEMBER 09, 2019

MEMBERS OF THE STATUTORY AUDIT COMMITTEE

Sen. Anthony Adeniyi	Shareholder	Chairman
HE Surveyor Abiodun Aluko	Shareholder	Member
Mr. Akinboye Oyewumi	Director	Member
Mr. Adewale Osomo	Director	Member
Mr. Tolu Fadahunsi	Shareholder	Member
Chief John Akinleye	Director	Member

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December, 2013

	Note	31-Dec-13	31-Dec-12
		N'000	N'000
Revenue	6	210,834	161,579
Cost of Sales	7	(101,684)	(88,878)
Gross Profit		109,150	72,701
Selling, general & Admin. Expenses	8	(129,298)	(122,891)
Other Operating Income	9	1,347	2,670
Operating Profit		(18,800)	(47,520)
Financial Income		-	-
Financial Expenses	10	654	765
Operating result before tax		(19,455)	(48,285)
Income tax expenses	11	668	240
Operating result for the period		(20,122)	(48,525)
Other Comprehensive Income:			
Changes in revaluation Surplus		-	-
Gains & losses on re-measuring available for sale financial assets			-
Total Comprehensive income for the year.		**(20,122)**	**(48,525)**

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December, 2013

	Note	31-Dec-13	31-Dec-12
		N'000	N'000
ASSETS			
Non-Current assets			
Property, Plant and Equipment	12	279,102	304,777
Biological assets	13	193,500	201,702
Deferred asset		18,237	18,237
Other non-current assets		50	50
		490,888	524,767
CURRENT ASSETS			
Inventories	14	8,776	8,673
Trade receivables	15	-	-
Other receivables	16	27,969	27,949
Cash and cash equivalents	17	16,662	14,687
		53,407	51,309
TOTAL ASSETS		544,295	576,075
EQUITY AND LIABILITIES			
Equity.			
Share Capital	18b	48,000	48,000
Share Premium	19	9,368	9,368
Deposit for shares		134,000	134,000
Retained Earnings	20	(180,378)	(160,256)
Other reserves		-	-
		10,990	31,112

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December, 2013

	Note	31-Dec-13	31-Dec-12
		N'000	**N'000**
Non-Current Liabilities			
Deferred tax Liabilities		-	-
Financial Liabilities	21	227,820	242,901
Current Liabilities			
Trade Payable	22	17,450	17,750
Financial liabilities	23	48,392	48,392
Other trade Payable	24	232,222	230,165
Tax Payable	25	6,423	5,755
		305,486	302,062
TOTAL LIABILITIES		533,306	544,963
TOTAL EQUITY AND LIABILITIES		**544,295**	**576,075**

Approved by the Board of Directors on the 5th of September, 2020 and signed on its behalf by:

Chief [Mrs.] Alice M. Osomo
Chairman
FRC/2020/3/00000025784

Mr.Taiwo Adewole
CEO
FRC/2020/03/00000021511

Mr. Tai Ajayi Dahunsi
Chief Finance Officer
FRC/2020/001/00000021936

The note on pages 231 to 246 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 31st December 2013

	Issued Share Capital N'000	Deposits for Shares N'000	Share Premium N'000	Retained Earnings N'000	Total equity N'000
For the year ended 31 December 2013					
At 1 January 2013	48,000	134,000	9,368	(160,256)	31,112
Total Comprehensive income	-	-	-	(20,122)	(20,122)
Dividend	-	-	-	-	-
At 31 December 2013	48,000	134,000	9,368	(180,378)	(10,990)
For the year ended 31 December 2012					
At 1 January 2012	48,000	134,000	9,368	(112,670)	78,698
Total Comprehensive income	-	-	-	(48,525)	(48,525)
Dividend	-	-	-	-	-
Adjustments	-	-	-	938	938
At 31 December 2012	48,000	134,000	9,368	(160,256)	31,112

STATEMENT OF CASH FLOWS

For the year ended 31st December 2013

	31-Dec-13 N'000	31-Dec-12 N'000
Cash flows operating activities		
Profit before taxation	(19,455)	(48,285)
Adjustments:		
Interest paid	-	-
Amortization of biological assets	11,810	11,666
Depreciation of PPE	41,026	48,618
Unrealized net gain/(loss) arising from fair value changes	-	938
Changes in assets and Liabilities		
Decrease/(increase) in inventory	(103)	3,527
Decrease/(increase) in trade and other receivables	(20)	66
Decrease/(increase) in other current assets		
Increase/(decrease) in financial liabilities (current)	-	-
Increase/(decrease) in trade and other Payable	(300)	17,750
Increase/(decrease) in other current liabilities.	3,056	(3,931)
Tax paid	-	-
Net cash provided by operating activities	36,014	30,349
Cash flows from Investing Activities		
Acquisition of Property plant and equipment	(15,350)	(14,842)
Acquisition of Biological assets	(3,607)	(3,6830
Net cash used in Investing activities	(18,957)	(18,525)
Cash flows from Financing Activities		
Loan received/(repayment) during the year	(15,081)	-
Shareholders' equity	-	-
Interest paid	-	-
Net cash used in financing activities	(15,081)	-
Net increase/(decrease) in cash and cash equivalents	1,976	11,824
Cash and cash equivalents at January	14,686	2,862
Cash and cash equivalents at December	**16,662**	**14,686**

1 General Information

Okitipupa Oil Palm PLC was incorporated as a limited liability company on the 17th day of May, 1976 to take over the Okitipupa Oil Palm Project under the management of the Nigeria Joint Agency Limited. In 1980 the company was brought under the supervision of the Governor's Office. In May 1987, the Ondo State Investment (Holding) Company Limited was established and vested with all the State Government's interest in Okitipupa Oil Palm Company Limited. The company became Public Liability Company in year 1993

Okitipupa Oil Palm Plc was established to carry on the business of palm tree plantation developments, cultivators, growers of other related crops and to treat, process, prepare, render marketable, buy, sell, and dispose of such products either raw or manufactured state and any product or by-product derived therefrom. The Products of the company include production of: .Palm Oil, .Palm Kernel, .Ashes, .Brown Soap; and .Other agro-allied related products.

2 Basis of Preparation

(a) Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and adopted by the Financial Reporting Council of Nigeria (FRC). Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.
The Financial Statements were authorized for issue by the Board of Directors of Okitipupa Oil Palm PLC on 5th September 2020.

(b) Basis of Measurement

The principal accounting policies applied in the preparation of the above financial statements are set out below.

The financial statements have been prepared on the basis of the historical cost price method. Any exceptions to the historical cost price method are disclosed in the valuation rules described hereafter (such as biological assets).

(c) Functional and presentation currency

These Financial Statements are presented in Nigeria Naira which is the Company's functional currency. Except otherwise indicated, financial information presented in Nigeria Naira has been rounded to the nearest thousand.

(d) Use of estimates and judgement

The preparation of the financial statements in conformity with IFRSs requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company.

At the date of authorization of these financial statements, certain new IFRS standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the Company. Management anticipates that all of the relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

IFRS 9, 'Financial instruments', issued in November 2009 (effective 1 January 2015)

IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The company is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2015.

IFRS 10, 'Investment Entities,' Issued: 31 October 2012 (effective 1 January 2014)
The Company is yet to assess IFRS 10's full impact and intends to adopt IFRS 10 not later than the accounting period beginning on or after 1 January 2014.

b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2013 and not early adopted.
A number of new standards and amendments to standards and interpretations that are effective for annual periods beginning after 1 January 2013, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

IAS 36 Impairment of Assets; Amendments, Issued: 29 May 2013 (effective 1 January 2014)
Amends IAS 36 Impairment of Assets to reduce the circumstances in which the recoverable amount of assets or cash- generating units is required to be disclosed, clarify the disclosures required, and to introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique. The Company is yet to assess the amendment to IAS 36's full impact and intends to adopt IAS 36 amendment no later than the accounting period beginning on or after 1 January 2014.

IAS 39 Financial Instrument; Amendments, Issued: 27 June 2013 (effective 1 January 2014)
Amends IAS 39 Financial Instruments:
- Recognition and Measurement make it clear that there is no need to discontinue hedge accounting if a hedging derivative is novated, provided certain criteria are met.

- A novation indicates an event where the original parties to a derivative agree that one or more clearing counter-parties replace their original counter-party to become the new counter-party to each of the parties. In order to apply the amendments and continue hedge accounting, novation to a central counter-party (CCP) must happen as a consequence of laws or regulations or the introduction of laws or regulations.

The Company is yet to assess the amendment to IAS 39's full impact and intends to adopt IAS 39 amendment no later than the accounting period beginning on or after 1 January 2014.

IFRIC 21 Levies, Issued: 20 May 2013 (effective 1 January 2014)
IFRIC 21 provides guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and those where the timing and amount of the levy is certain.

The Interpretation identifies the obligating event for the recognition of a liability as the activity that triggers the payment of the levy in accordance with the relevant legislation. It provides the following guidance on recognition of a liability to pay levies:

- The liability is recognition progressively if the obligating event occurs over a period of time.
- If an obligation is triggered on reaching a minimum threshold, the liability is recognition when that minimum threshold is reached.

3 Summary of Significant Accounting Policies

(a) Foreign currency transactions
Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognized in the income statement part of the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

(b) Intangible assets
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated Amortization and accumulated impairment losses. Amortization is recognition on a straight-line basis over their estimated useful lives. The estimated useful life and Amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Expenditure on research activities is recognition as an expense in the period in which it is incurred.
An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognition if, and only if, all of the following have been demonstrated:
- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognition for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognition, development expenditure is recognition in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated Amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognition in profit or loss when the asset is derecognised.

(c) Biological Assets
Biological activities are measured at fair value (IAS 41).
Biological assets are recognition at the fair value according to an internal valuation model. This model is based on the discounted cash flow method (DCF).
The main variables in these models concern:
- Production volumes
- Selling price
- Cost price
- Discount rate

A biological asset or agricultural produce is only recognition when it controls the asset as a result of past events, when it is probable that future economic benefits associated with the asset will flow to the Company and when the fair value or cost of the asset can be measured reliably.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated selling costs and from the change in fair value less estimated selling costs of a biological asset is included in net profit or loss in the period in which it arises.

(d) Property, Plant & Equipment
Items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their cost, less accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Depreciation is recognition so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Unless revised due to specific changes in the estimated useful life, annual depreciation rates are as follows:

Buildings:	5%
Mill Machinery & Equipment:	10%
Furniture, Fittings & Equipment :	20%
Tools	20%
Light Vehicles & Lorries:	25%
Tractors & Trailers:	20%
Agricultural equipment	20%
Nursery Equipment	12.5%
Water Supply	12.5%
Power supply Equipment	20%

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognition in profit or loss.

(e) Leases

Assets held under finance leases are initially recognition as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a financial liability.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognition immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognition as expenses in the periods in which they are incurred.

Operating lease payments are recognition as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognition as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognition as a liability. The aggregate benefit of incentives is recognition as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(f) Impairment of Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognition immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognition for the asset (or cash- generating unit) in prior years. A reversal of an impairment loss is recognition immediately in profit or loss.

(g) Financial Assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognition and derecognized on a trade date basis.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash, and others) are measured at amortized cost using the effective interest method, less any impairment.

Interest income is recognition by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets measured at amortized cost, 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 recognition, the previously recognition impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognition.

(h) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on a weighted average cost basis.

The stock finished products (including biological assets after harvest) are valued by adding production cost to the fair value of the biological asset concerned.

Inventories are written down on a case-by-case basis if the estimated net realizable value declines below the carrying amount of the inventories. Net realizable value is the estimated selling price less the estimated costs necessary to make the sale. When the reason for a write-down of the inventories has ceased to exist, the write-down is reversed.

(i) Cash and Cash Equivalent

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

For the purpose of the statements of cash flows, cash and cash equivalents includes cash on hand and deposits held at call or short term maturity with banks (three months or less), net of bank overdrafts. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet.

(j) Shareholders' Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognition at the proceeds received, net of direct issue costs.

(k) Provisions

Provisions are recognition when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognition as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognition as an asset if it is reasonably certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(l) Retirement benefits and other long term employees' benefits

Employee benefits mainly concern:

- Retirement benefits: pension plans, termination benefits, other retirement obligations and supplemental benefits;
- Other long-term employee benefits: long-service benefits granted to employees according to their seniority in the Group;
- Other employee benefits: post-employment medical care.

Payments to defined contribution retirement benefit plans are recognition as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Actuarial gains and losses are recognition immediately in profit or loss. Past service cost is recognition immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognition in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

(m) Financial Liabilities

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified as either “financial liabilities at fair value through profit or loss” or “other financial liabilities”.

The Company does not hold any financial liabilities at fair value through profit or loss.

Other financial liabilities (including borrowings) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(n) Government Grants

Government grants are not recognition until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognition in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognition as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(o) Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognition on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (e.g. differences between carrying amounts under IFRS and the statutory tax bases). Deferred tax liabilities are generally recognition for all taxable temporary differences. Deferred tax assets are generally recognition for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognition if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(p) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue from rendering services is based on the stage of completion determined by reference to services performed to date as a percentage of total services to be performed.

Interest income is recognized using the effective interest rate method.

Dividends are recognized when the right to receive payment is established.

(q) Borrowing Costs

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 capitalization.

All other borrowing costs are recognition in profit or loss in the period in which they are incurred.

4 Financial Risk Management

(a) Introduction

Risk Management is essential to help ensure business sustainability thereby providing customers and the shareholders with a long-term value proposition.

Key elements of risk management are:

- Strong corporate governance including relevant and reliable management information and internal control processes;
- Ensuring significant and relevant skills and services are available consistently to the Company;
- Influencing the business and environment by being active participants in the relevant regulatory and business forums; and
- Keeping abreast of technology and consumer trends and investing capital and resources where required.

The overall Company focus within an appropriate risk framework is to give value to the customers through effective and efficient execution of transactions.

The board of directors acknowledges its responsibility for establishing, monitoring and communicating appropriate risk and control policies.

(b) Significant risks

The Company has exposure to significant risks which are categorized as follows:

i. Regulatory (capital adequacy, legal, accounting and taxation);
ii. Business environment (reputation and strategic);
iii. Operational (people, information technology and internal control processes);
iv. Market (equity prices, interest rate and currency); and
v. Liquidity

(c) Detailed Discussion of significant risks

Regulatory Risk
Regulatory risk is the risk arising from a change in regulations in any legal, taxation and accounting pronouncements or specific industry that pertain to the business of the Company. In order to manage this risk, the Company is an active participant in the agro allied industry and engages in discussions with policy makers and regulators.

Legal Risk
Legal risk is the risk that the Company will be exposed to contractual obligations which have not been provided for.

The Company has a policy of ensuring all contractual obligations are documented and appropriately evidenced to agreements with the relevant parties to the contract.

All significant contracted claims are reviewed by independent legal resources and amounts are provided for if there is consensus as to any possible exposure. At 31 December 2013, the directors are not aware of any significant obligation not provided for.

Taxation Risk
Taxation risk is the risk of suffering a loss, financial or otherwise, as a result of an incorrect interpretation and application of taxation legislation or due to the impact of new taxation legislation on existing products.
Taxation risk occurs in the following key areas:
- Transactional risk;
- Operational risk;
- Compliance risk; and
- Financial accounting risk.
- Transactional Risk

The risk which concerns specific transactions entered into by the Company, including restructuring projects and reorganizations.

Operational Risk
The underlying risks of applying tax laws, regulations and decisions to the day-to-day business operations of the Company.

Compliance Risk
The risk associated with meeting the Company's statutory obligations.

Financial Accounting Risk
The risk relates to the inadequacy of proper internal controls over financial reporting, including tax provisioning.
In managing the Company's taxation risk, the Company tax policy is as follows:

The Company will fulfill its responsibilities under tax law in each of the jurisdictions in which it operates, whether in relation to compliance, planning or client service matters. Tax law includes all responsibilities which the Company may have in relation to Company taxes, personal taxes, capital gains taxes, indirect taxes and tax administration.

Compliance with this policy is aimed at ensuring that:
- All taxes due by the Company are correctly identified, calculated, paid and accounted for in accordance with the relevant tax legislation;
- The Company continually reviews its existing operations and planned operations in this context; and
- The Company ensures that, where clients participate in Company products, these clients are either aware of the probably tax consequences, or are advised to consult with independent professionals to assess these consequences, or both.

The identification and management of tax risk is the primary objective of the Company tax function, and this objective is achieved through the application of a formulated tax risk approach, which measures the fulfillment of tax responsibilities against the specific requirements of each category of tax to which the Company is exposed, in the context of the various types of activities the Company conducts.

Accounting Risk
Accounting Risk is the risk that the Company fails to explain the current events of the business in the financial statements.

Accounting risk can arise from the failure of management to:
- Maintain proper books and records, accounting system and to have proper accounting policies;
- Establish proper internal accounting controls;
- Prepare periodic financial statements that reflect an accurate financial position; and
- Be transparent and fully disclose all important and relevant matters.

Measures to control accounting risk are the use of proper accounting systems, books and records based on proper accounting policies as well as the establishment of proper internal accounting controls. Proposed accounting changes are researched by accounting resources, and if required external resources, to identify and advise on any material impact on the Company.

Financial statements are prepared in a transparent manner that fully discloses all important and relevant matters as well as accurately reflecting the financial position, results and cash flows of the Company.

(ii) Business Environment

Reputational Risk
Reputational Risk is the risk of loss caused by a decline in the reputation of the Company or any of its specific business units from the perspective of its stakeholders, shareholders, customers, staff, business partners or the general public.

Reputational risk can both cause and result from losses in all risk categories such as market or credit risk.

Strategic Risk
Strategic Risk is the risk of an unexpected negative change in the Company value, arising from the adverse effect of executive decisions on both business strategies and their implementation.

This risk is a function of the compatibility between strategic goals, the business strategies developed to achieve those goals and the resources deployed to achieve those goals. Strategic risk also includes the ability of management to effectively analyse and react to external factors, which could impact the future direction of the relevant business units.

Company Risk identifies and assesses both those risks qualitatively as part of a quarterly evaluation. On the basis of this evaluation, Company risk creates an overview of local and global risks which also includes reputational risks, analyses the risk profile of the Company and regularly informs directors and management.

(iii) Operational Risk
Operational Risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

The initiation of all transactions and their administration is conducted on the foundation of segregation of duties that has been designed to ensure materially the completeness, accuracy and validity of all transactions. These controls are augmented by management and executive review of control accounts and systems, electronic and manual checks and controls, back-up facilities and contingency planning. The internal control systems and procedures are also subjected to regular internal audit reviews.

(iv) Market Risk

Market Risk includes asset liability matching risk, currency risk, interest rate risk and equity price risk.

The Company is exposed to market risk through its financial assets and financial liabilities. The most important components of this risk are interest rate risk and market price risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements.

Interest Rate and Market Price Risk

These risks have very different impacts on the various categories of business used in the Company's Assets and Liabilities Management framework. Interest rate and market price risk have been discussed together since they interact on certain types of liabilities.

Interest Rate Risk

Interest rate risk is the risk that the value and cash flow of a financial instrument will fluctuate due to changes in market interest rates.

Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices.

Foreign Currency Risk

In respect of other monetary assets and liabilities held in currencies other than the Naira, the Company ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates, where necessary, to address short-term imbalances.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a loss to the other party by failing to discharge an obligation.
Key areas where the Company is exposed to credit risk are:

- Certain classes of financial assets such as bonds, term deposits and cash and cash equivalent; and
- Certain accounts within trade and other receivables.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Company Treasury maintains flexibility in funding by keeping committed credit lines available.

Sensitivities

Management applies a number of sensitivity tests to the earnings of the Company to better understand the exposure to and importance of each of the main drivers of profitability.

IFRS 7 requires management to report on the changes in the net income after tax following "reasonable possible" changes in each of the factors to which the Company is exposed. Management has set the upside and downside movements for each factor at a level which represents the amount by which management believes that factor could reasonably change over the year following the valuation date. These opinions have been informed by an analysis of historical one year changes in those factors. The upper and lower limits have been set at the 75th and 25th percentiles of observed changes as these bound and interval which may be expected to contain 50% of the changes in the coming year. Management believes this represents in some sense what is "reasonably possible", though it is important to note that this opinion is based on past experience and the tested range is not sensitive to all the relevant information in the market at the reporting date.

Management has considered the impact of upside and downside movements in foreign exchange rates. In relation to these sensitivity:

- The earnings are sensitive to changes in both the shape and level of the yield curve. Management has not considered changes in the shape of the yield curve due to several constraints although this may be reviewed in the following year.

Future rates of expense inflation, catastrophes and tax assumptions were considered but no sensitivities are presented as it is unlikely, in management's opinion that, these assumptions will change over the following year.

It should be noted that each impact on profit after tax is shown individually for each sensitivity being changed, keeping all other assumptions constant. In practice this is unlikely to occur, as changes in some of the variables may be correlated.

5 Critical accounting judgement and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the Company is required to make judgement, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognition in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.
The following area are areas where key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Useful lives of property, plant and equipment
- Valuation of biological assets at fair value
- Post-employment benefits

6 Revenue

	2013 N'000	2012 N'000
Local Sales:		
Fresh fruit bunches	207,271	145,203
Palm oil	3,500	14,650
Palm kernel	44	1,117
Other by-products	20	609
	210,834	161,579

7 Cost of Sales

	2013 N'000	2012 N'000
Cost of sales		
Mill processing, refinery & Packaging cost	3,322	6,351
Upkeep of mature planting, harvesting & Lab	9,500	58,601
Direct Harvester wages & expenses	88,862	23,962
	101,684	88,878

8 Admin Expenses

	2013 N'000	2012 N'000
Director fee	1,948	1,575
Staff Cost	48,113	45,785
Repairs & Maintenance	9,024	1,378
Advert, publicity & Subscription	343	344
Hotel & Travelling	7,948	7,716
Postages, Printing & Stationery	948	480
Legal & Other Prof. fee	6,690	3,002
Office general expenses	393	1,328
Audit fee	1,000	1,000
Government Fees & Levies	56	-
Depreciation	52,836	60,283
	129,298	122,891

9 Other Operating Income

	2013 N'000	2012 N'000
Scraps sales	5	1,329
Other sundry income	1,342	1,341
	1,347	2,670

10 Finance Cost

	2013 N'000	2012 N'000
Bank Interest & charges	654	765

11 Income Tax Expense

	2013 N'000	2012 N'000
Company Income Tax	-	-
Education Tax	668	240
Deferred tax	-	-
	668	240

12 Property, Pland and Equipment

	Land & Building N'000	Plant & Equipment N'000	Motor Vehicle N'000	Furniture & Fittings N'000	Total N'000
Deemed Cost					
At 1 January 2013	61,380	464,156	38,807	25,134	589,478
Additions	3,407	3,194	8,026	723	15,350
Revaluation					
Disposal	-	-	-	-	-
At 31 December 2013	**64,786**	**467,350**	**46,833**	**25,857**	**604,828**

	Land & Building N'000	Plant & Equipment N'000	Motor Vehicle N'000	Furniture & Fittings N'000	Total N'000
Depreciation:					
At 1 January 2013	22,234	205,189	37,198	20,080	284,700
Charged for the period	4,467	30,972	2,409	3,177	41,026
Disposal	-	-	-	-	-
At 31 December 2013	**26,701**	**236,161**	**39,607**	**23,257**	**325,726**
Carrying Amount:					
At 31 December 2013	**31,892**	**231,189**	**7,226**	**2,600**	**279,102**
At 31 December 2012	39,146	285,968	1,606	5,054	304,777

13 Biological Asset

	2013 N'000	2012 N'000
At 1 January 2013		
Cost	291,638	287,956
Additions	3,607	3,683
Revaluation	-	-
Impairment	-	-
At 31 December 2013	295,245	291,638
Amortization		
At 1 January 2013	89,936	78,270
For the year	11,810	11,666
Impairment	-	-
At 31 December 2013	101,746	89,936
Carrying Amount:		
At 31 December 2013	**193,500**	**201,702**
At 31 December 2012	201,702	209,685

14 Inventories

	2013 N'000	2012 N'000
Supplies	5,624	5,521
Finished goods	3,152	3,152
	8,776	8,673

15 Trade Receivable

	2013 N'000	2012 N'000
Trade Receivables	-	-
Less: Allow. For doubtful account	-	-
Trade Receivables - Net	-	-

16 Other Receivables

	2013 N'000	2012 N'000
Staff Loans and advances	244	224
Prepayment	-	-
Sundry debtors	27,725	27,725
	27,969	27,949

17 Cash & Cash Equivalent

	2013 N'000	2012 N'000
Cash at Bank	14,101	12,274
Cash at hand	2,561	2,413
	16,662	14,687

18a Authorized SHare Capital

	2013 N'000	2012 N'000
100,000,000 ordinary share capital of 50k each	50,000	50,000

18b Fully Paod Share Capital

	2013 N'000	2012 N'000
96,000,000 ordinary shares of 50k eacj	48,000	48,000

19 Share Premium

	2013 N'000	2012 N'000
At 1 January	9,368	9,368
Additions	0	0
At 31 December	9,368	9,368

20 Retained Earnings

	2013 N'000	2012 N'000
At 1 January	(160,256)	(112,670)
Adjustments	-	-
Reserve as restated	(160,256)	(111,731)
Retained profit for the year	(20,122)	(48,525)
Fair value gain	-	-
At 31 December	(180,378)	(160,256)

21 Financial Liabilities

	2013 N'000	2012 N'000
ODSG Loan	227,820	242,901
Bank Overdraft	-	-
Bank Loan	-	-
	227,820	242,901

22 Trade & Other Payable

	2013 N'000	2012 N'000
Suppliers	17,450	17,750

23 Financial Liabilities

	2013 N'000	2012 N'000
Financial Liabilities:		
Bank overdraft:		
Sterling Bank	6,184	6,184
Wema Bank Plc - Ore	27,000	27,000
Union Bank Plc - Irele	1	1
Unity Bank Plc	15,206	15,206
FBN Igbokoda	0	0
	48,392	48,392

24 Other Trade Payable

	2013 N'000	2012 N'000
Advances from Customers	94,553	98,365
Accruals	75,162	75,456
Sundry Creditors	63,507	56,344
	233,222	23,165

25 Tax Payable

	2013 N'000	2012 N'000
At 1 January 2013	5,755	5,515
Provision for the year	668	240
Payment during the year	-	-
At 31 December 2013	6,423	5,755

STATEMENT OF VALUE ADDED

For the year ended 31st December 2013

	31-Dec-13 N'000		31-Dec-12 N'000	
Revenue	210,834		161,579	
Bought in Materials	41,171		81,774	
	169,663		79,805	
Other Income	1,347		2,670	
Value added by operating activities.	171,010	100%	82,475 %	100%
Distribution of Value Added				
To Government as:				
Taxes and levies	668	0.39%	240	0.29%
To Employees:				
Salaries, wages, fringe benefit	136,975	80%	69,711	85%
To Provider of finance:				
Financial costs	654	0.38%	765	0.93%
Retained in the business:				
Depreciation & Amortization.	52,836	31%	60,283	73%
Retained Earnings	(20,122)	-12%	(48,525)	-59%
Value Added	**171,010**	**100%**	**82,475**	**100%**

FINANCIAL SUMMARY

For the year ended 31st December 2013

	2013 N'000	2012 N'000	2011 N'000	2010 N'000
Revenue	**210,834**	**161,579**	**195,469**	**197,193**
Results from operating activities	(18,800)	(47,520)	7,146	53,171
Profit before taxation	(19,455)	(48,285)	6,788	52,872
Profit for the year	(20,122)	(48,525)	4,678	52,871
Comprehensive income for the year	(20,122)	(48,525)	4,678	52,872
Employment of Funds				
Property, Plant and equipment	279,102	304,777	338,553	400,668
Biological assets	193,500	201,702	209,585	129,834
Deferred asset	18,237	18,237	18,237	48,667
Other non-current assets	50	50	50	1,406
Net current liabilities	(252,079)	(250,754)	(244,926)	(262,143)
Loans and borrowings	(227,820)	(242,901)	(242,901)	(345,176)
Net Assets	**10,990**	**31,112**	**78,698**	**(58,530)**
Funds Employed				
Share Capital	48,000	48,000	48,000	48,000
Share Premium	9,368	9,368	9,368	9,368
Deposit for shares	134,000	134,000	134,000	0
Retained Earnings	(180,378)	(160,256)	(112,670)	(115,899)
	10,990	**31,112**	**78,698**	**(58,531)**
Earnings Per Share	(0.21)	(0.51)	0.05	0.55

RC 17790

OKITIPUPA

OIL PALM PLC

2012

ANNUAL REPORTS

& FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2012

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Adewale Osomo Esq.	Chairman
Mr. Segun Onayiga	Director
Hon. Chief [Mrs.] Alice M Osomo	Director
Chief Yele Ogundipe	Director
Elder Tayo Akinjomo	Director
Prof. Ige Bolodeoku	Director
John O. O Akinleye	Director
High Chief P. B. Sheile	Director
Mr. Igbasan Sunday	Director
Toyin Akinkuotu	Alternate Director

COMPANY SECRETARY:
Dele Oluwola Adaramaja

REGISTRAR
GRDS Limited
274, Murtala Mohammed Way
Yaba, Lagos.

AUDITORS:
Abioye Abdul-Razaq & Co.
[Chartered Accountants]
2nd Floor, Rear wing, 313 Agege Motor Road,
Olorunsogo, Mushin, Lagos.

SOIICITORS
Osborne Laws

RC No.:
17790

REGISTERED & BUSINESS ADDRESS:
1, Marine Road
Okitipupa, Ondo State.

BANKERS:

First Bank of Nigeria Ltd
Sterling Bank Plc
Wema Bank Plc
Union Bank Plc
Keystone Bank
United Bank of Africa Plc
Polaris Bank Plc
Access Bank
First City Monument Bank
UnityBank
Ecobank Nigeria Ltd

2012 Annual Report Contents

DIRECTORS' REPORT

For the year ended 31st December, 2012

The Directors are pleased to present their annual report together with the audited financial statements of the Company for the year ended 31st December 2012.

1. Principal Activities

The principal activities of the Company are the development of oil palm plantations, palm oil milling, palm kernel processing and vegetable oil refining. The products of the Company are: refined bleached and deodorized palm oil, palm olein, palm stearin, palm fatty acid distillate, palm kernel oil (crude and refined) and palm kernel cake.

2. Review of Operations

Item	2012 N'000	2011 N'000
Revenue	161,579	195,469
Profit / (Loss) Before Tax	(48,285)	6,788
Profit / (Loss) After Tax	(48,525)	4,678

3. Dividend

In respect of the current year, no dividend was recommended for payment.

4. Directors

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

S/N	Names	Designation
1	Adewale Osomo Esq	Chairman
2	Mr. Segun Onayiga	Director
3	Hon. Chief [Mrs.] Alice M Osomo	Director
4	Chief Yele Ogundipe	Director
5	Elder Tayo Akinjomo	Director
6	Prof. Ige Bolodeoku	Director
7	John O. O Akinleye	Director
8	High Chief P. B Sheile	Director
9	Mr. Igbasan Sunday	Director
10	Toyin Akinjomo (Alternate)	Director

The Board of Directors Meeting for the Year 2012

1	Adewale Osomo Esq
2	Mr. Segun Onayiga
3	Hon. Chief [Mrs.] Alice M Osomo
4	Chief Yele Ogundipe
5	Elder Tayo Akinjomo
6	Prof. Ige Bolodeoku
7	John O. O Akinleye
8	High Chief P. B Sheile
9	Mr. Igbasan Sunday
10	Toyin Akinjomo (Alternate)

Note: No Board meetings were held as this was the time of the unauthorised management by Mr. Niyi Ogunwa and Mr. Femi Adeyehun.

5. Directors' Interest in Shares

The interest of each current Director in the issued share capital of the Company as recorded in the Register of Members and/or notified by the Directors for the purpose of Section 275 of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, and disclosed in accordance with Section 342 of the said Act, is as follows:

S/N	Names	As at 31 December 2014 No. of shares.
1	Adewale Osomo	57,020
2	High Chief P. B Sheile	
3	Mr. Igbasan Sunday	
4	John O. O Akinleye	220,000
5	Hon. Chief [Mrs.] Alice M Osomo	1,200
6	Mr. Segun Onayiga	
7	Prof. Ige Bolodeoku	
8	Chief Yele Ogundipe	
9	Elder Tayo Akinjomo	
10	B. A Olatubora	
11	Mr. Fasalejo E. O	

6. Shareholding and Substantial Shareholders

The issued and fully paid-up Share Capital of the Company is 96,000,000 Ordinary Shares of 50 kobo each. The following Shareholders held 5% and above of the issued share capital of the company as at 31 December 2014.

S/N	SHAREHOLDER	NO. OF SHARES	%
1	ESTAPORT FARMS LTD	34,214,546	35.64
2	ONDO STATE INVESTMENTS HOLDINGS LIMITED	28,573,479	29.76

The shareholding analysis as at December 31, 2012 is shown below.

Range of Shareholding	Number of Shareholders	Number of Ordinary shares	% Shareholding
1 - 1000	10,727	4,222,198	4.40
1,001 - 5,000	3,741	6,904,596	7.19
5,001 - 10,000	353	2,396,712	2.50
10,001 - 50,000	275	4,903,124	5.11
50,001 - 100,000	35	2,457,021	2.56
100,001 - 500,000	24	4,308,926	4.49
500,001 - 1,000,000	3	1,899,480	1.98
Above 1,000,000	4	68,907,943	71.78

7. Statement of Directors' Responsibilities

The Directors accept responsibility for the preparation of the annual financial statements set out on pages …. that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, 2011.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria 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.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.

8. Property, plant and equipment

Information relating to changes in property, plant and equipment is given in Note 11 to the Financial Statements.

9. Employees and Employment

(a) Employment of Physically-Challenged Persons

The company is an equal opportunity employer and does not discriminate on any grounds. Thus, we provide employment opportunities to physically-challenged persons. However, this actually goes beyond the need to ensure that there is no discrimination against such persons, but driven by a deep conviction that even in disability, there could be immense ability.

(b) Employee Involvement and Training

In today's competitive business landscape, human capability has been found to be a key factor for corporate success. The critical challenge towards continuous performance improvement remains the capability and speed of response to changes in the business environment through people development. Thus, a drive in the right direction for employees' development is imperative for sustainable superior company performance. We must not only enable employees to perform in their day-to-day jobs, but must unlock their potentials and make it possible for them to unleash energy to achieve business goals.

Continuous training and upgrading of skills at all levels of the Company is therefore the key to achieving a meaningful competitive advantage and long-term business success.

(c) Health, Safety and Welfare

The Company takes the health, safety and welfare of its employees very seriously, with a strong conviction that a healthy workforce will always be highly productive and will deliver superior performances at all times. Consequently, there are on-site clinics manned by qualified medical personnel in all our oil milling locations that provide primary health care round the clock for employees at work. Furthermore, top health care providers have been carefully selected under a managed care scheme to look after the health care needs of employees and their dependents. We comply with relevant statutory provisions and regulations on health, safety and welfare matters as well as providing the education required to enable compliance by employees.

10. Conflict of Interests

The company recognizes and respects the right of its employees to engage in external activities so long as these activities do not impair, interfere or conflict with the conscientious performance of their duties and do not involve damage to or misuse of the Company's name, trademarks, products, property, reputation, goodwill, confidential information or other resources.

When an employee is engaged in carrying out a task on behalf of the Company and that employee has a factual or potential private interest in the outcome of the task, which is contrary to the best interests of the Company or is substantial enough to affect the employee's unbiased judgment, the Company expects the employee to disclose this as appropriate. Failure to comply with this policy will have serious career consequences for the employee. Okitipupa Oil Palm Plc maintains policies (for instance, on purchasing) that severely reduce the risk of harm to the Company due to a conflict of interest.

11. Corporate Governance

The company adopts a responsible attitude towards corporate governance. The Board is in support of the Code of Corporate Governance for Public Companies in Nigeria ("the Code") released by the Securities & Exchange Commission in 2011. The Board will endeavor to ensure that the Company is in compliance with the provisions of the Code at all times.

(a) The Board of Directors

The Board of Directors is made up of twelve (11) Non-Executive Directors, including the Chairman, and One (1) Executive Director. The Board has a formal guideline and process for appointment of persons as Directors. The Board is inter alia, responsible for supervising the conduct of business of the management as well as the general course of affairs in the Company as well as responsible for assessing the Company's corporate strategy and general policy; the development of the Company's financial position; the Company's risk management and other systems; the Company's organizational structure; and the Company's social policy.

12. International Financial Reporting Standards

In line with the IFRS transition roadmap released by the Financial Reporting Council of Nigeria (FRC), Okitipupa Oil Palm Plc is classified as a Significant Public Entity and has prepared these financial statements for the first time in accordance with International Financial Reporting Standards (IFRS). An explanation of how the transition to IFRS has affected the reported financial position, financial performance and cash flows of the Company is provided in note 25.

13. Events after the End of the Reporting Period

There were no material events that occurred after the end of the reporting period.

14. Donations

There was no donation during the year under review.

15. Research & Development

The activities of the company did not necessitate any expenditure on research and development during the year under review.

16. Related parties transactions

As at the year ended 31st December 2012, the company has no related parties transactions.

17. Subsequent events

There are no significant subsequent events, which could have had a material effect on the state of affairs of the Company as at 31st December 2012 that have not been adequately provided for or disclosed in the financial statements.

18. Contingent Liabilities

The management is of the opinion that the total claims in respect of pending legal matters are not expected to be of any significant value and we cannot find any evidence to the contrary.

19. Independent Auditors

Abioye Abdul-razaq & Co. served as the Independent Auditors during the year under review.
In accordance with Section 357(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, Abioye Abdul-razaq & Co. have indicated their willingness to continue in office as Independent Auditors to the Company.

By Order of the Board.

Dele Oluwole Adaramaja
Company Secretary/Legal Adviser

ABIOYE ABDUL-RAZAQ & CO.
CHARTERED ACCOUNTANTS

2nd Floor, Rear Wing, 3113, Agege Motor Road, Beside GTBank Plc
Olorunsogo, Mushin, Lagos. P/ O/ Box 8127, Ikeja, Lagos
Email: bioye21@hotmaul.com, abioyeabdulrazaq@yahoo.com
Tel: 08033333045, 08025829330

To the Shareholders of Okitipupa Oil Palm Plc

We have audited the accompanying financial statements of Okitipupa Oil Palm Plc which comprise the Statement of Financial Position as at 31st December, 2012, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the financial statements including a summary of Significant Accounting Policies set out on pages ……to ……..

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, CAP C20, LFN 2004. These responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Statements that are free from material mis-statements whether due to fraud or error, selecting and applying appropriate Accounting Policies and making Accounting estimates that are reasonable in their circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our Audit. The Audit was conducted in accordance with the International Standards on Auditing (ISA). Those Standards require that we comply with ethical requirements, plan and perform the Audit to obtain reasonable assurance as to whether the Financial Statements are free from material mis-statements. 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 mis-statements of the Financial Statements whether due to fraud or error. We planned and performed our Audit so as to obtain all the information and explanations which we considered necessary, in order to provide us with sufficient evidence to give a reasonable assurance that the Financial Statements are free from material mis-statements.

Disclaimer of Opinion

We do not express an opinion on the accompanying financial statements of the company which comprise the Statement of Financial Position as at 31st December, 2012, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the financial statements including a summary of Significant Accounting Policies. This is as a result of the significance of the matters described in the Basis for Disclaimer of Opinion section of our Report. We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial position of the company as at 31st December, 2012, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing and the Companies and Allied Matters Act Cap C20, LFN 2004.

Basis for Disclaimer of Opinion

As at the date of issuing the audit opinion, we were unable to carry out audit procedures necessary to obtain adequate assurance regarding the balances of assets and liabilities presented in the Management Accounts. Relevant documents and explanations regarding these items were not provided in many instances. Thus, we could not perform necessary tests to confirm the existence or otherwise of the items which include: Fixed Assets, Cash & Bank Balances, Inventories and payable. As a result of this matter, we were unable to form an opinion about whether the Statement of Financial Position as at 31st December, 2012 gives a true and fair view of the financial position of the Company, which opinion can serve as a basis for the audit of the financial statement for Year 2012. We were also unable to determine whether any further adjustments might have been necessary in respect of the elements making up the Statement of Financial Position as at 31st December, 2012, the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows. The financial effects of this matter were impracticable to quantify. There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the figures. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of Companies and Allied Matters Act CAP C20, LFN 2004, we expressly state that due to the basis of disclaimer opinion above:

i. We have not obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
ii. We have not obtained all the information and explanations which will allow us to conclude whether the Company has kept proper books of account, so far as appears from our examination of those books.
iii. We have not obtained all the information and explanations which will allow us to conclude whether or not the financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2012 and of its loss and cash flow for the year then ended.

Abioye Abdulrazaq
FRC/2015/ICAN/00000013380
Abioye Abdulrazaq & Co.

Lagos, Nigeria
25th August, 2020

Managing Partner: A. O. S. ABIOYE ACA, ACTI, ACS. ACIB. AMNIM, MBA

REPORT OF THE AUDIT COMMITTEE

For the year ended 31st December, 2012

To the members of the OKITIPUPA OUL PALM PLC

In compliance with the provisions of Section 359 (6) of the Company and Allied Matters Act Cap 20 LFN 2004, the members of the Audit Committee reviewd the financial statements of the company for the year ended 31st December 2012 and report as follows:

1. We reviewed the Financial Statements for the year ended 31st December 2012 and are not in a position to express our satisfaction on the position of its contents.
2. We were unable to review the External Auditors' management letter for the year ended 31st December 2012 as none was presented to us.
3. The External Auditors' reported that they have not received the expected cooperation from the Company's Management and have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an unqualified audit opinion on the financial position of the company as at 31st December 2012, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.
4. The External Auditors' report indicate a total absence of management accountability and consequently, we are not in a position to report on the scope, planning and conduct of the audit of the company's financial statements for the year ended 31st December 2012.

SENATOR ANTHONY ADEMUYIWA ADENIYI
CHAIRMAN, STATUTORY AUDIT COMMITTEE
DECEMBER 09, 2019

MEMBERS OF THE STATUTORY AUDIT COMMITTEE

Sen. Anthony Adeniyi	Shareholder	Chairman
HE Surveyor Abiodun Aluko	Shareholder	Member
Mr. Akinboye Oyewumi	Director	Member
Mr. Adewale Osomo	Director	Member
Mr. Tolu Fadahunsi	Shareholder	Member
Chief John Akinleye	Director	Member

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December, 2012

	Note	31-Dec-12	31-Dec-11	1-Jan-11
		N'000	N'000	N'000
Revenue	5	161,579	195,469	197,193
Cost of Sales	6	(88,878)	(82,135)	(82,844)
Gross Profit		72,701	133,334	114,349
Selling, general & Admin. Expenses	7	(122,891)	(113,942)	(65,642)
Other Operating Income	8	2,670	7,754	4,464
Operating Profit		(47,520)	7,146	53,171
Financial Income		-	-	-
Operating result before tax		(48,285)	6,788	52,872
Income tax expenses	10	(240)	(2,110)	-
Operating result for the period		(48,525)	4,678	52,872
Other Comprehensive Income:				
Changes in revaluation Surplus		-	-	-
Gains & losses on re-measuring available for sale financial assets		-	-	-
Total Comprehensive income for the year.		**(48,525)**	**4,678**	**52,872**

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December, 2012

	Note	31-Dec-12 N'000	31-Dec-11 N'000	1-Jan-11 N'000
ASSETS				
Non-Current assets				
Property, Plant and Equipment	11	304,777	338,553	400,668
Biological assets	12	201,702	209,685	129,834
Deferred asset		18,237	18,237	18,237
Other non-current assets		50	50	50
		524,767	566,525	548,788
CURRENT ASSETS				
Inventories	13	8,672	12,199	6,667
Trade receivables	14	-	-	-
Other receivables	15	27,949	28,015	290
Cash and cash equivalents	16	14,687	2,862	335
		51,308	43,076	7,292
TOTAL ASSETS		**576,075**	**609,601**	**556,081**
EQUITY AND LIABILITIES				
Equity.				
Share Capital	17b	48,000	48,000	48,000
Share Premium	18	9,368	9,368	9,368
Deposit for shares		134,000	134,000	-
Retained Earnings	19	(160,256)	(112,670)	(115,899)
Other reserves		-	-	-
		31,112	78,678	(58,531)

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December, 2012

	Note	31-Dec-12 N'000	31-Dec-11 N'000	1-Jan-11 N'000
Non - Corrent Liabilities				
Deferred tax Liabilities		-	-	-
Financial Liabilities	20	242,901	242,901	345,176
Current Liabilities				
Trade payable	21	17,750	-	-
Financial liabilities	22	48,392	48,391	48,603
Other trade payable	23	230,165	234,096	217,427
Tax Payable	24	5,755	5,515	3,405
		302,062	288,003	269,435
TOTAL LIABILITIES		544,963	530,903	614,611
TOTAL EQUITY AND LIABILITIES		**576,075**	**609,601**	**556,080**

Approved by the Board of Directors on the 5th of September, 2020 and signed on its behalf by:

Chief [Mrs.] Alice M. Osomo
Chairman
FRC/2020/3/00000025784

Mr.Taiwo Adewole
CEO
FRC/2020/03/00000021511

Mr. Tai Ajayi Dahunsi
Chief Finance Officer
FRC/2020/001/00000021936

The note on pages 263 to 274 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2012

	Issued Share Capital N'000	Deposits for Shares N'000	Share Premium N'000	Retained Earnings N'000	Total equity N'000
For the year ended 31 December 2012					
At 1 January 2012	48,000	134,000	9,368	(112,670)	(78,698)
Total Comprehensive income	-	-	-	(48,525)	(48,525)
Dividend	-	-	-	-	-
Adjustment	-	-	-	938	938
At 31 December 2012	48,000	143,000	9,368	(160,256,)	31,112
For the year ended 31 December 2011					
At 1 January 2011	48,000	-	9,368	(115,899)	(58,531)
Total Comprehensive income	-	-	-	4,679	4,679
Dividend	-	-	-	-	-
Deposits for Shares	-	143,000	-	-	-
Adjustments	-	-	-	(1,450)	(1,450)
At 31 December 2011	48,000	143,000	9,368	(112,670,)	78,698

STATEMENT OF CASH FLOWS

For the year ended 31st December 2012

	31-Dec-12	31-Dec-11
	N'000	N'000
Cash flows operating activities		
Profit before taxation	(48,285)	6,788
Adjustments:		
Interest paid		
Amortization of biological assets	11,666	2,898
Depreciation of PPE	48,618	4,789
Unrealized net gain/(loss) arising from fair value changes	938	(1,450)
Changes in assets and Liabilities		
Decrease/(increase) in inventory	3,527	-
Decrease/(increase) in trade and other receivables	66	-
Increase/(decrease) in financial liabilities (current)	-	-
Increase/(decrease) in trade and other payable	17,750	-
Increase/(decrease) in other current liabilities.	(3,931)	-
Tax Paid	-	-
Net cash provided by operating activities	30,349	13,025
Cash flows from Investing Activities		
Acquisition of Property and Equipment	(14,842)	(19,099)
Acquisition of biological assets	(36,83)	(6,324)
Net cash used in Investing activities	(18,525)	(25,423)
Cash flows from Financing Activities		
Loan received/(repayment) during the year	-	-
Shareholders' equity	-	134,000
Net cash used in financing activities	-	134,000
Net increase/(decrease) in cash and cash equivalents	11,824	121,602
Cash and cash equivalents at January	2,862	335
Cash and cash equivalents at December	**14,686**	**121,937**

1. General Information

Okitipupa Oil Palm PLC was incorporated as a limited liability company on the 17th day of May, 1976 to take over the Okitipupa Oil Palm Project under the management of the Nigeria Joint Agency Limited. In 1980 the company was brought under the supervision of the Governor's Office. In May 1987, the Ondo State Investment (Holding) Company Limited was established and vested with all the State Government's interest in Okitipupa Oil Palm Company Limited. The company became Public Liability Company in year 1993

Okitipupa Oil Palm Plc was established to carry on the business of palm tree plantation developments, cultivators, growers of other related crops and to treat, process, prepare, render marketable, buy, sell, and dispose of such products either raw or manufactured state and any product or by-product derived there from. The Products of the company include production of: .Palm Oil, .Palm Kernel, .Ashes, .Brown Soap; and .Other agro-allied related products.

2. Basis of Preparation and Adoption of IFRS

(a) Statement of Compliance

The financial statements of the company have been prepared in accordance with the International Financial Reporting Standards (IFRSs) prevailing as at 1st January 2012 and the requirements of the Companies and Allied Matters Act CAP C20 LFN 2004 together with the requirements of the Financial Reporting Council of Nigeria Act No. 6 2011.

FIRST TIME ADOPTION

These are the Company's first financial statements prepared in accordance with International Financial Reporting Standards.

The IFRS 1: First time Adoption of International Financial Reporting Standards have been applied. The comparative amounts in these financial statements have been derived through the reinstatement of the financial statements for the reporting periods ended 31 December 2010 and 2011 in accordance with the relevant provisions of International Financial Reporting Standards No. 1

An explanation of how the transition to IFRS has affected the reported financial position, financial performance and cash flows of the company is provided in note 25

Basis of Measurement

The principal accounting policies applied in the preparation of the financial statements are set out below. The Financial statements have been prepared on the basis of the historical cost price method. Any exceptions to the historical cost price method are disclosed in the valuation rules described hereafter (such as biological assets).

(c) Functional and Presentation currency

These Financial Statements are presented in Nigeria Naira which is the company functional currency. Except otherwise indicated, financial information presented in Nigerian Naira has been rounded to the nearest thousand.

(d) Use of Estimates and Judgments

The preparations of the financial statements are in conformity with IFRS. This requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances and the result of which form the bases the judgments in respect of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on a going concern basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised. If the revision affects only that period; or in the period of revision and future periods, if the revision affects both current and future periods.

3 Summary of Significant Accounting Policies

3.1 *Foreign currency transactions.*

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognized in the income statement part of the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

3.2 *Intangible assets*

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Expenditure on research activities is recognized as an expense in the period in which it is incurred.
An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated: the technical feasibility of completing the intangible asset so that it will be available for use or sale;

- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;

The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated Amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is recognizable.

3.3 Biological Assets

Biological assets comprise the land and associated natural assets situated on such. These assets are recognized at their cost. Cost comprises the amounts incurred from the stage of pre-cropping, land clearing, and all other expenditures incurred to bring the biological assets to the point of maturity. Biological assets are recognized as mature when 60% of palm per block are bearing fruits with an average weight of 3kg or more.

These capitalized costs are amortized upon maturity at the following annual rates which reflect the current useful economic lives of the crops concerned:

- Oil Palm - over 25 years or 4%.

No consideration is made for the discounted value of the clearance cost at the end of the useful life of the crops as such discounted value, as such is deemed immaterial given the length of future time such cost would be incurred.

Biological activities are measured at fair value (IAS 41). Biological assets are recognized at the fair value according to an internal valuation model. This model is based on the discounted cash flow method (DCF).

The main variables in these models concern:
- Production volumes
- Selling price
- Cost price
- Discount rate

A biological asset or agricultural produce is only recognized when it controls the asset as a result of past events, when it is probable that future economic benefits associated with the asset will flow to the Company and when the fair value or cost of the asset can be measured reliably.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated selling costs and from the change in fair value less estimated selling costs of a biological asset is included in net profit or loss in the period in which it arises.

3.4 Property, Plant & Equipment

Items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their cost, less accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Depreciation is recognized so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.
Unless revised due to specific changes in the estimated useful life, annual depreciation rates are as follows:

Buildings:	5%
Mill Machinery & Equipment:	10%
Furniture, Fittings & Equipment:	20%
Tools	20%
Light Vehicles & Lorries:	25%
Tractors & Trailers:	20%
Agricultural equipment	20%
Nursery Equipment	12.5%
Water Supply	12.5%
Power supply Equipment	20%

An item of property, plant and equipment is recognizable upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

3.5 Leases

Assets held under finance leases are initially recognized as assets of the company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a financial liability.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.6 Impairment of Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

3.7 Financial Assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognized and recognizable on a trade date basis.

At this moment, the Company does only have financial assets classified as "loans and receivables".
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash, and others) are measured at amortized cost using the effective interest method, less any impairment.

Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets measured at amortized cost, 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 recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

3.8 Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on a weighted average cost basis.

The stock finished products (including biological assets after harvest) are valued by adding production cost to the fair value of the biological asset concerned.
Inventories are written down on a case-by-case basis if the estimated net realizable value declines below the carrying amount of the inventories. Net realizable value is the estimated selling price less the estimated costs necessary to make the sale. When the reason for a write-down of the inventories has ceased to exist, the write-down is reversed.

3.9 Trade and other Receivables.

Debtors are stated after the deduction of specific provisions for any debts for which the ultimate realization is doubtful. Debts are considered doubtful where in the opinion of the directors, there are risks that full collection without undue cost may not occur. Debts are considered bad where the repayment is overdue by more than 365 days and full provision is made for such debts.

3.10 Cash and Cash Equivalent

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

For the purpose of the statements of cash flows, cash and cash equivalents includes cash on hand and deposits held at call or short term maturity with banks (three months or less), net of bank overdrafts. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet.

3.11 Shareholders' Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

3.12 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is reasonably certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.13 Retirement benefits and other long term employees' benefits

Employee benefits mainly concern:

- retirement benefits: pension plans, termination benefits, other retirement obligations and supplemental benefits;
- other long-term employee benefits: long-service benefits granted to employees according to their seniority in the Group;
- Other employee benefits: post-employment medical care.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Actuarial gains and losses are recognized immediately in profit or loss. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

3.14 Financial Liabilities

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified as either "financial liabilities at fair value through profit or loss" or "other financial liabilities".

The Company does not hold any financial liabilities at fair value through profit or loss.

Other financial liabilities (including borrowings) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.15 Government Grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

3.16 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.
The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (e.g. differences between carrying amounts under IFRS and the statutory tax bases). Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.17 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue from rendering services is based on the stage of completion determined by reference to services performed to date as a percentage of total services to be performed.

Interest income is recognized using the effective interest rate method.

Dividends are recognized when the right to receive payment is established.

3.18 Borrowing Costs

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 capitalization.
All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

4.0 Critical Accounting Judgement and Key Sources of Estimation Uncertainty

In the application of the Company's accounting policies, which are described above, the Company is required to make Judgement, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

5 Revenue

	2012 N'000	2011 N'000
Local Sales:		
Fresh fruit bunches	145,203	152,183
Palm oil	14,650	37,115
Palm kernel	1,117	3,596
Other by-products	609	2,575
	161,579	195,469

6 Cost of Sales

	2012 N'000	2011 N'000
Mill processing, refinery & Packaging cost	6,351	6,332
Upkeep of mature planting, harvesting & Lab	58,601	10,124
Direct Harvester wages & expenses	23,926	65,679
	88,878	82,135

7 Admin Expenses

	2012 N'000	2011 N'000
Director fee	1,575	2,843
Staff Cost	45,785	61,627
Repairs & Maintenance	1,378	3,642
Advert, publicity & Subscription	344	3,543
Hotel & Travelling	7,716	9,166
Postages, Printing & Stationery	480	2,416
Legal & Other Prof. fee	3,002	16,690
Office general expenses	1,328	3,958
Audit fee	1,000	1,250
Government Fees & Levies	-	1,120
Depreciation	60,283	7,687
	122,891	113,942

8 Other Operating Income

	2012 N'000	2011 N'000
Scraps sales	1,329	6,412
Other sundry income	1,341	1,342
	2,670	7,754

9 Finance Cost

	2012 N'000	2011 N'000
Bank Interest & charges	765	358

10 Income Tax Expense

	2012 N'000	2011 N'000
Company Income Tax	-	1,978
Education Tax	240	132
Deferred tax	-	-
	240	2,110

11 Property, Plant & Equipment

	Land & Building N'000	Plant & Equipment N'000	Motor Vehicle N'000	Furniture & Fittings N'000	Total N'000
Deemed Cost					
At 1 January 2012	59,258	452,943	37,817	24,616	574,635
Additions	2,122	11,213	989	518	14,842
Revaluation					
Disposal	-	-	-	-	-
At 31 December 2012	**61,380**	**464,156**	**38,807**	**25,134**	**589,478**
Depreciation:					
At 1 January 2012	17,831	174,316	27,496	16,439	236,083
Charged for the period	4,403	30,872	9,702	3,641	48,618
Disposal	-	-	-	-	-
At 31 December 2012	**22,234**	**205,189**	**37,198**	**20,080**	**284,700**
Carrying Amount:					
At 31 December 2012	**39,146**	**258,968**	**1,609**	**5,054**	**304,777**
At 31 December 2011	41,427	278,627	10,322	8,177	338,553

12 Biological Asset

	2012 N'000	2011 N'000
At 1 January 2012		
Cost	287,956	281,632
Additions	3,683	6,324
Revaluation	-	-
Impairment	-	-
At 31 December 2012	291,638	287,956
Amortization		
At 1 January 2012	78,270	75,372
For the year	11,666	2,898
Impairment	-	-
At 31 December 2012	89,936	78,270
Carrying Amount:		
At 31 December 2012	**201,702**	**209,685**
At 31 December 2011	209,685	206259

13 Inventories

	2012 N'000	2011 N'000
Supplies	5,521	9,047
Finished goods	3,152	3,152
	8,672	12,199

14 Trade Receivables

	2012 N'000	2011 N'000
Trade Receivables		
Trade Receivables	-	-
Less: Allow. For doubtful account	-	-
Trade Receivables - Net	-	-

15 Other Receivables

	2012 N'000	2011 N'000
Staff Loans and advances	224	290
Prepayment	-	-
Sundry debtors	27,725	27,725
	27,949	28,015

16 Cash & Cash Equivalent

	2012 N'000	2011 N'000
Cash at Bank	12,274	227
Cash at hand	2,413	2,635
	14,687	2,862

17a Authorized Share Capital

	2012 N'000	2011 N'000
100,000,000 ordinary share capital of 50k eack	50,000	50,000

17b Fully Paid Capital

	2012 N'000	2011 N'000
96,000,000 ordinary shares of 50k each	48,000	48,000

18 Share Premium

	2012 N'000	2011 N'000
At 1 January	9,368	9,368
Additions	-	-
At 31 December	9,368	9,368

19 Retained Earnings

	2012 N'000	2011 N'000
At 1 January	(112,670)	(115,898)
Adjustments	938	(1,450)
Reserve as restated	(111,731)	(117,348)
Retained profit for the year	(48,525)	4,678
Fair value gain	-	-
At 31 December	(160,256)	(112,670)

20 Financial Liabilities

	2012 N'000	2011 N'000
ODSG Loan	242,901	242,901
Bank Overdraft	-	-
Bank Loan	-	-
	242,901	242,901

21 Trade & Other Payable

	2012 N'000	2011 N'000
Suppliers	17,750	-

22 Financial Liabilities

	2012 N'000	2011 N'000
Bank overdraft:		
Sterling Bank	6,184	6,184
Wema Bank Plc - Ore	27,000	27,000
Union Bank Plc - Irele	1	1
Unity Bank Plc	15,206	15,206
FBN Igbokoda	-	-
	48,392	48,391

23 Other Trade Payable

	2012 N'000	2011 N'000
Advances from Customers	98,365	94,553
Accruals	75,456	76,928
Sundry Creditors	56,344	62,615
	230,165	234,096

24 Tax Payable

	2012 N'000	2011 N'000
Tax Payable		
At 1 January 2011	5,515	3,405
Provision for the year	240	2,110
Payment during the year	-	-
At 31 December 2011	5,755	5,515

25. Explanation of Transition to IFRS

As stated in note 2(a), these are the Company's first set of financial statements prepared in accordance with IFRS.

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31st December 2012, the comparative information presented in these financial statements for the year ended 31st December 2011 and in the preparation of an opening IFRS statement of financial position at 1st January 2011 (the Company's date of transition).

In preparing its opening IFRS statement of financial position, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous Nigerian GAAP. An explanation of how the transition from previous Nigerian GAAP to IFRS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

RECONCILIATION OF EQUITY

As at 1st January 201

	Note	Local GAAP N'000	Reclassifi-cation N'000	Remea-surement N'000	IFRS N'000
ASSETS					
Property, Plant & Equipment		400,668	-	-	400,668
Biological Asset		129,834	-	-	129,834
Investment	A	1,406	-	(1,356)	50
Deferred Assets	B	48,667	-	(30,430)	18,237
		580,575	-	(31,786)	548,789
CURRENT ASSETS					
Inventiry		6,667	-	-	6,667
Trade Receivables	C	323	(323)	-	-
Sundry Debtors	D	-	290	-	290
Cash & Cash Equivalents		335	-	-	335
		7,325	(33)	(33)	7,292
TOTAL ASSETS		587,900	(33)	(31,819)	556,081
Share Capital		48,000	.	.	48,000
Share Premium		9,368	-	-	9,368
Deposit for Shares		0	-	-	-
Revaluation Reserve	E	122,934	-	(122,934)	.
Retained Earnings	F	(212,272)	-	91,115	(121,157)
		(31,970)	-	(31,819)	(63,789)
Net-Current Liabilities					
ODSG Loan	G	242,901	(242,901)	-	-
Bank Loan	H	102,275	(102,275)	-	-
Financial Liabilities	I	0	345,176	-	345,176
		345,176	-	-	345,176
Current Liabilities					
Current Financial Liability		48,603	-	-	48,603
Taxation		3,405	-	-	3,405
Other Current Liabilities	J	-	222,686	-	222,686
Customer Deposit	K	62,220	(62,220)	-	-
Other Current Liabilities	L	160,464	(160,464)	-	-
		274,694	-	-	274,694
TOTAL LIABILITIES		587,900	-	(31,819)	555,081

RECONCILIATION OF EQUITY

As at 31st December 2011

	Note	Local GAAP N'000	Reclassification N'000	Remeasurement N'000	IFRS N'000
ASSETS					
Property, Plant & Equipment		414,979	-	-	414,979
Biological Asset		133,260	-	-	133,260
Investment	A	1,406	-	(1,356)	50
Deferred Assets	B	48,667	-	(30,430)	18,237
		598,312	-	(31,786)	566,526
CURRENT ASSETS					
Inventory		12,199	-	-	12,199
Trade Receivables	C	28,092	-	(33)	28,059
Cash & Cash Equivalents		2,862	-	-	2,862
		45,153	-	-	43,120
TOTAL ASSETS		641,465	-	(31,819)	609,646
Share Capital		48,000	-	-	48,000
Share Premium		9,368	-	-	9,368
Deposit for Shares		134,000	-	-	134,000
Revaluation Reserve	E	122,934	-	(122,934)	-
Retained Earnings	F	(202,027)	-	89,401	(112,626)
		112,275	-	(33,533)	78,742
Net-Current Liabilities					
ODSG Loan	G	242,901	(242,901)	-	-
Bank Loan	H	-	-	-	-
Financial Liabilities	I	-	242,901	-	242,901
		242,901	-	-	242,901
Current Liabilities					
Current Financial Liability		48,392	-	-	48,392
Taxation		3,801	-	1,714	5,515
Other Current Liabilities	J	-	234,096	-	234,096
Customer Deposit	K	90,345	(90,345)	-	-
Other Current Liabilities	L	143,751	(143,751)	-	-
		286,289	-	-	288,003
TOTAL LIABILITIES		641,465	-	(31,819)	609,646

RECONCILIATION OF TOTAL COMPREHENSIVE INCOME

For the year ended 31st December 2011

	Note	NGAAP N'000	Reclassification N'000	Remeasurement N'000	IFRS N'000
Revenue		195,469	-	-	195,469
Cost of Sales		84,946	(13,454)	-	71,492
Gross Profit		110,523	-	-	123,977
Selling, General & Admin Expenses		106,187	13,096	-	119,283
Other Operating Income		7,754	-	-	7,754
Operating Profit		12,090	-	-	12,090
Financial Income		-	-	-	-
Financial Expenses		-	358	-	358
Operating Result before Tax		12,090	-	-	12,090
Income Tax Expenses		396	-	1,714	2,110
Operating Result for the period		11,694	-	1,714	9,880
Other Comprehensive Income		-	-	-	-
Changes in Revaluation Surplus		-	-	-	-
Gains & Losses on Reissuance		-	-	-	-
Available for Sale Financial Assets		-	-	-	-
Income Tax relating to components of other Comprehensive Income		-	-	-	-
Total Comprehensive Income		**11,694**	**-**	**1,714**	**9,980**

A Available For Sale Financial Assets

Under local Nigerian GAAP, the company accounted for Investments in quoted shares as financial instrument measured at cost. Under IFRS, the company has designated such investments as available for sale investments. IFRS requires AFS investments to be measured at fair value. At the date of transition to IFRS, the fair value of this asset is N50, 000 and the previous local GAAP carrying amount was N1, 406,000. The impact is as summarized below:

Company	Unit	Amount	Remarks
Oluwa Glass Co. Plc	2,519,000	N1,296,000	Amount written off. The company was delisted from the daily official list of Nigerian Stock Exchange in 2009.
Sovereign Trust Insurance Plc	100,000	N110,000	Amount written down to its nominal value of 50k

	31 Dec 2011 N'000	1 Jan 2011 N'000
Sovereign Trust Insurance Plc	1,296	1,296
Net adjustment to Retained Earnings	60	60
	1,356	**1,356**

B Deferred Assets.

Under Local GAAP, the company accounted for deferred AGM expenses as deferred assets. Also other deferred asset has no correlation to the underlying transactions because of the different temporary differences. Consequently these two items have been derecognized on transition to IFRS. The impact is summarized as follows:

RECONCILIATION OF TOTAL COMPREHENSIVE INCOME

For the year ended 31st December 2011

	31 Dec 2011 N'000	1 Jan 2011 N'000
Derecognition of Deferred AGM Expenses	10,791	10,791
Other Deferred Asset	19,639	19,639
Net Adjustment to Retained Earnings	**30,430**	**30,430**

C Trade and Other Receivables.

As part of the accounting policies under the previous Nigeria GAAP, staff loan was included as part of trade and other receivables. On transition to IFRS, the value of staff loan was reclassified as Sundry debtors. The impact is summarized as follows:

	31 Dec 2011 N'000	1 Jan 2011 N'000
Sundry Debtors	323	323
Trade & Other Receivables	(323)	(323)
No Impact	**-**	**-**

D Sundry Debtor.

On transition to IFRS, the total of the staff loan has been re-measured to bring it to its fair value by making a provision for its impairment. The impact is as summarized below:

	31 Dec 2011 N'000	1 Jan 2011 N'000
Sundry Debtors	33	33
Net Adjustment to Retained Earnings	**33**	**33**

E Revaluation Reserve.

The company had revalued some of its Building, Property, Plant and Equipment under the Local GAAP. On transition to IFRS, it is the company's policy to use the cost model for all PPE for subsequent measurement. Thus the revaluation reserve prior to the adoption of IFRS is classified from the revaluation reserve to retained earnings. The reclassification has no impact on the statement of Financial Position.

	31 Dec 2011 N'000	1 Jan 2011 N'000
Revaluation Reserve	122,934	122,934
Net Adjustment to Retained Earnings	**122,934**	**122,934**

F Retained Earnings.

The above changes decreased/(increased) retained earnings as follows:

	31 Dec 2011 N'000	1 Jan 2011 N'000
Balance as per Nigerian GAAP IFRS Adjustments	(202,027)	(202,027)
Remeasurement of Investment	(1,356)	(1,356)
Remeasurement of Deferred Assets	(30,430)	(30,430)
Provision for Impairment	(33)	(33)
Reclassification of Revaluation Reserve	122,934	122,934
Remeasurement of Tax Provision	(1,714)	-
Balance as per IFRS	**(112,626)**	**(121,157)**

G,H & I. Non -Current Financial Liabilities:

Under the local GAAP, the company recognized ODSG Loan & Bank Term Loan as current liability. On transition to IFRS, these have been re-classified as Financial Liabilities. The reclassification has no impact on the statement of financial position.

	31 Dec 2011	1 Jan 2011
	N'000	N'000
FInancial Liabilities		
ODSG Loan	242,901	242,901
Bank Term Loan	-	102,275
	242,901	345,176
Current Liabilities	(242,901)	(345,176)
	-	-

J Trade and Other Payable

Under the local GAAP, amount owing to trade suppliers was included in Other Creditors and Accruals. It has been reclassified as Trade Payable. The reclassification has no impact on the statement of financial position.

	31 Dec 2011	1 Jan 2011
	N'000	N'000
Trade Payable	18.350	30,535
Other Creditors & Accruals	(18,350)	(30,355)
	-	-

K Other Current Liabilities

Under the local GAAP, the customers' deposit was included in Other Creditors. It has been reclassified under IFRS as Other Current Liabilities. The reclassification has no impact on the statement of financial position.

	31 Dec 2011	1 Jan 2011
	N'000	N'000
Other Current Liabilities	90,345	62,220
Other Creditors & Accruals	(90,345)	(62,220)
	-	-

STATEMENT OF VALUE ADDED

For the year ended 31st December 2012

	31-Dec-12		31-Dec-11	
	N'000		**N'000**	
Revenue	161,579		195,469	
Bought in Materials	81,774		61,084	
	79,805		134,385	
Other Income	2,670		7,754	
Value added by operating activities.	82,475	100%	142,139	100%
Distribution of Value Added				
To Government as:				
Taxes and Levies	240	0.29%	2,110	1%
To Employees:				
Salaries, wages, fringe benefit	61,711	85%	127,306	90%
To Provider of finance:				
Financial costs	765	0.93%	358	0.25%
Retained in the business:				
Depreciation and Amortization.	60,283	73%	7,687	5%
Retained Earnings	(48,525)	-59%	4,678	3%
Value Added	**82,475**	**100%**	**142,139**	**100%**

5 YEAR FINANCIAL SUMMARY

	As At 31 Dec 2012 N'000	As At 31 Dec 2011 N'000	As At 31 Dec 2010 N'000	As At 31 Dec 2009 N'000	As At 31 Dec 2008 N'000
Use of Funds					
Fixed Assets	381,204	414,979	400,668	393,086	387,965
Estate Development	125,277	133,260	129,834	133,311	135,372
Investments	1,406	1,406	1,406	1,406	1,406
Deferred Assets	48,667	48,667	48,667	48,667	48,667
Current Assets	50,708	43,153	7,325	3,567	9,160
Total Assets	607,262	641,465	587,900	580,038	584,245
Less: Current Liabilities	(545,015)	(529,190)	(619,870)	(677,874)	(644,784)
Total Net Assets	62,247	112,275	(31,970)	(97,836)	(60,539)
Financed By					
Share Capital	48,000	48,000	48,000	48,000	48,000
Share Premium	9,368	9,368	9,368	9,368	9,368
Deposits for Shares	134,000	134,000	-	-	-
Revaluation Reserve	122,934	122,934	122,934	122,934	122,934
Revenue Reserve (Deficit)	(251,422)	(202,027)	(212,272)	(278,139)	(240,841)
Shareholders' Funds	62,880	112,275	(31,970)	(97,836)	(60,539)
Total Assets per 50k Share	6.33	6.68	6.12	6.04	6.09
Net Assets per 50k Share	0.65	1.17	(0.33)	(1.02)	(0.63)
Turnover	161,579	195,469	197,193	223,604	213,170
Profit / (Loss) before Tax	(48,285)	12,091	52,871	(22,801)	(71,521)
Profit / (Loss) after Tax	(48,285)	11,695	52,871	(22,801)	(71,521)
Dividends	-	-	-	-	-
Basic Earnings per 50k Share	(0.51)	0.12	0.55	(0.24)	(0.75)
Dividend per 50k Share	-	-	-	-	-
Dividend Cover (times)	-	-	-	-	-

NOTE:
Basic earnings / (loss) per share are based on profit after tax before extra-ordinary items are calculated on the effective number of issued ordinary shares each year.

NOTES

RC 17790

OKITIPUPA
OIL PALM PLC

2011

ANNUAL REPORTS
& FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2011

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Adewale Osomo Esq	Chairman	
Hon Chief (Mrs) A. M. Osomo	Director	
Mr. Segun Onayiga	Director	
Dr. Ige O. Bolodeoku	Director	*appointed w.e.f*
Chief Yele Ogundipe	Director	*appointed w.e.f*
Elder Tayo Akinjomo	Director	*appointed w.e.f*
Toyin Akinkuotu	Director	
Vice Admiral A. Aduwo {Rtd}	Director	*replaced w.e.f*
Chief Bode Suumonu	Director	*replaced w.e.f*
Chief Tayo Alasoadura	Director	*replaced w.e.f*
Chief Aderemi Oyepeju	Director	
Igbasan S. O	Director	
High Chief P. B Sheile	Director	

COMPANY SECRETARY:
Dele Oluwola Adaramaja

REGISTRAR
GRDS Limited
274, Murtala Mohammed Way
Yaba, Lagos.

AUDITORS:
Abioye Abdul-Razaq & Co.
[Chartered Accountants]
2nd Floor, Rear wing, 313 Agege Motor Road,
Olorunsogo, Mushin, Lagos.

SOlICITORS
Osborne Laws

RC No.:
17790

REGISTERED & BUSINESS ADDRESS:
1, Marine Road
Okitipupa, Ondo State.

BANKERS:
First Bank of Nigeria Ltd
Sterling Bank Plc
Wema Bank Plc
Union Bank Plc
Keystone Bank
United Bank of Africa Plc
Polaris Bank Plc
Access Bank
First City Monument Bank
UnityBank
Ecobank Nigeria Ltd

2011 Annual Report Contents

RESULTS AT A GLANCE

For the year ended 31st December, 2011

	Year Ended 31 Dec 2011 N'000	Year Ended 31 Dec 2010 N'000
Turnover	195,469	197,193
Profit/(Loss) Before Tax	12,091	51,307
Profit/(Loss) After Tax	**11,695**	**51,307**
Dividend	-	-
Basic Earnings Per Share	**0.12**	**0.53**

DIRECTORS' REPORT

For the year ended 31st December, 2011

The Directors have the pleasure to submit their report together with audited accounts of the company for year ended 31st December, 2011.

1. Principal Activities

The principal business of the company consists of the cultivation and maintenance of oil palm tree plantations around Okitipupa, Irele and Ese-Odo local government areas of Ondo State. Oil palm fruits, known as Fresh Fruit Bunches (FFB) in the industry are obtained from the palm trees and they are processed to produce Special Palm Oil used for industrial and domestic purposes. The production of Special Palm Oil usually accounts for more than 80% of the turnover of the company. However, this could not be achieved during the year due to processing break down and stoppages. The other main product of the company is palm kernel which is a by-product of the oil production process. It represents 18% of the volume.

2. Results for the Year

	N'000
Profit/(Loss) before taxation	12,091
Tax provision for the year	-
Profit/(Loss) after taxation	11,695

3. Dividend

No dividend payment was declared for the year.

4. Review of business and future development

Turnover declined by a margin of 1% from N197 million in 2010 to N195 million in 2011 while cost of sales increased by 6% from N90 million in 2010 to N84 million in 2011. Administrative expenses also increased by 78% from N59 million in 2010 to N106 million in 2011.

5. Fixed assets

In the opinion of the directors, the market values of the company's fixed Assets are not less than the value shown in the financial statements.

6. Directors

The Directors who served the company during the year under review were as follows:

Adewale Osomo Esq - Chairman	
Hon Chief {Mrs} A.M. Osomo	
Mr. Segun Onayiga	
Dr. Ige O. Bolodeoku	appointed w.e.ef
Chief Yele Ogundipe	appointed w.e.ef
Elder Tayo Akinjomo	appointed w.e.ef
Toyin Akinkuotu	
Vice Admiral A. Aduwo {Rtd}	replaced w.e.ef
Chief Bode Suumonu	replaced w.e.ef
Chief Tayo Alasoadura	replaced w.e.ef
Chief Aderemi Oyepeju	
Igbasan S. O	
High Chief P. B Sheile	

The Board of Directors Meeting for the Year 2011

1	Adewale Osomo Esq
2	Mr. Igbasan Sunday
3	John O. O Akinleye
4	High Chief P. B Sheile
5	Hon. Chief [Mrs.] Alice M Osomo
6	Mr. Segun Onayiga
7	Prof. Ige Bolodeoku
8	Chief Yele Ogundipe
9	Elder Tayo Akinjomo Alternate
10	Engr. Segin Falade
11	Chief Aderemi Oyepeju

7. Directors' interests

The following directors had interests in the shares of the company during the period under review.

Names	Number of Shares
Chief J. O. O. Akinleye	220,000
Vice Admiral A. Aduwo (rtd) CFR	24,000
Adewale Osomo	57,020
Chief Tayo Alasoadura	2,000
Chief (Mrs.) A.O. Osomo	1,200
Engr. Segun Falade	13,200
Chief Aderemi Oyepeju	70,440

8. Corporate Governance

The Board is responsible for the corporate governance of the company. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, the financial position of the company and ensures that the financial statements comply with the Company and Allied Matters Act, CAP C20, LFN 2004. The Board is also responsible for safeguarding the assets of the Company by taking reasonable steps for the prevention and detection of fraud and other irregularities.

There were three Committees including one Ad-Hoc Committee of the Board during the year under review. The Committees were constituted as follows:

Finance and General Purpose Committee

- Chief T.Alasadura - Chairman
- Adewale Osomo
- Chief Bode Sunmonu
- Mr. S.O. Igbasan

Community Relations Committee

- Hon. Chief (Mrs.) A.M. Osomo (Chairman)
- Vice Admiral A. Akin Aduwo (rtd.) CFR
- Mr.S.O. Igbasan
- Chief P.B. Sheile
- Chief F.O. Mogaji.

Technical Committee
- Engr. Segun Falade
- Chief Bode Sunmonu
- Mr. Wale Osomo
- Mr. Segun Onayiga

Annual General Meeting Ad-Hoc Committee
- Hon. Chief (Mrs.) A.M. Osomo - Chairman
- Chief Bode Sunmonu
- Chief Aderemi Oyepeju

9. Director's responsibilities
In accordance with the provisions of sections 334 and 335 of the Companies and Allied Matters Acts, CAP C20, LFN 2004, the company's directors are responsible for the preparation of the annual Financial Statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for the period then ended and comply with the requirements of the companies and Allied Matters Act, CAP C20, LFN 2004,. These responsibilities include ensuring that:

i. Adequate internal control procedures are instituted to safeguard assets, prevent and detect fraud and other irregularities;
ii. Proper accounting records are maintained
iii. Applicable accounting standards are followed
iv. Suitable accounting policies are used and constantly applied
v. The financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business.

10. Charitable Gifts
The company did not make any contribution to any charitable organization by way of donation during the year ended 31st December, 2011.

11. Distributors
The company does not have appointed distributors as the bulk of the company's product are supplied to industrial users with a small quantity going to retailers.

12. Employment of Disabled persons
The company does not discriminate in the employment of disabled persons and currently has five disabled persons in its employment. In a number of cases, the company provided assistance well above employees' entitlements under the company's conditions of service, particularly when disability occurs in the course of employment.

13. Health, Safety and welfare of Employees
The plantation aspect of the oil palm industry is labour intensive. Furthermore, virtually all the plantation operations are carried out in very remote areas where ordinary medical facilities are not readily available. For this reason, the company provides basic medical services in each of the ten estates. At the headquarters in Okitipupa, the company provides medical treatment to its employees working at the headquarters and the mill at the State Specialist Hospital. In addition, the company had Medical Retainership with private hospitals in the area.

14. Employees' involvement and training
Employees of the company are kept fully informed about the company's activities through notices and briefings. There is a regular joint consultation forum in which matters relating to employees' welfare are discussed. There was also regular monthly seminar for educating and briefing members of staff on the company's operational progress.

Training of employees is an important part of staff development. Training is either on-the-job or in the company's craft training center. In addition, employees at management or non-management levels are given opportunities to attend external seminars and workshops to broaden their outlook.

15. Substantial interest in shares

The following persons/organizations other than the directors of the company held more than 5% of the issued share capital of the company as at 31st December, 2011.

Shareholders	No. of 50k shares
Estaport Farms Limited	32,519,786
Ondo State Investment (Holding) Company Limited	28,573,479

16. Analysis of shareholders

As at 31st December 2011, the shares of the company were held as follows:

Group Holders	Proportion of Shareholding
Individuals	25.45%
Employees	0.66%
Institutions and Governments	73.89%
	100.00%

Range of Shareholding	Number of Shareholders	Number of Ordinary shares	% Shareholding
1 - 1000	10,727	4,222,198	4.40
1,001 - 5,000	3,741	6,904,596	7.19
5,001 - 10,000	353	2,396,712	2.50
10,001 - 50,000	275	4,903,124	5.11
50,001 - 100,000	35	2,457,021	2.56
100,001 - 500,000	24	4,308,926	4.49
500,001 - 1,000,000	3	1,899,480	1.98
Above 1,000,000	4	68,907,943	71.78

17. Post balance sheet events

The company went into receivership on 29th June, 2009 due to its inability to continue to service its loan debt obligation to Guaranty Trust Bank Plc.

18. Auditors

Abioye Abdul-razaq & Co. served as the Independent Auditors during the year under review.

In accordance with Section 357(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, Abioye Abdul-razaq & Co. have indicated their willingness to continue in office as Independent Auditors to the Company.

By Order of the Board.

Dele Oluwole Adaramaja
Company Secretary/Legal Adviser

INDEPENDENT AUDITOR'S REPORT

For the year ended 31st December, 2011

ABIOYE ABDUL-RAZAQ & CO.

CHARTERED ACCOUNTANTS

2nd Floor, Rear Wing, 3113, Agege Motor Road, Beside GTBank Plc
Olorunsogo, Mushin, Lagos. P/ O/ Box 8127, Ikeja, Lagos
Email: bioye21@hotmaul.com, abioyeabdulrazaq@yahoo.com
Tel: 08033333045, 08025829330

We have audited the financial statements of Okitipupa Oil Palm Plc which have been prepared under the historical cost convention and the accounting policies set out on page ………..

Respective Responsibilities of Directors and Auditors

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act, 1990, the Company's Directors are responsible for the preparation of the annual financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for the period then ended and comply with the requirements of the Companies and Allied Matters Act, 1990.

i. These responsibilities include ensuring that:
ii. Adequate internal control procedures are instituted to safeguard assets, prevent and detect fraud and other irregularities.
iii. Proper accounting records are maintained.
iv. Applicable accounting standards are followed.

Suitable accounting policies are used and constantly applied.
It is our responsibility to form an independent opinion, based on our audit, on the financial statements prepared by the directors and to report our opinion to you.

Disclaimer of Opinion

We do not express an opinion on the accompanying financial statements of the company which comprise the balance sheet as at 31st December, 2011, the profit & loss accounts, the cash flow statement for the year then ended and the notes to the financial statements, including a summary of significant accounting policies. This is as a result of the significance of the matters described in the Basis for Disclaimer of Opinion section of our Report. We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial position of the company as at 31st December, 2011, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards On Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.

Basis for Disclaimer of Opinion

As at the date of issuing the audit opinion, we were unable to carry out audit procedures necessary to obtain adequate assurance regarding the balances of assets and liabilities presented in the Management Accounts. Relevant documents and explanations regarding these items were not provided in many instances. Thus, we could not perform necessary tests to confirm the existence or otherwise of the items which include: Fixed Assets, Cash & Bank Balances, Stocks and Creditors. As a result of this matter, we were unable to form an opinion about whether the balance sheet as at 31st December, 2011 gives a true and fair view of the financial position of the Company, which opinion can serve as a basis for the audit of the financial statement for year 2011.

We were also unable to determine whether any further adjustments might have been necessary in respect of the elements making up the balance sheet as at 31st December, 2011, the profit & loss accounts, the cash flow statement. The financial effects of this matter were impracticable to quantify. There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the figures. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of Companies and Allied Matters Act CAP C20 LFN 2004, we expressly state that due to the basis of disclaimer opinion above:

1. We have not obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. We have not obtained all the information and explanations which will allow us to conclude whether the Company has kept proper books of account, so far as appears from our examination of those books.
3. We have not obtained all the information and explanations which will allow us to conclude whether or not the financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2011 and of its loss and cash flow for the year then ended.

Abioye Abdulrazaq
FRC/2015/ICAN/00000013380
Abioye Abdulrazaq & Co.

Lagos, Nigeria
25th August, 2020

Managing Partner: A. O. S. ABIOYE ACA, ACTI, ACS. ACIB. AMNIM, MBA

REPORT OF THE AUDIT COMMITTEE
For the year ended 31st December, 2011

To the members of the OKITIPUPA OUL PALM PLC

In compliance with the provisions of Section 359 (6) of the Company and Allied Matters Act Cap 20 LFN 2004, the members of the Audit Committee reviewd the financial statements of the company for the year ended 31st December 2011 and report as follows:

1. We reviewed the Financial Statements for the year ended 31st December 2011 and are not in a position to express our satisfaction on the position of its contents.
2. We were unable to review the External Auditors' management letter for the year ended 31st December 2011 as none was presented to us.
3. The External Auditors' reported that they have not received the expected cooperation from the Company's Management and have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an unqualified audit opinion on the financial position of the company as at 31st December 2011, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.
4. The External Auditors' report indicate a total absence of management accountability and consequently, we are not in a position to report on the scope, planning and conduct of the audit of the company's financial statements for the year ended 31st December 2011.

SENATOR ANTHONY ADEMUYIWA ADENIYI
CHAIRMAN, STATUTORY AUDIT COMMITTEE
DECEMBER 09, 2019

MEMBERS OF THE STATUTORY AUDIT COMMITTEE

Sen. Anthony Adeniyi	Shareholder	Chairman
HE Surveyor Abiodun Aluko	Shareholder	Member
Mr. Akinboye Oyewumi	Director	Member
Mr. Adewale Osomo	Director	Member
Mr. Tolu Fadahunsi	Shareholder	Member
Chief John Akinleye	Director	Member

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st December, 2011

In the Accounts, the following significant Accounting policies have been adopted.

1 Accounting Convention

The company's Accounts were prepared under the historical cost convention as modified by the revaluation of fixed assets and estate development. No adjustments have been made to reflect the impact on the Accounts, of specific price changes or changes in the general level of prices.

2 Depreciation of Fixed Assets

Depreciation of fixed assets is provided to write off the cost or valuation of the assets over their expected useful lives, on the straight-line basis, at the following rates:

	%
Land Acquisition	Nil
Buildings (Permanent)	2.5
Roads, Paths & Bridges	2.5
Plant & Machinery, Furniture & Equipment	10
Buildings (Temporary & Capitalized expenditures)	25
Motor Vehicles, water transport & Agricultural equipment	25

3 Amortization of Estate Development

The rate of amortization is 4% of development cost on matured plantation.

4 Stocks and Stores

General Stores are stated at the lower of cost and net realizable value whilst produce stocks are valued by custom at the average of selling price during the three months immediately preceding the close of business at the year-end

5 Debtors

Debtors are stated at the net realizable value.

6 Turnover

Turnover is the invoiced value of products sold and delivered less returns and discounts.

7 Deferred Taxation

Full provision is usually made for deferred taxation using the Liability method.

BALANCE SHEET

As at 31st December, 2011

	Note		2011 N000		2010 N000
Fixed Assets	1		414,979		400,668
Estate Development	2		133,260		129,834
Investments	3		1,406		1,406
Deferred Assets	4		48,667		48,667
Current Assets					
Stocks and Stores	5	12,199		6,667	
Debtors and Prepayments	6	28,092		323	
Cash and Bank Balances	7	2,862		335	
		43,153		**7,325**	
Current Liabilities:					
Amounts falling due within one year:					
Bank Loan	8	-		102,275	
Bank Overdrafts	9	48,392		48,603	
Taxation	10	3,801		3,405	
ODSG Loan		242,901		242,901	
Customers' Deposits		90,345		62,220	
Other Creditors & Accruals	11	143,751		155,207	
		529,190		**614,611**	
			(486,037)		(607,286)
Net Assets			**112,275**		**(26,711)**
Financed By:					
Share Capital	12		48,000		48,000
Share Premium			9,368		9,368
Deposits For Shares			134,000		-
Revaluation Reserve	13		122,934		122,934
Revenue Reserve	14		(202,027)		(207,013)
			112,275		**(26,711)**

Approved by the Board of Directors on the 5th of September, 2020 and signed on its behalf by:

Chief [Mrs.] Alice M. Osomo
Chairman
FRC/2020/3/00000025784

Mr.Taiwo Adewole
CEO
FRC/2020/03/00000021511

Mr. Tai Ajayi Dahunsi
Chief Finance Officer
FRC/2020/001/00000021936

The accounting policies on pages 296 to 302 and the notes on pages to form integral parts of these financial statements.

PROFIT AND LOSS ACCOUNT
For the year ended 31st December, 2011

	Notes	2011 N'000	2010 N'000
Turnover	15	195,469	197,193
Cost of Sales	16	(84,946)	(90,610)
Gross Profit		**110,523**	**106,583**
Other Income	17	7,754	4,464
Administrative Expenses	18	(106,187)	(59,740)
Operating Profit		12,091	51,307
Interest Payable & Similar Charges	19	-	-
Profit/(Loss) on ordinary activities before tax		12,091	51,307
Profit/(Loss) on ordinary activities after tax transferred to Revenue Reserve	14	**11,695**	**51,307**
Basic Earnings Per Share (Kobo)		**0.12**	**0.53**

1 Fixed Assets

	Freehold Land & Buildings N'000	Plant, Machinery & Equipment N'000	Motor Vehicles N'000	Furniture & Fittings N'000	Total N'000
Cost					
At 01/01/11	57,387	510,377	37,596	26,601	631,962
Additions	1,871	14,532	221	2,476	19,100
Disposals	-	-	-	-	-
At 31/12/11	**59,258**	**524,909**	**37,818**	**29,077**	**651,062**
Depreciation					
At 01/01/11	17,309	171,672	26,624	15,690	231,294
Charges for the period	522	2,645	873	749	4,789
On Disposals	-	-	-	-	-
At 31/12/11	**17,831**	**174,316**	**27,496**	**16,439**	**236,083**
Net Book Value					
At 31/12/11	**41,427**	**350,593**	**10,321**	**12,638**	**414,979**
At 31/12/10	40,079	338,706	10,973	10,911	400,668

2 Estate Development

	COST N'000	AMORTISATION N'000	NET BOOK VALUE N'000
Matured Plantation:			
As at 1st January, 2011	205,206	75,372	129,834
Additions	6,324	2,898	3,426
As at 31st December, 2011	211,530	78,270	133,260

The plantations were revalued by the directors as at 1st January, 1995 and the directors' valuation of =N=88,020,000 has been incorporated in the above figures.

3 Investments

	2011 N'000	2010 N'000
2,519,000 Ordinary Shares in Oluwa Glass Co. Plc at cost	1,296	1,296
100,000 Ordinary Shares in Sovereign Trust Insurance Plc at cost	110	110
	1,406	**1,406**

4 Deferred Assets

	2011 N'000	2010 N'000
Deferred AGM Expenses	10,791	10,791
Deferred Taxation	18,237	18,237
Other Deferred Assets	19,639	19,639
	48,667	**48,667**

5 Stocks and Stores

	2011 N'000	2010 N'000
Spare Parts & Other Stores Items	9,047	6,667
Finished Goods	3,152	-
	12,199	**6,667**

6 Debtors and Prepayments

	2011 N'000	2010 N'000
Amounts falling due within one year:		
Staff Debtors and Advances	367	323
Guaranty Trust Bank Plc	27,725	-
Prepayments	-	-
	28,092	**323**

7 Cash and Bank Balances

	2011 N'000	2010 N'000
Cash at bank	227	123
Cash in hand	2,635	212
	2,862	**335**
Guaranty Trust Bank Plc	**-**	**102,275**

9 Bank Overdrafts

	2011 N'000	2010 N'000
Sterling Bank Plc	6,184	6,684
Wema Bank Plc - Ore	27,000	26,711
Union Bank Plc - Irele	1	1
Unity Bank Plc	15,206	15,206
	48,392	**48,603**

10 Taxation

	2011 N'000	2010 N'000
Balance brought forward	3,405	4,005
Payments/Adjustments during the year	-	(600)
Provision for the Period :		
Income Tax	-	-
Education Tax	396	-
Balance Carried Forward	**3,801**	**3,405**

11 Other Creditors & Accruals

	2011 N'000	2010 N'000
Suppliers	18,350	30,353
Accruals	75,410	80,146
Sundry Creditors	49,991	44,708
	143,751	**155,207**

12 Share Capital Authorized

	2011 N'000	2010 N'000
Issued and Fully Paid:		
96 million Ordinary Shares of 50k each	**48,000**	**48,000**

13 Revaluation Reserve

i. The company's fixed assets and estate development were professionally valued by various firms of estate values in 1992 for a total sum of =N=729.6 million. However, the directors resolved to adopt a valuation figure of =N=200 million for these assets as at 1st January, 1995. The difference between this amount and the net book value as at that date has been credited to this account.

ii. The headquarters' buildings and mill complex were valued by a value appointed by Union Bank Plc during the year at =N=1.1 billion. This has, however, not been reflected in the Accounts.

14 Revenue Reserve

	2011 N'000	2010 N'000
Balance as at 1st January	(207,013)	(278,139)
Prior Year Adjustments	(6,710)	19,819
Profit for the year transferred		
from the Profit & Loss Accounts	11,695	51,307
Balance at 31st December	**(202,027)**	**207,013**

15 Turnover

Turnover comprises the value of Fresh Fruit Bunches, Palm Oil and the by-products which the company sold to third parties. It was derived as follows:

	2011 N'000	2010 N'000
Sales- Fresh Fruit Bunches	152,183	160,870
Sales- Palm Oil	37,115	34,306
Sales- Palm Kernel	3,596	723
Sales- Other By-Products	2,575	1,294
	195,469	**197,193**

16 Cost of Sales

	2011 N'000	2010 N'000
Staff Costs		
Wages (Security Men & Others)	17,576	13,390
Harvesters' & Carriers' Wages	39,644	42,577
Contract Harvesters' Wages	-	21
Production Bonus-Mills	45	130
Safety & Protective Clothing	24	67
	57,289	56,185
Other Operational Costs		
Herbicides	26	-
Fuel & Lubricants	626	1,203
Repairs & Maintenance-Estate Buildings	28	12
Repairs & Maintenance - Plant & Machinery	-	208
Repairs & Maintenance - Generators (CHQ & Mills)	2,070	759
Repairs-Boilers	-	217
Repairs & Maintenance - Evacuation Trucks	542	944
Repairs & Maintenance - Tractors & Trailers	1,525	2,633
Repairs & Maintenance - Electrical	362	229
Repairs - Mill Buildings	113	-
Repairs - Mill Equipment	2,612	2,926
Own Electricity Generation	4,416	4,742
Steam Generation	245	37
Laboratory Running	191	158
Plant Running Expenses-Ipoke	786	2,017
Harvesters' Tools Expenses	892	231
Consumables-Mills	295	-
Plantation Upkeep	346	677
Maintenance, Clearing & Sanitation	207	85
Palm Kernel Cracking	565	48
Stock Variation	(3,132)	(517)
Packing Materials	148	69
FFB Evacuation & Recovery	4,034	4,642
Transfer Allowance	30	64
Community/Public Relations-Plantations	1,090	173
Field Supervision Expenses	164	70
Security Expenses-Plantations	3,569	5,695
Printing/Stationeries-Mills	342	451
Travelling Expenses-Estates	23	-
	22,114	**27,773**

	2011 N'000	2010 N'000
Depreciation & Amortization Charges On:		
Fixed Assets & Matured Plantations	**5,543**	**6,651**
Total Cost Of Sales	**84,946**	**90,610**

17 Other Incomes

	2011 N'000	2010 N'000
Sales - Scraps	908	(85)
Service Charges	53	-
Handling Charges	2,606	3,400
Rent of Quarters	48	240
Other Sundry Incomes	4,140	909
	7,754	**4,464**

18 Administrative Expenses

	2011 N'000	2010 N'000
Repairs & Maintenance - Buildings(CHQ & Estates)	223	287
Repairs - Office Equipment	224	191
Repairs & Maintenance- Household Equipment	78	-
Repairs & Maintenance- Motor Vehicles	1,346	1,188
Electricity Consumption(PHCN)	1,914	1,174
NIWA Levy	270	185
	4,056	**3,024**
Staff Costs & Other Admin. Expenses		
Directors' Fees	475	-
Directors' Other Expenses	2,368	-
Junior Staff Salaries & Allowances	17,548	16,497
Senior Staff Salaries & Allowances	3,599	3,672
Management Staff Salaries & Allowances	17,156	13,536
Management Fees	9,400	1,240
Gratuities	6,748	2,308
Leave Bonus	2,154	794
NYSC Allowance	130	152
Medical & Staff Welfare	1,527	993
Industrial Training Fund	903	902
Pension Fund-Employers' Contribution	2,160	2,323
Recruitment Expenses	2	25
Human Resources Development	302	402

	2011 N'000	2010 N'000
Hospitality & Trade Expenses	1,298	970
Hotel & Travelling Exps.	9,166	3,282
Advertisement & Public Relations	1,928	712
Printing & Stationeries-CHQ	77	80
Communications & Postages	547	513
Newspapers & Periodicals	154	118
Subscriptions, Awards & Donations	245	498
Annual General Meeting	3,000	-
Office Expenses	802	35
	81,690	**49,051**
Financial & Professional Charges		
Legal Expenses	10,890	2,350
Audit Fees & Expenses	1,250	1,205
Company Secretarial Expenses	-	-
Other Professional Fees & Expenses	5,800	1,237
Bank Charges & Commission	358	299
Depreciation	2,144	2,573
	20,441	**7,664**
Total Admin. Expenses	**106,187**	**59,740**

19 Interest Payable & Similar Charges

	2011 N'000	2010 N'000
Interest Payable & Similar Charges		
Interest On Loans	-	-
Interest On Overdrafts	-	-
On other loans and debenture stocks	-	-
	-	-

20a Operating Profit is arrived at after charging:

	2011 N'000	2010 N'000
Depreciation & Amortization	11,113	7,687
Audit Fees	1,250	1,205

20b Staff Costs

The aggregate payroll costs of the employees were as follows:

	2011 N'000	2010 N'000
Salaries & wages	104,923	90,934
Staff retirement scheme contributions including pension fund.	2,160	2,323

21 Contingent Liabilities

The management is of the opinion that the total claims in respect of pending legal matters are not expected to be of any significant value and we cannot find any evidence to the contrary.

22 Capital Commitments

Capital expenditure authorized by the directors but not provided for in these Financial statements are as follows:

	2011	2010
	N'000	N'000
Contracted	-	-
Not Contracted	-	-

23 Suppliers

The company has no significant suppliers as it produces its own crops.

CASH FLOW STATEMENTS

For the year ended 31st December 2011

		2011		2010
	N'000	N'000	N'000	N'000
OPERATING ACTIVITIES				
Profit/(Loss) After Taxation		11,695		51,307
Adjustment for non-cash items:				
Depreciation		7,687		9,224
Net Cash Flow before changes in Working Capital		**19,382**		**60,531**
OTHER OPERATING ACTIVITIES				
Increase/(Decrease) in Operating Assets and Liabilities				
Stocks and Stores	(5,532)		(1,395)	
Debtors and Prepayments	(27,769)		768	
Bank Loan	(102,275)		(41,080)	
Taxation	396		(600)	
ODSG Loan	-		-	
Customers' Deposits	28,125		(7,276)	
Other Creditors & Accruals	(11,456)		2,511	
		(118,511)		(47,072)
Net Operating Cash Flow		**(99,129)**		**13,459**
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(25,424)		(13,328)	
Net cash Flow Generated from Investing Activities		**(25,424)**		**(13,328)**
CASH FLOW FROM FINANCING ACTIVITIES				
Issue of ordinary Shares	-		-	
Prior Year Adjustments	(6,710)		-	
Deposits For Shares	134,000		-	
Net cash Flow Generated from Financing Activities		**127,290**		**-**
Net Increase/(Decrease) in cash & cash Equivalents		**2,737**		**-**
Cash in hand & Bank at the beginning of the year		(48,268)		(48,399)
Cash in hand & Bank at the end of the year		(45,530)		(48,268)
Net Increase/(Decrease) in cash & cash Equivalents		**2,738**		**131**

VALUE ADDED STATEMENTS

For the year ended 31st December 2011

	2011 N'000	%	2010 N'000	%
Gross Earnings	**203,224**		**201,656**	
Bought-in goods & services	**(64,221)**		**(81,385)**	
Value Added	**139,002**	**100%**	**120,271**	**100%**
Applied as follows:				
In payment of Employees:				
Salaries, allowances & other benefits	**117,688**	**85%**	**59,140**	**49%**
In payment of Providers of Funds:				
Interest on Loans	**-**	**0%**	**-**	**0%**
In payment to Government:				
Taxation	**396**	**0.28%**	**600**	**-**
Retained for future Replacement of Assets & expansion of Business:				
Depreciation and Amortization	**9,224**	**7%**	**9,224**	**8%**
Profit/(Loss) for the year	**11,695**	**8%**	**51,307**	**43%**
Value Added	**139,002**	**100%**	**120,271**	**100%**

FIVE YEAR FINANCIAL SUMMARY

	As at 31/12/11 N'000	As at 31/12/10 N'000	As at 31/12/09 N'000	As at 31/12/08 N'000	As at 31/12/07 N'000
Use of Funds					
Fixed Assets	414,979	400,668	393,086	387,965	374,650
Estate Development	133,260	129,834	133,311	135,372	138,510
Investments	1,406	1,406	1,406	1,406	1,406
Deferred Assets	48,667	48,667	48,667	50,342	37,876
Current Assets	43,153	7,325	3,567	9,160	18,560
Total Assets	641,465	587,900	580,038	584,245	571,002
Less: Current Liabilities	(529,190)	(614,611)	(677,874)	(644,784)	(538,137)
Total Net Assets	**112,275**	**(26,711)**	**(97,836)**	**(60,539)**	**32,865**
Financed By:					
Share Capital	48,000	48,000	48,000	48,000	48,000
Share Premium	9,368	9,368	9,368	9,368	9,368
Deposits For Shares	134,000	-	-	-	-
Revaluation Reserve	122,934	122,934	122,934	122,934	122,934
Revenue Reserve (Deficit)	(202,027)	(207,013)	(278,139)	(240,841)	(147,437)
Shareholders' Funds	**112,275**	**(26,711)**	**(97,837)**	**(60,539)**	**32,865**
Total assets per 50k share	6.68	-6.12	-6.04	-6.09	5.95
Net assets per 50k share	1.17	(0.28)	(1.02)	(0.63)	0.34
Turnover	195,469	197,193	223,604	213,170	214,367
Profit/(Loss) Before Tax	12,091	51,307	(22,801)	(71,521)	12,726
Profit/(Loss) After Tax	11,695	51,307	(22,801)	(71,521)	12,726
Dividends	-	-	-	-	-
Basic Earnings Per 50k Share	0.12	0.53	(0.24)	(0.75)	0.13
Dividend per 50k Share	-	-	-	-	-
Dividend Cover (times)	-	-	-	-	-

Basic earnings/ (loss) per share are based on profit after tax before extra-ordinary items and are calculated on the effective number ordinary share in each year.

NOTES

RC 17790

OKITIPUPA OIL PALM PLC

2010 Annual Reports & Accounts

FOR THE YEAR ENDED 31ST DECEMBER, 2010

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Admiral Akin Aduwo	Chairman
Hon Chief (Mrs.) Mobolaji Osomo	Director
Adewale Osomo	Director
Mr. Segun Onayiga	Director
Chief Bode Sunmonu	Director
Chief Tayo Alasoadura	Director
John O. O Akinleye	Director
Engr. Bashorun Olusegun Falade	Director
Igbasan S. O	Director
High Chief P. B Sheile	Director
Aderemi Oyepeju	Director

COMPANY SECRETARY:
Dele Oluwola Adaramaja

REGISTRAR
GRDS Limited
274, Murtala Mohammed Way
Yaba, Lagos.

AUDITORS:
Abioye Abdul-Razaq & Co.
[Chartered Accountants]
2nd Floor, Rear wing, 313 Agege Motor Road,
Olorunsogo, Mushin, Lagos.

SOIICITORS
Osborne Laws

RC No.:
17790

REGISTERED & BUSINESS ADDRESS:
1, Marine Road
Okitipupa, Ondo State.

BANKERS:
First Bank of Nigeria Ltd
Sterling Bank Plc
Wema Bank Plc
Union Bank Plc
Keystone Bank
United Bank of Africa Plc
Polaris Bank Plc
Access Bank
First City Monument Bank
UnityBank
Ecobank Nigeria Ltd

2010 Annual Report Contents

RESULTS AT A GLANCE

For the year ended 31st December, 2010

	Year Ended 31 Dec 2010 N'000	**Year Ended 31 Dec 2009 N'000**
Turnover	197,193	223,604
Profit/(Loss) Before Tax	51,307	(22,801)
Profit/(Loss) After Tax	**51,307**	**(22,801)**
Dividend	**-**	**-**
Basic Earnings Per Share	**53.44k**	**(47.5k)**

REPORT OF THE DIRECTORS

For the year ended 31st December, 2010

The Directors have the pleasure to submit their report together with the audited account of the company for year ended 31st December, 2010.

1. Principal Activities

The principal business of the company consists of the cultivation and maintenance of oil palm tree plantations around Okitipupa, Irele and Ese-Odo local government areas of Ondo State. Oil palm fruits, known as Fresh Fruit Bunches (FFB) in the industry are obtained from the palm trees and they are processed to produce Special Palm Oil used for industrial and domestic purposes. The production of Special Palm Oil usually accounts for more than 80% of the turnover of the company. However, this could not be achieved during the year due to processing break down and stoppages. The other main product of the company is palm kernel which is a by-product of the oil production process. It represents 18% of the volume.

2. Results for the Year

	N'000
Profit/(Loss) before taxation	51,307
Tax provision for the year	-
Profit/(Loss) after taxation	51,307

3. Dividend

No dividend payment was declared for the year.

4. Review of business and future development

Turnover decreased by a margin of 19% from N223 million in 2009 to N197 million in 2010 while cost of sales decreased by 43% from N157 million in 2009 to N90 million in 2010. Administrative expenses also decreased by 14% from N69 million in 2009 to N59 million in 2010.

5. Fixed assets

In the opinion of the directors, the market values of the company's fixed Assets are not less than the value shown in the financial statements.

6. Directors

Hon. Chief (Mrs) Alice M Osomo - Chairman	Chief F. O. Mogaji - Managing
Adewale Osomo	Aderemi Oyepeju
Chief Bode Sunmonu	Mr. Segun Onayiga
Admiral Akin Aduwo	Chief P. B. Sheile
Mr. S. O. Igbasan	Cheif J. O. O. Akinleye
Engr. Bashorun Olusegun Falade	Chief Tayo Alasoadura

7. Directors' interests

The following directors had interests in the shares of the company during the period under review.

Names	Number of Shares
Chief J. O.O. Akinleye	220,000
Vice Admiral A. Aduwo (rtd) CFR	24,000
Adewale Osomo	57,020
Chief F.O. Mogaji	24,000
Chief Tayo Alasoadura	2,000
Chief (Mrs.) A.O. Osomo	1,200
Engr. Segun Falade	13,200
Chief Aderemi Oyepeju	70,440

8. Corporate Governance

The Board is responsible for the corporate governance of the company. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, the financial position of the company and ensures that the financial statements comply with the Company and Allied Matters Act, CAP C20, LFN 2004. The Board is also responsible for safeguarding the assets of the Company by taking reasonable steps for the prevention and detection of fraud and other irregularities.

There were three Committees including one Ad-Hoc Committee of the Board during the year under review. The Committees were constituted as follows:

Finance and General Purpose Committee

- Chief T.Alasadura - Chairman
- Mr. Adewale Osomo
- Chief Bode Sunmonu
- Mr. S. O. Igbasan
- Chief F. O. Mogaji
- Community Relations Committee
- Hon. Chief (Mrs.) A. M. Osomo (Chairman)
- Vice Admiral A. Akin Aduwo (rtd.) CFR
- Mr. S. O. Igbasan
- Chief P.B. Sheile
- Chief F. O. Mogaji.

Technical Committee

- Engr. Segun Falade
- Chief Bode Sunmonu
- Mr. Wale Osomo
- Mr. Segun Onayiga
- Chief F. O. Mogaji.

Annual General Meeting Ad-Hoc Committee

- Hon. Chief (Mrs.) A. M. Osomo - Chairman
- Chief Bode Sunmonu
- Chief Aderemi Oyepeju
- Chief F. O. Mogaji

9. Director's responsibilities

In accordance with the provisions of sections 334 and 335 of the Companies and Allied Matters Acts, CAP C20, LFN 2004, the company's directors are responsible for the preparation of the annual Financial Statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for the period then ended and comply with the requirements of the companies and Allied Matters Act, CAP C20, LFN 2004,. These responsibilities include ensuring that:

i. Adequate internal control procedures are instituted to safeguard assets, prevent and detect fraud and other irregularities;
ii. Proper accounting records are maintained
iii. Applicable accounting standards are followed
iv. Suitable accounting policies are used and constantly applied
v. The financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business.

10. Charitable Gifts

The company did not make any contribution to any charitable organization by way of donation during the year ended 31st December, 2010.

11. Distributors

The company does not have appointed distributors as the bulk of the company's product are supplied to industrial users with a small quantity going to retailers.

12. Employment of Disabled persons

The company does not discriminate in the employment of disabled persons and currently has five disabled persons in its employment. In a number of cases, the company provided assistance well above employees' entitlements under the company's conditions of service, particularly when disability occurs in the course of employment.

13. Health, Safety and welfare of Employees

The plantation aspect of the oil palm industry is labour intensive. Furthermore, virtually all the plantation operations are carried out in very remote areas where ordinary medical facilities are not readily available. For this reason, the company provides basic medical services in each of the ten estates. At the headquarters in Okitipupa, the company provides medical treatment to its employees working at the headquarters and the mill at the State Specialist Hospital. In addition, the company had Medical Retainership with private hospitals in the area.

14. Employees' involvement and training

Employees of the company are kept fully informed about the company's activities through notices and briefings. There is a regular joint consultation forum in which matters relating to employees' welfare are discussed. There was also regular monthly seminar for educating and briefing members of staff on the company's operational progress.

Training of employees is an important part of staff development. Training is either on-the-job or in the company's craft training center. In addition, employees at management or non-management levels are given opportunities to attend external seminars and workshops to broaden their outlook.

15. Substantial interest in shares

The following persons/organizations other than the directors of the company held more than 5% of the issued share capital of the company as at 31st December, 2010.

Shareholders	No. of 50k shares
Estaport Farms Limited	32,519,786
Ondo State Investment (Holding) Company Limited	28,573,479

16. Analysis of shareholders

As at 31st December 2010, the shares of the company were held as follows:

Group Holders	Proportion of Shareholding
Individuals	25.45%
Employees	0.66%
Institutions and Governments	73.89%
	100.00%

Range of Shareholding	Number of Shareholders	Number of Ordinary shares	% Shareholders
200 - 500	7160	2,212,925	2.30
501 - 1,000	2875	1,911,133	1.99
1,001 - 5,000	4018	7,266,344	7.56
5,001 - 10,000	387	2,562,519	2.70
10,001 - 50,000	321	5,392,648	5.61
50,001 - 100,000	39	2,646,742	2.75
100,001 - 500,000	28	7,065,205	7.36
Above 500,000	19	66,942,484	69.73

17. Post balance sheet events

The company went into receivership on 29th June, 2009 due to its inability to continue to service its loan debt obligation to Guaranty Trust Bank Plc.

18. Auditors

Abioye Abdul-razaq & Co. served as the Independent Auditors during the year under review.

In accordance with Section 357(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, Abioye Abdul-razaq & Co. have indicated their willingness to continue in office as Independent Auditors to the Company.

By Order of the Board.

Dele Oluwole Adaramaja
Company Secretary/Legal Adviser

ABIOYE ABDUL-RAZAQ & CO.
CHARTERED ACCOUNTANTS
2nd Floor, Rear Wing, 3113, Agege Motor Road, Beside GTBank Plc
Olorunsogo, Mushin, Lagos. P/ O/ Box 8127, Ikeja, Lagos
Email: bioye21@hotmaul.com, abioyeabdulrazaq@yahoo.com
Tel: 08033333045, 08025829330

We have audited the financial statements of Okitipupa Oil Palm Plc which have been prepared under the historical cost convention and the accounting policies set out on page ………..

Respective Responsibilities of Directors and Auditors

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act, 1990, the Company's Directors are responsible for the preparation of the annual financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for the period then ended and comply with the requirements of the Companies and Allied Matters Act, 1990.

i. These responsibilities include ensuring that:
ii. Adequate internal control procedures are instituted to safeguard assets, prevent and detect fraud and other irregularities.
iii. Proper accounting records are maintained.
iv. Applicable accounting standards are followed.
v. Suitable accounting policies are used and constantly applied.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements prepared by the directors and to report our opinion to you.

Disclaimer of Opinion

We do not express an opinion on the accompanying financial statements of the company which comprise the balance sheet as at 31st December, 2010, the profit & loss accounts, the cash flow statement for the year then ended and the notes to the financial statements, including a summary of significant accounting policies. This is as a result of the significance of the matters described in the Basis for Disclaimer of Opinion section of our Report. We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial position of the company as at 31st December, 2010, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards On Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.

Basis for Disclaimer of Opinion

As at the date of issuing the audit opinion, we were unable to carry out audit procedures necessary to obtain adequate assurance regarding the balances of assets and liabilities presented in the Management Accounts. Relevant documents and explanations regarding these items were not provided in many instances. Thus, we could not perform necessary tests to confirm the existence or otherwise of the items which include: Fixed Assets, Cash & Bank Balances, Stocks and Creditors. As a result of this matter, we were unable to form an opinion about whether the balance sheet as at 31st December, 2010 gives a true and fair view of the financial position of the Company, which opinion can serve as a basis for the audit of the financial statement for year 2010.

We were also unable to determine whether any further adjustments might have been necessary in respect of the elements making up the balance sheet as at 31st December, 2010, the profit & loss accounts, the cash flow statement. The financial effects of this matter were impracticable to quantify. There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the figures. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of Companies and Allied Matters Act CAP C20 LFN 2004, we expressly state that due to the basis of disclaimer opinion above:

i. We have not obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii. We have not obtained all the information and explanations which will allow us to conclude whether the Company has kept proper books of account, so far as appears from our examination of those books.

iii. We have not obtained all the information and explanations which will allow us to conclude whether or not the financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2010 and of its loss and cash flow for the year then ended.

Abioye Abdulrazaq
FRC/2015/ICAN/00000013380
Abioye Abdulrazaq & Co.

Lagos, Nigeria
25th August, 2020

Managing Partner: A. O. S. ABIOYE ACA, ACTI, ACS. ACIB. AMNIM, MBA

REPORT OF THE AUDIT COMMITTEE

For the year ended 31st December, 2010

To the members of the OKITIPUPA OUL PALM PLC

In compliance with the provisions of Section 359 (6) of the Company and Allied Matters Act Cap 20 LFN 2004, the members of the Audit Committee reviewd the financial statements of the company for the year ended 31st December 2010 and report as follows:

1. We reviewed the Financial Statements for the year ended 31st December 2010 and are not in a position to express our satisfaction on the position of its contents.
2. We were unable to review the External Auditors' management letter for the year ended 31st December 2010 as none was presented to us.
3. The External Auditors' reported that they have not received the expected cooperation from the Company's Management and have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an unqualified audit opinion on the financial position of the company as at 31st December 2010, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.
4. The External Auditors' report indicate a total absence of management accountability and consequently, we are not in a position to report on the scope, planning and conduct of the audit of the company's financial statements for the year ended 31st December 2010.

SENATOR ANTHONY ADEMUYIWA ADENIYI
CHAIRMAN, STATUTORY AUDIT COMMITTEE
DECEMBER 09, 2019

MEMBERS OF THE STATUTORY AUDIT COMMITTEE

Sen. Anthony Adeniyi	Shareholder	Chairman
HE Surveyor Abiodun Aluko	Shareholder	Member
Mr. Akinboye Oyewumi	Director	Member
Mr. Adewale Osomo	Director	Member
Mr. Tolu Fadahunsi	Shareholder	Member
Chief John Akinleye	Director	Member

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st December, 2010

In the Accounts, the following significant Accounting policies have been adopted.

1 **Accounting Convention**

The company's Accounts were prepared under the historical cost convention as modified by the revaluation of fixed assets and estate development. No adjustments have been made to reflect the impact on the Accounts, of specific price changes or changes in the general level of prices.

2 **Depreciation of Fixed Assets**

Depreciation of fixed assets is provided to write off the cost or valuation of the assets over their expected useful lives, on the straight-line basis, at the following rates:

	%
Land Acquisition	Nil
Buildings (Permanent)	2.5
Roads, Paths & Bridges	2.5
Plant & Machinery, Furniture & Equipment	10
Buildings (Temporary & Capitalized expenditures)	25
Motor Vehicles, water transport & Agricultural equipment	25

3 **Amortization of Estate Development**

The rate of amortization is 4% of development cost on matured plantation.

4 **Stocks and Stores**

General Stores are stated at the lower of cost and net realizable value whilst produce stocks are valued by custom at the average of selling price during the three months immediately preceding the close of business at the year-end

Debtors

`

5 **Debtors**

Debtors are stated at the net realizable value.

6 **Turnover**

Turnover is the invoiced value of products sold and delivered less returns and discounts.

7 **Deferred Taxation**

Full provision is usually made for deferred taxation using the Liability method.

BALANCE SHEET

As at 31st December, 2010

	Note		2011 N000		2010 N000
Fixed Assets	1		400,668		393,086
Estate Development	2		129,834		133,311
Investments	3		1,406		1,406
Deferred Assets			19,639		19,639
Current Assets					
Stocks and Stores	4	6,667		2.272	
Debtors and Prepayments	5	323		1,091	
Cash and Bank Balances		335		204	
		7,325		**3,567**	
Current Liabilities:					
Amounts falling due within one year:					
Bank Loan	6	102,275		143,355	
Bank Overdrafts	7	48,603		48,603	
Taxation	8	3,405		4,005	
Other Creditors	9	460,328		481,911	
		614,611		**677,874**	
			(607,286)		(674,307)
			(55,739)		(126,864)
Deferred AGM Expenses			10,791		10,791
Deferred Taxation	10		18,237		18,237
Net Assets			(26,711)		(97,836)
Financed By:					
Share Capital	11		48,000		48,000
Share Premium			9,368		9,368
Revaluation Reserve			122,934		122,934
Revenue Reserve	13		(207,013)		(278,139)
			(26,711)		**(97,837)**

Approved by the Board of Directors on the 5th of September, 2020 and signed on its behalf by:

Chief [Mrs.] Alice M. Osomo
Chairman
FRC/2020/3/00000025784

Mr.Taiwo Adewole
CEO
FRC/2020/03/00000021511

Mr. Tai Ajayi Dahunsi
Chief Finance Officer
FRC/2020/001/00000021936

The accounting policies on pages 320 to 324 and the notes on pages to form integral parts of these financial statements.

PROFIT AND LOSS ACCOUNT

For the year ended 31st December, 2010

	Notes		2010 N'000		2009 N'000
Turnover	14		197,193		223,604
Cost of Sales	15		(90,610)		(157,601)
Gross Profit			**106,583**		**66,003**
Advertisement and Sales					
Promotion		2		752	
Administrative Expenses		59,739		68,701	
			(59,740)		(69,453)
Other Operating Income	16		4,464		17,382
Operating Profit					
Interest Payable & Similar Charges	19		-		-
Loss on ordinary activities before tax			51,307		(22,801)
Taxation	8		-		-
Deferred Taxation (Release)	10		**-**		**-**
Loss on ordinary acticities after tax					
Transferred to Revenue Reserve	13		**51,307**		**(22,801)**
Basic Earnings Per Share (Kobo)			**53.44k**		**(47.5k)**

1 Fixed Assets

	Freehold Land & Buildings N'000	Plant, Machinery & Equipment N'000	Motor Vehicles N'000	Furniture & Fittings N'000	Total N'000
Cost					
At 01/01/10	56,746	501,244	34,582	26,062	618,634
Additions	641	9,134	3,014	539	13,328
Disposals	-	-	-	-	-
At 31/12/10	**57,387**	**510,377**	**37,596**	**26,601**	**631,962**
Depreciation					
At 01/01/10	16,682	168,498	25,576	14,791	225,548
Charges for the period	627	3,174	1,047	899	5,746
On Disposals	-	-	-	-	-
At 31/12/10	**17,309**	**171,672**	**26,624**	**15,690**	**231,294**
Net Book Value					
At 31/12/10	**40,079**	**338,706**	**10,973**	**10,911**	**400,668**
At 31/12/09	40,064	332,746	9,006	11,271	393,086

2 Estate Development

	COST N'000	AMORTISATION N'000	NET BOOK VALUE N'000
Matured Plantation:			
As at 1st January, 2010	205,206	71,894	133,311
Additions	-	3,478	(3,478)
As at 31st December, 2010	205,206	75,372	129,834

The plantations were revalued by the directors as at 1st January, 1995 and the directors' valuation of N88,020,000 has been incorporated in the above figures.

3 Investments

	2010 N'000	2009 N'000
2,519,000 Ordinary Shares in Oluwa Glass Co. Plc at cost	1,296	1,296
100,000 Ordinary Shares in Sovereign Trust Insurance Plc at cost	110	110
	1,406	**1,406**

4 Stocks and Stores

	2010 N'000	2009 N'000
Finished Goods	-	2,666
	6,667	**2,272**

5 Debtors and Prepayments

	2010 N'000	2009 N'000
Amounts falling due in one year:		
Staff Debtors and Advances	323	416
Prepayments	-	675
	323	**1,091**

6 Bank Loan

	2010 N'000	2009 N'000
Guaranty Trust Bank Plc	**102,275**	**143,355**

7 Bank Overdrafts

	2010 N'000	2009 N'000
Sterling Bank Plc	6,684	6,684
Wema Bank Plc - Ore	26,711	26,711
Union Bank Plc - Irele	1	1
Unity Bank Plc	15,206	15,206
	48,603	**48,603**

8 Taxation

	2010 N'000	2009 N'000
Balance brought forward	4,005	4,205
Payments/Adjustments during the year	(600)	(200)
Provision for the Period :		
Income Tax	-	-
Education Tax	-	-
Balance Carried Forward	**3,405**	**4,005**

9 Other Creditors

	2010 N'000	2009 N'000
Customers' Deposits	62,220	78,314
Suppliers	30,353	27,916
Accruals	80,146	80,318
Ondo State Government	242,901	242,901
Other Sundry Creditors	44,708	52,462
	460,328	**481,911**

10 Deferred Taxation

	2010 N'000	2009 N'000
Balance Broght Forward	18,237	18,237
Charge /(Release during the year)	-	-
	18,237	**18,237**

11 Share Capital Authorized

	2010 N'000	2009 N'000
Share Capital Authorized		
100 million Ordinary Shares of 50k each	50,000	50,000
Issued and Fully Paid:		
96 million Ordinary Shares of 50k each	48,000	48,000

12 Revaluation Reserve

i. The company's fixed assets and estate development were professionally valued by various firms of estate values in 1992 for a total sum of =N=729.6 million. However, the directors resolved to adopt a valuation figure of =N=200 million for these assets as at 1st January, 1995. The difference between this amount and the net book value as at that date has been credited to this account.

ii. The headquarters' buildings and mill complex were valued by a value appointed by Union Bank Plc during the year at =N=1.1 billion. This has, however, not been reflected in the Accounts.

13 Revenue Reserve

	2010 N'000	2009 N'000
Balance as at 1st January	(278,139)	(240,841)
Prior Year Adjustments	19,819	(14,497)
Profit for the year transferred from the Profit & Loss Accounts	51,307	(22,801)
Balance at 31st December	(207,013)	(278,139)

14 Turnover

Turnover comprises the value of palm oil and other by-products which the company sold to third parties. It was derived as follows:

	2010 N'000	2009 N'000
Sales- Fresh Fruit Bunches	160,870	137,483
Sales- Palm Oil	34,306	74,089
Sales- Palm Kernel	723	7,042
Sales- Other By-Products	1,294	4,990
	197,193	223,604

15 Cost of Sales

	2010 N'000	2009 N'000
Estates Revenue Expenditure	15,939	19,666
Staff Costs	56,185	92,461
Other Production Costs	9,261	25,658
Depreciation & Amortization	9,224	5,689
	90,610	143,474

16 Other Incomes

	2010 N'000	2009 N'000
Sales- Scraps	(85)	4,779
Service Charges	-	49
Handling Charges	3,400	8,055
Rent of Quarters	240	176
Other Sundry Incomes	909	4,323
	4,464	17,382

17 Cash Flow from Operating Activities

	N'000	2010	N'000	2009
Profit Before Taxation		51,307		(22,801)
Adjusted for non-cash items:				
Depreciation & Amortization	9,224		19,816	
Provision for doubtful investments	-		-	
Provision for deferred tax	-		-	
Interest Income	-		-	
Interest Paid	-		(36,733)	
		9,224		(16,917)
Changes In Working Capital				
(Increase)/Decrease in stocks	(4,395)		3,556	
(Increase)/Decrease in Debtors	768		1,226	
Increase/(Decrease) in Creditors	(1,786)		45,258	
		(5,413)		50,040
Changes In other assets and liabilities				
Deferred Assets		-		2,970
		55,118		33,123

18 Operating Profits

(a) Operating profit is arrived at after charging:

	2010 N'000	2009 N'000
Depreciation & Amortization	9,224	19,817
Audit Fees	875	875

(b) Directors' Emoluments

i. The aggregate emoluments of the directors were:

	2010 N'000	2009 N'000
Fees as Directors	-	-
Other emoluments	-	-

ii. The fees paid to the:

	2010 N'000	2009 N'000
Chairman	-	-
Other Directors	-	-

iii. Other Directors received emoluments in the following ranges:

	2010 Number	2009 Number
Up to =N=100,000	-	-
=N=20,001 =N=30,000	-	-

19 Interest Payable & Similar Charged on Bank Loans & Overdrafts

	2010 N'000	2009 N'000
Repayable wholly within 5 years	-	36,733
On other loans and debenture stock		
Repayable wholly within 5 years	-	-
	-	36,733

20 Contingent Liabilities

The management is of the opinion that the total claims in respect of pending legal matters are not expected to be of any significant value and we cannot find any evidence to the contrary.

21 Capital Commitments

Capital expenditure authorized by the directors but not provided for in these Financial statements are as follows:

	2010 N'000	2009 N'000
Contracted	-	-
Not Contracted	-	-

22 Suppliers

The company has no significant suppliers as it produces its own crops.

23 Comparative Figures

Certain items of the previous year are sometimes re-classified to give a more meaningful comparison.

CASH FLOW STATEMENTS

For the year ended 31st December 2010

	2010 N'000	2009 N'000
Net Cash flow from operating activities (Note 16)	**55,118**	33,123
Taxation paid	(600)	(200)
Cash flow from Investing Activities		
Fixed assets acquired	(13,328)	(21,766)
	41,190	11,157
Cash flow from Financing Activities		
Loan received	-	-
Loan paid	**(41,059)**	(14,715)
Cash & Cash Equivalents on January 1	**(48,399)**	(44,841)
	(48,268)	**(48,398)**
Represented by:		
Cash & Bank balances	335	204
Bank Overdraft	(48,603)	(48,603)
	(48,268)	**(48,399)**

VALUE ADDED STATEMENTS

For the year ended 31st December 2010

	Year Ended 31/12/10 N'000	%	Year Ended 31/12/09 N'000	%
Gross Earnings	**201,656**		**240,986**	
Cost of Sales & other services	**(81,385)**		**(137,785)**	
Value Added	**120,271**	**100%**	**103,201**	**100%**
Applied as follows:				
In payment of Employees:				
Salaries, allowances & other benefits	**59,140**	**49%**	**69,451**	**67%**
In payment of Providers of Funds:				
Interest on Loans	**-**	**0%**	**36,733**	**36%**
In payment to Government:				
Direct Taxation	**600**	**-**	**0**	**0%**
Retained for future Replacement of Assets & expansion of Business:				
Depreciation and Amortization	**9,224**	**8%**	**19,817**	**19%**
Profit/(Loss) for the year	**51,307**	**43%**	**(22,801)**	**-22%**
Value Added	**120,271**	**100%**	**103,201**	**100%**

Value added represents the additional wealth created and its allocation among employees, shareholders, Government and re-investment for the future.

FIVE YEAR FINANCIAL SUMMARY

	As at 31/12/10 N'000	As at 31/12/09 N'000	As at 31/12/08 N'000	As at 31/12/07 N'000	As at 31/12/06 N'000
Use of Funds					
Fixed Assets	400,668	393,086	387,965	374,650	200,354
Estate Development	129,834	133,311	135,372	138,510	146,383
Investments	1,406	1,406	1,406	1,406	1,406
Deferred Assets	30,430	30,430	19,638	19,639	-
Current Assets	7,325	3,567	9,160	18,560	20,195
Total Assets	569,663	561,801	553,541	552,765	368,338
Less: Current Liabilities	(614,611)	(677,874)	(636,256)	(538,137)	(366,436)
	(44,948)	(116,073)	(82,716)	14,628	1,902
Deferred AGM Expenses			13,762		
Deferred Taxation (Release)	18,237	18,237	18,237	18,237	18,237
Total Net Assets	(26,711)	(97,836)	(50,717)	32,865	20,139
Financed By:					
Share Capital	48,000	48,000	48,000	48,000	48,000
Share Premium	9,368	9,368	9,368	9,368	9,368
Revaluation Reserve	122,934	122,934	122,934	122,934	122,934
Revenue Reserve (Deficit)	(207,013)	(278,139)	(231,019)	(147,437)	(160,163)
Shareholders' Funds	(26,711)	(97,837)	(50,717)	32,865	20,139
Total assets per 50k share	-5.93k	-5.85k	-5.77k	5.75k	3.84k
Net assets per 50k share	-0.27k	-102k	(52.83k)	34.2k	21.5k
Turnover	197,193	223,604	213,170	214,367	186,039
Profit/(Loss) Before Tax	51,307	(22,801)	-71,521	12,726	14,357
Profit/(Loss) After Tax	51,307	(22,801)	-71,521	12,726	9,875
Dividends	-	-	-	-	-
Basic Earnings Per 50k Share	53.44k	-23.75k	-74.5k	13.26k	10.29k
Dividend per 50k Share	-	-	-	-	-
Dividend Cover (times)	-	-	-	-	-

Note:
Basic earnings/(loss) per share are based on profit after tax before extra-ordinary items and are calculated on the effective number of issued ordinary shares in each year.

NOTES

RC 17790

OKITIPUPA
OIL PALM PLC

2009
Annual Reports & Accounts
FOR THE YEAR ENDED 31ST DECEMBER, 2009

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Admiral Akin Aduwo	Chairman
Hon Chief (Mrs.) Mobolaji Osomo	Director
Adewale Osomo	Director
Mr. Segun Onayiga	Director
Chief Bode Sunmonu	Director
Chief Tayo Alasoadura	Director
John O. O Akinleye	Director
Engr. Bashorun Olusegun Falade	Director
Igbasan S. O	Director
High Chief P. B Sheile	Director
Aderemi Oyepeju	Director

COMPANY SECRETARY:
Dele Oluwola Adaramaja

REGISTRAR
GRDS Limited
274, Murtala Mohammed Way
Yaba, Lagos.

AUDITORS:
Abioye Abdul-Razaq & Co.
[Chartered Accountants]
2nd Floor, Rear wing, 313 Agege Motor Road,
Olorunsogo, Mushin, Lagos.

SOIICITORS
Osborne Laws

RC No.:
17790

REGISTERED & BUSINESS ADDRESS:
1, Marine Road
Okitipupa, Ondo State.

BANKERS:

First Bank of Nigeria Ltd
Sterling Bank Plc
Wema Bank Plc
Union Bank Plc
Keystone Bank
United Bank of Africa Plc
Polaris Bank Plc
Access Bank
First City Monument Bank
UnityBank
Ecobank Nigeria Ltd

2009 Annual Report Contents

RESULTS AT A GLANCE

For the year ended 31st December, 2009

	Year Ended 31 Dec 2009 N'000	Year Ended 31 Dec 2008 N'000
Turnover	223,604	213,170
Profit/(Loss) Before Tax	(22,801)	(71,521)
Profit/(Loss) After Tax	**(22,801)**	**(71,521)**
Dividend	**-**	**-**
Basic Earnings Per Share	**(47.5k)**	**(149k)**

REPORT OF THE DIRECTORS

For the year ended 31st December, 2009

The Directors have the pleasure to submit their report together with audited accounts of the company for year ended 31st December, 2009.

1. Principal Activities

The principal business of the company consists of the cultivation and maintenance of oil palm tree plantations around Okitipupa, Irele and Ese-Odo local government areas of Ondo State. Oil palm fruits, known as Fresh Fruit Bunches (FFB) in the industry are obtained from the palm trees and they are processed to produce Special Palm Oil used for industrial and domestic purposes. The production of Special Palm Oil usually accounts for more than 80% of the turnover of the company. However, this could not be achieved during the year due to processing break down and stoppages. The other main product of the company is palm kernel which is a by-product of the oil production process. It represents 18% of the volume.

2. Results for the Year

	N'000
Profit/(Loss) before taxation	(22,801)
Tax provision for the year	-
Profit/(Loss) after taxation	(22,801)

3. Dividend

No dividend payment was declared for the year.

4. Review of business and future development

Turnover increased by a margin of (5%) from N213 million in 2008 to N223 million in 2009 while cost of sales decreased by 7% from N168 million in 2008 to N157 million in 2009. Administrative expenses also increased by 28% from N95 million in 2008 to N68 million in 2009.

5. Fixed assets

In the opinion of the directors, the market values of the company's fixed Assets are not less than the value shown in the financial statements.

6. Directors

The Directors who served the company during the year under review were as follows:

Admiral Akin Aduwo - Chairman	Chief F. O. Mogaji - Managing
Adewale Osomo	Aderemi Oyepeju
Chief Bode Sunmonu	Mr. Segun Onayiga
Hon. Chief (Mrs) Alice M Osomo	Chief P. B. Sheile
Mr. S. O. Igbasan	Cheif J. O. O. Akinleye
Engr. Bashorun Olusegun Falade	Chief Tayo Alasoadura

7. Directors' interests

The following directors had interests in the shares of the company during the period under review.

Names	Number of Shares
Chief J. O. O. Akinleye	220,000
Vice Admiral A. Aduwo (rtd) CFR	24,000
Adewale Osomo	57,020
Chief F.O. Mogaji	24,000
Chief Tayo Alasoadura	2,000
Chief (Mrs.) A.O. Osomo	1,200
Engr. Segun Falade	13,200
Chief Aderemi Oyepeju	70,440

8. Corporate Governance

The Board is responsible for the corporate governance of the company. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, the financial position of the company and ensures that the financial statements comply with the Company and Allied Matters Act, CAP C20, LFN 2004. The Board is also responsible for safeguarding the assets of the Company by taking reasonable steps for the prevention and detection of fraud and other irregularities.

There were three Committees including one Ad-Hoc Committee of the Board during the year under review. The Committees were constituted as follows:

Finance and General Purpose Committee
- Chief T. Alasadura - Chairman
- Adewale Osomo
- Chief Bode Sunmonu
- Mr. S. O. Igbasan
- Chief F. O. Mogaji

Community Relations Committee
- Hon. Chief (Mrs.) A. M. Osomo (Chairman)
- Vice Admiral A. Akin Aduwo (rtd.) CFR
- Mr. S. O. Igbasan
- Chief P. B. Sheile
- Chief F. O. Mogaji.

Technical Committee
- Engr. Segun Falade
- Chief Bode Sunmonu
- Mr. Wale Osomo
- Mr. Segun Onayiga
- Chief F.O. Mogaji.

Annual General Meeting Ad-Hoc Committee
- Hon. Chief (Mrs.) A. M. Osomo - Chairman
- Chief Bode Sunmonu
- Chief Aderemi Oyepeju
- Chief F. O. Mogaji

9. Director's responsibilities

In accordance with the provisions of sections 334 and 335 of the Companies and Allied Matters Acts, CAP C20, LFN 2004, the company's directors are responsible for the preparation of the annual Financial Statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for the period then ended and comply with the requirements of the companies and Allied Matters Act, CAP C20, LFN 2004,. These responsibilities include ensuring that:

i. Adequate internal control procedures are instituted to safeguard assets, prevent and detect fraud and other irregularities;
ii. Proper accounting records are maintained
iii. Applicable accounting standards are followed
iv. Suitable accounting policies are used and constantly applied
v. The financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business.

10. Charitable Gifts

The company did not make any contribution to any charitable organization by way of donation during the year ended 31st December, 2009.

11. Distributors

The company does not have appointed distributors as the bulk of the company's product are supplied to industrial users with a small quantity going to retailers.

12. Employment of Disabled persons

The company does not discriminate in the employment of disabled persons and currently has five disabled persons in its employment. In a number of cases, the company provided assistance well above employees' entitlements under the company's conditions of service, particularly when disability occurs in the course of employment.

13. Health, Safety and welfare of Employees

The plantation aspect of the oil palm industry is labour intensive. Furthermore, virtually all the plantation operations are carried out in very remote areas where ordinary medical facilities are not readily available. For this reason, the company provides basic medical services in each of the ten estates. At the headquarters in Okitipupa, the company provides medical treatment to its employees working at the headquarters and the mill at the State Specialist Hospital. In addition, the company had Medical Retainership with private hospitals in the area.

14. Employees' involvement and training

Employees of the company are kept fully informed about the company's activities through notices and briefings. There is a regular joint consultation forum in which matters relating to employees' welfare are discussed. There was also regular monthly seminar for educating and briefing members of staff on the company's operational progress.

Training of employees is an important part of staff development. Training is either on-the-job or in the company's craft training center. In addition, employees at management or non-management levels are given opportunities to attend external seminars and workshops to broaden their outlook.

15. Substantial interest in shares

The following persons/organizations other than the directors of the company held more than 5% of the issued share capital of the company as at 31st December, 2009.

Shareholders	No. of 50k shares
Estaport Farms Limited	32,519,786
Ondo State Investment (Holding) Company Limited	28,573,479

16. Analysis of shareholders

As at 31st December 2009, the shares of the company were held as follows:

Group Holders	Proportion of Shareholding
Individuals	25.45%
Employees	0.66%
Institutions and Governments	73.89%
	100.00%

Range of Shareholding	Number of Shareholders	Number of Ordinary shares	% Shareholders
200 - 500	7160	2,212,925	2.30
501 - 1,000	2875	1,911,133	1.99
1,001 - 5,000	4018	7,266,344	7.56
5,001 - 10,000	387	2,562,519	2.70
10,001 - 50,000	321	5,392,648	5.61
50,001 - 100,000	39	2,646,742	2.75
100,001 - 500,000	28	7,065,205	7.36
Above 500,000	19	66,942,484	69.73

17. Post balance sheet events

The company went into receivership on 29th June, 2009 due to its inability to continue to service its loan debt obligation to Guaranty Trust Bank Plc.

18. Auditors

Abioye Abdul-razaq & Co. served as the Independent Auditors during the year under review.
In accordance with Section 357(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, Abioye Abdul-razaq & Co. have indicated their willingness to continue in office as Independent Auditors to the Company.

By Order of the Board.

Dele Oluwole Adaramaja
Company Secretary/Legal Adviser

INDEPENDENT AUDITOR'S REPORT

For the year ended 31st December, 2009

ABIOYE ABDUL-RAZAQ & CO.

CHARTERED ACCOUNTANTS

2nd Floor, Rear Wing, 3113, Agege Motor Road, Beside GTBank Plc
Olorunsogo, Mushin, Lagos. P/ O/ Box 8127, Ikeja, Lagos
Email: bioye21@hotmaul.com, abioyeabdulrazaq@yahoo.com
Tel: 08033333045, 08025829330

We have audited the financial statements of Okitipupa Oil Palm Plc which have been prepared under the historical cost convention and the accounting policies set out on page ______

Respective Responsibilities of Directors and Auditors
In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act, 1990, the Company's Directors are responsible for the preparation of the annual financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for the period then ended and comply with the requirements of the Companies and Allied Matters Act, 1990.

These responsibilities include ensuring that:

i. Adequate internal control procedures are instituted to safeguard assets, prevent and detect fraud and other irregularities.
ii. Proper accounting records are maintained.
iii. Applicable accounting standards are followed.
iv. Suitable accounting policies are used and constantly applied.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements prepared by the directors and to report our opinion to you.

Disclaimer of Opinion

We do not express an opinion on the accompanying financial statements of the company which comprise the balance sheet as at 31st December, 2009, the profit & loss accounts, the cash flow statement for the year then ended and the notes to the financial statements, including a summary of significant accounting policies. This is as a result of the significance of the matters described in the Basis for Disclaimer of Opinion section of our Report. We have not been able to obtain sufficient appropriate audit evidence to provide a basis

for an audit opinion on the financial position of the company as at 31st December, 2009, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards On Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.

Basis for Disclaimer of Opinion

As at the date of issuing the audit opinion, we were unable to carry out audit procedures necessary to obtain adequate assurance regarding the balances of assets and liabilities presented in the Management Accounts. Relevant documents and explanations regarding these items were not provided in many instances. Thus, we could not perform necessary tests to confirm the existence or otherwise of the items which include: Fixed Assets, Cash & Bank Balances, Stocks and Creditors. As a result of this matter, we were unable to form an opinion about whether the balance sheet as at 31st December, 2009 gives a true and fair view of the financial position of the Company, which opinion can serve as a basis for the audit of the financial statement for year 2009.

We were also unable to determine whether any further adjustments might have been necessary in respect of the elements making up the balance sheet as at 31st December, 2009, the profit & loss accounts, the cash flow statement. The financial effects of this matter were impracticable to quantify. There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the figures. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of Companies and Allied Matters Act CAP C20 LFN 2004, we expressly state that due to the basis of disclaimer opinion above:

i. We have not obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii. We have not obtained all the information and explanations which will allow us to conclude whether the Company has kept proper books of account, so far as appears from our examination of those books.

iii. We have not obtained all the information and explanations which will allow us to conclude whether or not the financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2009 and of its loss and cash flow for the year then ended.

Abioye Abdulrazaq
FRC/2015/ICAN/00000013380
Abioye Abdulrazaq & Co.

Lagos, Nigeria
25th August, 2020

Managing Partner: A. O. S. ABIOYE ACA, ACTI, ACS. ACIB. AMNIM, MBA

REPORT OF THE AUDIT COMMITTEE

For the year ended 31st December, 2009

To the members of the OKITIPUPA OUL PALM PLC

In compliance with the provisions of Section 359 (6) of the Company and Allied Matters Act Cap 20 LFN 2004, the members of the Audit Committee reviewd the financial statements of the company for the year ended 31st December 2009 and report as follows:

1. We reviewed the Financial Statements for the year ended 31st December 2009 and are not in a position to express our satisfaction on the position of its contents.
2. We were unable to review the External Auditors' management letter for the year ended 31st December 2009 as none was presented to us.
3. The External Auditors' reported that they have not received the expected cooperation from the Company's Management and have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an unqualified audit opinion on the financial position of the company as at 31st December 2009, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.
4. The External Auditors' report indicate a total absence of management accountability and consequently, we are not in a position to report on the scope, planning and conduct of the audit of the company's financial statements for the year ended 31st December 2009.

SENATOR ANTHONY ADEMUYIWA ADENIYI
CHAIRMAN, STATUTORY AUDIT COMMITTEE
DECEMBER 09, 2019

MEMBERS OF THE STATUTORY AUDIT COMMITTEE

Sen. Anthony Adeniyi	Shareholder	Chairman
HE Surveyor Abiodun Aluko	Shareholder	Member
Mr. Akinboye Oyewumi	Director	Member
Mr. Adewale Osomo	Director	Member
Mr. Tolu Fadahunsi	Shareholder	Member
Chief John Akinleye	Director	Member

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st December, 2009

In the Accounts, the following significant Accounting policies have been adopted.

1 Accounting Convention

The company's Accounts were prepared under the historical cost convention as modified by the revaluation of fixed assets and estate development. No adjustments have been made to reflect the impact on the Accounts, of specific price changes or changes in the general level of prices.
Depreciation of Fixed Assets

2 Depreciation of fixed assets

Depreciation of fixed assets is provided to write off the cost or valuation of the assets over their expected useful lives, on the straight-line basis, at the following rates:

	%
Land Acquisition	Nil
Buildings (Permanent)	2.5
Roads, Paths & Bridges	2.5
Plant & Machinery, Furniture & Equipment	10
Buildings (Temporary & Capitalized expenditures)	25
Motor Vehicles, water transport & Agricultural equipment	25

3 Amortization of Estate Development

The rate of amortization is 4% of development cost on matured plantation.

4 Stocks and Stores

General Stores are stated at the lower of cost and net realizable value whilst produce stocks are valued by custom at the average of selling price during the three months immediately preceding the close of business at the year-end.

5 Debtors

Debtors are stated at the net realizable value.

6 Turnover

Turnover is the invoiced value of products sold and delivered less returns and discounts.

7 Deferred Taxation

Full provision is usually made for deferred taxation using the Liability method.

BALANCE SHEET

As at 31st December, 2009

	Note		2009		2008
			N000		N000
Fixed Assets	1		393,086		387,965
Estate Development	2		133,311		135,372
Investments	3		1,406		1,406
Deferred Assets			19,639		19,638
Current Assets					
Stocks and Stores	4	2,272		5,828	
Debtors and Prepayments	5	1,091		2,317	
Cash and Bank Balances		204		1,015	
		3,567		**9,160**	
Current Liabilities:					
Amounts falling due within one year:					
Bank Loan	6	143,355		149,542	
Bank Overdrafts	7	48,603		45,856	
Taxation	8	4,005		4,205	
Other Creditors	9	481,911		436,653	
		677,874		**636,256**	
			(674,307)		(627,096)
			(126,864)		(82,715)
Deferred AGM Expenses			10,971		13,761
Deferred Taxation	10		18,237		18,237
Net Assets			(97,836)		(50,717)
Financed By:					
Share Capital	11		48,000		48,000
Share Premium			9,368		9,368
Revaluation Reserve			122,934		122,934
Revenue Reserve	13		(278,139)		(231,019)
			(97,837)		**(50,717)**

Approved by the Board of Directors on the 5th of September, 2020 and signed on its behalf by:

Chief [Mrs.] Alice M. Osomo
Chairman
FRC/2020/3/00000025784

Mr.Taiwo Adewole
CEO
FRC/2020/03/00000021511

Mr. Tai Ajayi Dahunsi
Chief Finance Officer
FRC/2020/001/00000021936

The accounting policies on pages 342 to 347 and the notes on pages to form integral parts of these financial statements.

PROFIT AND LOSS

For the year ended 31st December, 2009

	Notes		2010 N'000		2009 N'000
Turnover	14		223,604		213,170
Cost of Sales	15		(157,601)		(168,940)
Gross Profit					
Advertisement and Sales					
Promotion		752		501	
Administrative Expenses		68,701		95,060	
			(69,453)		(95,561)
Other Operating Income	16		17,382		37,249
Operating Profit			13,933		(14,082)
Interest Payable & Similar Charges	19		(36,733)		(47,616)
Loss on ordinary activities before tax			(22,801)		(61,698)
Taxation	8		-		-
Deferred Taxation (Release)	10		-		-
Loss on ordinary acticities after tax					
Transferred to Revenue Reserve	13		**(22,801)**		**(61,698)**
Basic Earnings Per Share (Kobo)			**(47.5k)**		**(64.27k)**

1 Fixed Assets

	Freehold Land & Buildings N'000	Plant, Machinery & Equipment N'000	Motor Vehicles N'000	Furniture & Fittings N'000	Total N'000
Cost					
At 01/01/09	55,962	484,963	32,949	25,512	599,386
Additions	784	16,281	1,633	550	19,248
Disposals	-	-	-	-	-
At 31/12/09	**56,746**	**501,244**	**34,582**	**26,062**	**618,634**
Depreciation					
At 01/01/09	15,740	158,234	24,005	13,442	211,421
Charges for the period	942	10,264	1,571	1,349	14,127
On Disposals	-	-	-	-	-
At 31/12/09	**16,682**	**168,498**	**25,576**	**14,791**	**225,548**
Net Book Value					
At 31/12/09	**40,064**	**332,746**	**9,006**	**11,271**	**393,086**
At 31/12/08	40,222	326,729	8,944	12,070	387,965

2 Estate Development

	COST N'000	AMORTISATION N'000	NET BOOK VALUE N'000
Matured Plantation:			
As at 1st January, 2009	201,577	66,205	135,372
Additions	3,629	5,689	(2,061)
As at 31st December, 2009	205,206	71,894	133,311

The plantations were revalued by the directors as at 1st January, 1995 and the directors' valuation of N88,020,000 has been incorporated in the above figures.

3 Investments

	2009 N'000	2008 N'000
2,519,000 Ordinary Shares in Oluwa Glass Co. Plc at cost	1,296	1,296
100,000 Ordinary Shares in Sovereign Trust Insurance Plc at cost	110	110
	1,406	1,406

4 Stocks and Stores

	2009 N'000	2008 N'000
Spare Parts and other Stores items	(394)	4,927
Finished Goods	2,666	901
	2,272	5,828

5 Debtors and Prepayments

	2009 N'000	2008 N'000
Amounts falling due within one year:		
Staff Debtors and Advances	416	2,317
Prepayments	675	-
	1,091	2,317

7 Bank Overdrafts

	2009 N'000	2008 N'000
Sterling Bank Plc	6,684	5,938
Wema Bank Plc - Ore	26,711	25,711
Union Bank Plc - Irele	1	1
Unity Bank Plc	15,206	14,206
	48,603	**45,856**

8 Taxation

	2009 N'000	2008 N'000
Balance brought forward	4,205	10,272
Payments/Adjustments	(200)	
during the year		(6,067)
Provision for the Period :		
Income Tax	-	-
Education Tax	-	-
Balance Carried Forward	**4,005**	**4,205**

9 Other Creditors

	2009 N'000	2008 N'000
Customers' Deposits	78,314	14,016
Suppliers	27,916	26,679
Accruals	80,318	155,586
Ondo State Government	242,901	235,240
Other Sundry Creditors	52,462	5,132
	481,911	436,653

10 Deferred Taxation

	2009 N'000	2008 N'000
Balance Brought Forward	18,237	18,237
Charge/(Release during the year)	-	-
	18,237	18,237

11 Share Capital

	2009 N'000	2008 N'000
Share Capital Authorised:		
100 million Ordinary Shares of 50k each	50,000	50,000
Issued and Fully Paid:		
96 million Ordinary Shares of 50k each	48,000	48,000

12 Revaluation Reserve

i. (i) The company's fixed assets and estate development were professionally valued by various firms of estate values in 1992 for a total sum of N729.6 million. However, the directors resolved to adopt a valuation figure of N200 million for these assets as at 1st January, 1995. The difference between this amount and the net book value as at that date has been credited to this account.

ii. The headquarters' buildings and mill complex were valued by a value appointed by Union Bank Plc during the year at N1.1 billion. This has, however, not been reflected in the Accounts.

13 Revenue Reserve

	2009 N'000	2008 N'000
Balance as at 1st January	(231,019)	(147,437)
Prior Year Adjustments	(24,320)	(21,884)
Profit for the year transferred from the Profit & Loss Accounts	(22,801)	(61,698)
Balance at 31st December	(278,139)	(231,019)

14 Turnover

Turnover comprises the value of palm oil and other by-products which the company sold to third parties. It was derived as follows.

	2009 N'000	2008 N'000
Sales- Fresh Fruit Bunches	137,483	112,402
Sales- Palm Oil	74,089	90,686
Sales- Palm Kernel	7,042	7,396
Sales- Other By-Products	4,990	2,686
	223,604	213,170

15 Cost of Sales

	2009 N'000	2008 N'000
Estates Revenue Expenditure	19,666	16,413
Staff Costs	92,461	87,871
Other Production Costs	25,658	36,128
Depreciation & Amortization	19,816	28,529
	157,601	168,940

16 Other Incomes

	2009 N'000	2008 N'000
Sales- Scraps	4,779	-
Service Charges	49	-
Handling Charges	8,055	9,897
Rent of Quarters	176	-
Other Sundry Incomes	4,323	27,352
	17,382	37,249

17 Cash flow from operating activities.

	N'000	2010	N'000	2009
Profit Before Taxation		(22,801)		(61,698)
Adjusted for non-cash items:				
Depreciation & Amortization	19,816		28,529	
Provision for doubtful investments	-		-	
Provision for deferred tax	-		-	
Interest Income	-		-	
Interest Paid	(36,733)		(47,616)	
		(16,917)		(19,087)
Changes In Working Capital				
(Increase)/Decrease in stocks	3,556		3,556	
(Increase)/Decrease in Debtors	1,226		1,226	
Increase/(Decrease) in Creditors	45,258		45,258	
		50,040		50,040
Changes In other assets and liabilities				
Deferred Assets		2,970		2,970
		33,123		30,953

18a Operating Profits

(a) Operating Profit is arrived at after charging:

	2009 N'000	2008 N'000
Depreciation & Amortization	19,817	28,528
Audit Fees	875	1,389

(b) Directors' Emoluments

i. The aggregate emoluments of the directors were:

	2009 N'000	2008 N'000
Fees as Directors	425	1150
Other emoluments	900	2700
	1,325	3,850

ii. The fees paid to the:

	2009 N'000	2008 N'000
Chairman	50	150
Other Directors	300	1100
	350	1,250

iii. Other Directors received emoluments in the following ranges:

	Number	Number
Up to N100,000	11	11
N20,001 - N30,000	-	-
	11	11

(c) Staff numbers & costs

i. The average number of persons employed (excluding the directors) in the company during the year was;

	Number	Number
	1,265	1,954

ii. The aggregate payroll costs of these persons were as follows:

	Number	Number
Salaries & wages	84,753	130,915
Staff retirement scheme contributions including pension fund.	1,844	2,849
	86,597	133,764

(d) Highest paid employees

Employees of the company other than directors whose duties were wholly or mainly discharged in Nigeria and who received remuneration over =N=60,000 in the year fell within the following ranges:

	Number	Number
Up to =N=80,000	1,720	1,720
N80,001 - N90,000	250	307
N90,001 - N100,000	105	180
N100,001 and above	62	71
	2,137	2,278

19 Interest Payable & Similar Charges on Bank Loans & Overdrafts

	2009 N'000	2008 N'000
Repayable wholly within 5 years	36,733	47,616
On other loans and debenture stock		
Repayable wholly within 5 years	-	-
	36,733	47,616

20 Contingent Liabilities

The management is of the opinion that the total claims in respect of pending legal matters are not expected to be of any significant value and we cannot find any evidence to the contrary.

21 Capital Commitments

Capital expenditure authorized by the directors but not provided for in these Financial statements are as follows:

	2009 N'000	2008 N'000
Contracted	-	-
Not Contracted	-	-

22 Suppliers

The company has no significant suppliers as it produces its own crops.

23 Comparative Figures

Certain items of the previous year are sometimes re-classified to give a more meaningful comparison.

CASH FLOW STATEMENTS

For the year ended 31st December 2009

	2009	2008
	N'000	N'000
Net Cash flow from operating activities (Note 16)	33,123	30,953
Taxation paid	(200)	(6,067)
Cash flow from Investing Activities		
Fixed assets acquired	(21,766)	(33,951)
	11,157	(9,065)
Cash flow from Financing Activities		
Loan received	-	-
Loan paid	**(14,715)**	**(42,698)**
Cash & Cash Equivalents on January 1	**(44,841)**	**6,922**
	(48,398)	**(44,841)**
Represented by:		
Cash & Bank balances	204	1,015
Bank Overdraft	(48,603)	(45,856)
	(48,399)	**(44,841)**

VALUE ADDED STATEMENTS

For the year ended 31st December 2009

	31/12/09 N'000	%	31/12/08 N'000	%
Gross Earnings	240,986		250,419	
Cost of Sales & other services	(137,785)		(105,058)	
Value Added	103,201	100%	145,361	100%
Applied as follows:				
In payment of Employees:				
Salaries, allowances & other benefits	69,451	67%	130,915	90%
In payment of Providers of Funds:				
Dividends to Shareholders	-	-	-	-
Interest on Loans	36,733	36%	47,616	33%
In payment to Government:				
Direct Taxation	-	-	-	-
Retained for future Replacement of Assets & expansion of Business:				
Depreciation and Amortization	19,817	19%	28,528	20%
Profit/(Loss) for the year	(22,801)	-22%	(61,698)	-42%
Value Added	103,201	100%	145,361	100%

among employees, shareholders, government and re-investment for the future

FIVE YEAR FINANCIAL SUMMARY

	As at 31/12/09 N'000	As at 31/12/08 N'000	As at 31/12/07 N'000	As at 31/12/06 N'000	As at 31/12/05 N'000
Use of Funds					
Fixed Assets	393,086	387,965	374,650	200,354	198,003
Estate Development	133,311	135,372	138,510	146,383	134,348
Investments	1,406	1,406	1,406	1,406	1,406
Deferred Assets	30,430	33,399	19,639	-	-
Current Assets	3,567	9,160	18,560	20,195	24,677
Total Assets	561,801	567,302	552,765	368,338	358,434
Less: Current Liabilities	(677,874)	(636,256)	(538,137)	(366,436)	(366,407)
	(116,073)	(68,954)	14,628	1,902	(7,973)
Deferred Taxation (Release)	18,237	18,237	18,237	18,237	9,364
Total Net Assets	(97,836)	(50,717)	32,865	20,139	1,391
Financed By:					
Share Capital	48,000	48,000	48,000	48,000	48,000
Share Premium	9,368	9,368	9,368	9,368	9,368
Revaluation Reserve	122,934	122,934	122,934	122,934	122,934
Revenue Reserve (Deficit)	(278,139)	(231,019)	(147,437)	(160,163)	(178,911)
Shareholders' Funds	(97,837)	(50,717)	32,865	20,139	1,391
Total assets per 50k share	5.85k	5.9k	5.75k	3.84k	3.73k
Net assets per 50k share	-102k	-63.06k	34.2k	21.5k	0.6k
Turnover	223,604	213,170	214,367	186,039	218,424
Profit Before Tax	(22,801)	(61,698)	12,726	14,357	35,964
Profit After Tax	(22,801)	(61,698)	12,726	9,875	34,433
Dividends	-	-	-	-	-
Basic Earnings Per 50k Share	-23.75k	-74.5k	13.26k	10.29k	35.7k
Dividends per 50k Share	-	-	-	-	-
Dividend Cover (times)	-	-	-	-	-

RC 17790

OKITIPUPA
OIL PALM PLC

2008

Annual Reports & Accounts

FOR THE YEAR ENDED 31ST DECEMBER, 2008

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Admiral Akin Aduwo	Chairman
Hon Chief (Mrs.) Mobolaji Osomo	Director
Adewale Osomo	Director
Mr. Segun Onayiga	Director
Chief Bode Sunmonu	Director
Chief Tayo Alasoadura	Director
John O. O Akinleye	Director
Engr. Bashorun Olusegun Falade	Director
Igbasan S. O	Director
High Chief P. B Sheile	Director
Aderemi Oyepeju	Director

COMPANY SECRETARY:
Dele Oluwola Adaramaja

REGISTRAR
GRDS Limited
274, Murtala Mohammed Way
Yaba, Lagos.

AUDITORS:
Abioye Abdul-Razaq & Co.
[Chartered Accountants]
2nd Floor, Rear wing, 313 Agege Motor Road,
Olorunsogo, Mushin, Lagos.

SOIICITORS
Osborne Laws

RC No.:
17790

REGISTERED & BUSINESS ADDRESS:
1, Marine Road
Okitipupa, Ondo State.

BANKERS:
First Bank of Nigeria Ltd
Sterling Bank Plc
Wema Bank Plc
Union Bank Plc
Keystone Bank
United Bank of Africa Plc
Polaris Bank Plc
Access Bank
First City Monument Bank
UnityBank
Ecobank Nigeria Ltd

2008 Annual Report Contents

RESULTS AT A GLANCE

For the year ended 31st December 2008

	Year Ended 31 Dec 2008 N'000	Year Ended 31 Dec 2007 N'000
Turnover	213,170	214,367
Profit/(Loss) Before Tax	(61,698)	12,726
Profit/(Loss) After Tax	**(61,698)**	**12,726**
Dividend	**-**	**-**
Basic Earnings Per Share	**(64.27k)**	**13.26**

REPORT OF THE DIRECTORS

For the year ended 31st December, 2008

The Directors have the pleasure to submit their report together with audited accounts of the company for year ended 31st December, 2008.

1. Principal Activities

The principal business of the company consists of the cultivation and maintenance of oil palm tree plantations around Okitipupa, Irele and Ese-Odo local government areas of Ondo State. Oil palm fruits, known as Fresh Fruit Bunches (FFB) in the industry are obtained from the palm trees and they are processed to produce Special Palm Oil used for industrial and domestic purposes. The production of Special Palm Oil usually accounts for more than 80% of the turnover of the company. However, this could not be achieved during the year due to processing break down and stoppages. The other main product of the company is palm kernel which is a by-product of the oil production process. It represents 18% of the volume.

2. Results for the Year

	N'000
Profit/(Loss) before taxation	(61,698)
Tax provision for the year	-
Profit/(Loss) after taxation	(61,698)

3. Dividend

No dividend payment was declared for the year.

4. Review of business and future development

Turnover declined by a margin of 1% from N214 million in 2007 to N213 million in 2008 while cost of sales increased by 24% from N136 million in 2007 to N168 million in 2008. Administrative expenses also increased by 51% from N63 million in 2007 to N95 million in 2008.

5. Fixed assets

In the opinion of the directors, the market values of the company's fixed Assets are not less than the value shown in the financial statements.

6. Directors

The Directors who served the company during the year under review were as follows:

Admiral Akin Aduwo - Chairman	Chief F. O. Mogaji - Managing
Adewale Osomo	Aderemi Oyepeju
Chief Bode Sunmonu	Mr. Segun Onayiga
Hon. Chief (Mrs) Alice M Osomo	Chief P. B. Sheile
Mr. S. O. Igbasan	Cheif J. O. O. Akinleye
Engr. Bashorun Olusegun Falade	Chief Tayo Alasoadura

The following directors were re-elected to the board at the last annual general meeting of the company held on October 10, 2008.

Admiral Akin Aduwo - Chairman	Chief F. O. Mogaji - Managing
Adewale Osomo	Aderemi Oyepeju
Chief Bode Sunmonu	Mr. Segun Onayiga
Hon. Chief (Mrs) Alice M Osomo	Chief P. B. Sheile
Mr. S. O. Igbasan	Cheif J. O. O. Akinleye
Engr. Bashorun Olusegun Falade	Chief Tayo Alasoadura

7. Directors' interests

The following directors had interests in the shares of the company during the period under review.

Names	Number of Shares
Chief J. O. O. Akinleye	220,000
Vice Admiral A. Aduwo (rtd) CFR	24,000
Adewale Osomo	57,020
Chief F. O. Mogaji	24,000
Chief Tayo Alasoadura	2,000
Chief (Mrs.) A. O. Osomo	1,200
Engr. Segun Falade	13,200
Chief Aderemi Oyepeju	70,440

8. Corporate Governance

The Board is responsible for the corporate governance of the company. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, the financial position of the company and ensures that the financial statements comply with the Company and Allied Matters Act, CAP C20, LFN 2004. The Board is also responsible for safeguarding the assets of the Company by taking reasonable steps for the prevention and detection of fraud and other irregularities. The company was managed by a Board of twelve Directors which was downsized to a Board of eight Directors at the last Annual General Meeting of the Company held on October 10, 2011 during the year.

There were three Committees including one Ad-Hoc Committee of the Board during the year under review. The Committees were constituted as follows:

Finance and General Purpose Committee

- Chief T. Alasoadura - Chairman
- Mr. Adewale Osomo
- Chief Bode Sunmonu
- Mr. S.O. Igbasan
- Chief F. O. Mogaji

Community Relations Committee

- Hon. Chief (Mrs.) A.M. Osomo (Chairman)
- Vice Admiral A. Akin Aduwo (rtd.) CFR
- Mr.S.O. Igbasan
- Chief P.B. Sheile
- Chief F.O. Mogaji.

Technical Committee

- Engr. Segun Falade
- Chief Bode Sunmonu
- Mr. Wale Osomo
- Mr. Segun Onayiga
- Chief F.O. Mogaji.

Annual General Meeting Ad-Hoc Committee

- Hon. Chief (Mrs.) A.M. Osomo - Chairman
- Chief Bode Sunmonu
- Chief Aderemi Oyepeju
- Chief F.O. Mogaji

9. Director's responsibilities

In accordance with the provisions of sections 334 and 335 of the Companies and Allied Matters Acts, CAP C20, LFN 2004, the company's directors are responsible for the preparation of the annual Financial Statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for the period then ended and comply with the requirements of the companies and Allied Matters Act, CAP C20, LFN 2004. These responsibilities include ensuring that:

i. Adequate internal control procedures are instituted to safeguard assets, prevent and detect fraud and other irregularities;
ii. Proper accounting records are maintained
iii. Applicable accounting standards are followed
iv. Suitable accounting policies are used and constantly applied
v. The financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business.

10. Charitable Gifts

The company did not make any contribution to any charitable organization by way of donation during the year ended 31st December, 2008.

11. Distributors

The company does not have appointed distributors as the bulk of the company's product are supplied to industrial users with a small quantity going to retailers.

12. Employment of Disabled persons

The company does not discriminate in the employment of disabled persons and currently has five disabled persons in its employment. In a number of cases, the company provided assistance well above employees' entitlements under the company's conditions of service, particularly when disability occurs in the course of employment.

13. Health, Safety and welfare of Employees

The plantation aspect of the oil palm industry is labour intensive. Furthermore, virtually all the plantation operations are carried out in very remote areas where ordinary medical facilities are not readily available. For this reason, the company provides basic medical services in each of the ten estates. At the headquarters in Okitipupa, the company provides medical treatment to its employees working at the headquarters and the mill at the State Specialist Hospital. In addition, the company had Medical Retainership with private hospitals in the area.

14. Employees' involvement and training

Employees of the company are kept fully informed about the company's activities through notices and briefings. There is a regular joint consultation forum in which matters relating to employees' welfare are discussed. There was also regular monthly seminar for educating and briefing members of staff on the company's operational progress.

Training of employees is an important part of staff development. Training is either on-the-job or in the company's craft training center. In addition, employees at management or non-management levels are given opportunities to attend external seminars and workshops to broaden their outlook.

15. Substantial interest in shares

The following persons/organizations other than the directors of the company held more than 5% of the issued share capital of the company as at 31st December, 2008.

Shareholders	No. of 50k shares
Estaport Farms Limited	32,519,786
Ondo State Investment (Holding) Company Limited	28,573,479

16. Analysis of shareholders

As at 31st December 2009, the shares of the company were held as follows:

Group Holders	Proportion of Shareholding
Individuals	25.45%
Employees	0.66%
Institutions and Governments	73.89%
	100.00%

Range of Shareholding	Number of Shareholders	Number of Ordinary shares	% Shareholding
200 - 500	7160	2,212,925	2.30
501 - 1,000	2875	1,911,133	1.99
1,001 - 5,000	4018	7,266,344	7.56
5,001 - 10,000	387	2,562,519	2.70
10,001 - 50,000	321	5,392,648	5.61
50,001 - 100,000	39	2,646,742	2.75
100,001 - 500,000	28	7,065,205	7.36
Above 500,000	19	66,942,484	69.73

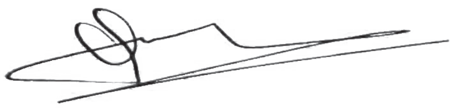
17. Post balance sheet events

The company went into receivership on 29th June, 2009 due to its inability to continue to service its loan debt obligation to Guaranty Trust Bank Plc.

18. Auditors

The last Auditors of the company were removed at the last Annual General Meeting of the company held on October 10, 2008. Abioye Abdul-Razaq & Co. (Chartered Accountants) were appointed to serve as the auditors of the company during the 2008 accounting period. The firm has however audited the accounts of the company for the year under review.

By Order of the Board.



Dele Oluwole Adaramaja
Company Secretary/Legal Adviser

ABIOYE ABDUL-RAZAQ & CO.
CHARTERED ACCOUNTANTS
2nd Floor, Rear Wing, 3113, Agege Motor Road, Beside GTBank Plc
Olorunsogo, Mushin, Lagos. P/ O/ Box 8127, Ikeja, Lagos
Email: bioye21@hotmaul.com, abioyeabdulrazaq@yahoo.com
Tel: 08033333045, 08025829330

We have audited the financial statements of Okitipupa Oil Palm Plc which have been prepared under the historical cost convention and the accounting policies set out on page _____

Respective Responsibilities of Directors and Auditors

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act, 1990, the Company's Directors are responsible for the preparation of the annual financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for the period then ended and comply with the requirements of the Companies and Allied Matters Act, 1990.

These responsibilities include ensuring that:

i. Adequate internal control procedures are instituted to safeguard assets, prevent and detect fraud and other irregularities.
ii. Proper accounting records are maintained.
iii. Applicable accounting standards are followed.
iv. Suitable accounting policies are used and constantly applied.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements prepared by the directors and to report our opinion to you.

Disclaimer of Opinion

We do not express an opinion on the accompanying financial statements of the company which comprise the balance sheet as at 31st December, 2008, the profit & loss accounts, the cash flow statement for the year then ended and the notes to the financial statements, including a summary of significant accounting policies. This is as a result of the significance of the matters described in the Basis for Disclaimer of Opinion section of our Report. We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial position of the company as at 31st December, 2008, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards On Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.

Basis for Disclaimer of Opinion

As at the date of issuing the audit opinion, we were unable to carry out audit procedures necessary to obtain adequate assurance regarding the balances of assets and liabilities presented in the Management Accounts. Relevant documents and explanations regarding these items were not provided in many instances. Thus, we could not perform necessary tests to confirm the existence or otherwise of the items which include: Fixed Assets, Cash & Bank Balances, Stocks and Creditors. As a result of this matter, we were unable to form an opinion about whether the balance sheet as at 31st December, 2008 gives a true and fair view of the financial position of the Company, which opinion can serve as a basis for the audit of the financial statement for year 2008.

We were also unable to determine whether any further adjustments might have been necessary in respect of the elements making up the balance sheet as at 31st December, 2008, the profit & loss accounts, the cash flow statement. The financial effects of this matter were impracticable to quantify. There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the figures. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of Companies and Allied Matters Act CAP C20 LFN 2004, we expressly state that due to the basis of disclaimer opinion above:

i. We have not obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
ii. We have not obtained all the information and explanations which will allow us to conclude whether the Company has kept proper books of account, so far as it appears from our examination of those books.
iii. We have not obtained all the information and explanations which will allow us to conclude whether or not the financial statements give a true and fair view of the state of affairs of the company as at 31st December, 2008 and of its loss and cash flow for the year then ended.

Abioye Abdulrazaq
FRC/2015/ICAN/00000013380
Abioye Abdulrazaq & Co.

Lagos, Nigeria
25th August, 2020

Managing Partner: A. O. S. ABIOYE ACA, ACTI, ACS. ACIB. AMNIM, MBA

REPORT OF THE AUDIT COMMITTEE

For the year ended 31st December, 2008

To the members of the OKITIPUPA OUL PALM PLC

In compliance with the provisions of Section 359 (6) of the Company and Allied Matters Act Cap 20 LFN 2004, the members of the Audit Committee reviewd the financial statements of the company for the year ended 31st December 2008 and report as follows:

1. We reviewed the Financial Statements for the year ended 31st December 2008 and are not in a position to express our satisfaction on the position of its contents.
2. We were unable to review the External Auditors' management letter for the year ended 31st December 2008 as none was presented to us.
3. The External Auditors' reported that they have not received the expected cooperation from the Company's Management and have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an unqualified audit opinion on the financial position of the company as at 31st December 2008, the financial performance and the cash flow statement for the year then ended in accordance with the International Standards on Auditing, and the Companies and Allied Matters Act Cap C20 LFN 2004.
4. The External Auditors' report indicate a total absence of management accountability and consequently, we are not in a position to report on the scope, planning and conduct of the audit of the company's financial statements for the year ended 31st December 2008.

SENATOR ANTHONY ADEMUYIWA ADENIYI
CHAIRMAN, STATUTORY AUDIT COMMITTEE
DECEMBER 09, 2019

MEMBERS OF THE STATUTORY AUDIT COMMITTEE

Sen. Anthony Adeniyi	Shareholder	Chairman
HE Surveyor Abiodun Aluko	Shareholder	Member
Mr. Akinboye Oyewumi	Director	Member
Mr. Adewale Osomo	Director	Member
Mr. Tolu Fadahunsi	Shareholder	Member
Chief John Akinleye	Director	Member

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For the year ended 31st December, 2008

In the Accounts, the following significant Accounting policies have been adopted.

1 Accounting Convention

The company's Accounts were prepared under the historical cost convention as modified by the revaluation of fixed assets and estate development. No adjustments have been made to reflect the impact on the Accounts, of specific price changes or changes in the general level of prices.

Depreciation of Fixed Assets

2 Depreciation of fixed assets

Depreciation of fixed assets is provided to write off the cost or valuation of the assets over their expected useful lives, on the straight-line basis, at the following rates:

	%
Land Acquisition	Nil
Buildings (Permanent)	2.5
Roads, Paths & Bridges	2.5
Plant & Machinery, Furniture & Equipment	10
Buildings (Temporary & Capitalized expenditures)	25
Motor Vehicles, water transport & Agricultural equipment	25

3 Amortization of Estate Development

The rate of amortization is 4% of development cost on matured plantation.

4 Stocks and Stores

General Stores are stated at the lower of cost and net realizable value whilst produce stocks are valued by custom at the average of selling price during the three months immediately preceding the close of business at the year-end.

5 Debtors

Debtors are stated at the net realizable value.

6 Turnover

Turnover is the invoiced value of products sold and delivered less returns and discounts.

7 Deferred Taxation

Full provision is usually made for deferred taxation using the Liability method.

BALANCE SHEET

As at 31st December, 2008

	Note		2008 N000		2007 N000
Fixed Assets	1		387,965		374,650
Estate Development	2		135,372		138,510
Investments	3		1,406		1,406
Deferred Assets			19,638		19,639
Current Assets					
Stocks and Stores	4	5,828		13,153	
Debtors and Prepayments	5	2,317		3,092	
Cash and Bank Balances		1,015		2,315	
		9,160		**18,560**	
Current Liabilities:					
Amounts falling due within one year:					
Bank Loan	6	149,542		142,667	
Bank Overdrafts	7	45,856		43,607	
Taxation	8	4,205		10,272	
Other Creditors	9	436,653		341,591	
		636,256		**538,137**	
			(627,096)		(519,577)
			(82,716)		14,628
Deferred AGM Expenses			13,765		-
Deferred Taxation	10		18,237		18,237
Net Assets			(50,717)		32,865
Financed By:					
Share Capital	11		48,000		48,000
Share Premium			9,368		9,368
Revaluation Reserve			122,937		122,934
Revenue Reserve	13		(231,019)		(147.437)
			(50,717)		**32,865**

Approved by the Board of Directors on the 5th of September, 2020 and signed on its behalf by:

Chief [Mrs.] Alice M. Osomo
Chairman
FRC/2020/3/00000025784

Mr.Taiwo Adewole
CEO
FRC/2020/03/00000021511

Mr. Tai Ajayi Dahunsi
Chief Finance Officer
FRC/2020/001/00000021936

The accounting policies on pages 364 to 369 and the notes on pages to form integral parts of these financial statements.

PROFIT AND LOSS

For the year ended 31st December, 2008

	Notes		2009 N'000		2008 N'000
Turnover	14		213,170		214,367
Cost of Sales	15		(168,940)		(135,733)
Gross Profit			**44,230**		**78,634**
Advertisement and Sales		501		610	
Administrative Expenses		95,060		62,634	
			(95,562)		(63,244)
			(51,331)		15,390
Other Operating Income	16		37,249		37,559
Operating Profit			(14,802)		52,949
Interest Payable & Similar Charges	19		(47,616)		(38,927)
Provision for Doubtful Investment			-		(1,296)
Loss on ordinary activities before tax			(61,698)		12,726
Taxation	8		-		-
Deferred Taxation (Release)	10		**-**		**-**
Loss on ordinary acticities after tax					
Transferred to Revenue Reserve	13		**(61.989)**		**12,726**
Basic Earnings Per Share (Kobo)			**(64.27k)**		**13.26k**

1 Fixed Assets

	Freehold Land & Building N'000	Plant, Machinery & Equipment N'000	Motor Vehicles N'000	Furniture & Fittings N'000	Total N'000
Cost					
At 01/01/08	53,477	464,615	27,957	19,385	656,434
Additions	2,485	20,348	4,993	6,126	33,951
Disposals	-	-	-	-	-
At 31/12/08	**55,962**	**484,963**	**32,950**	**25,511**	**599,385**
Depreciation					
At 01/01/08	14,494	142,321	22,278	11,691	190,784
Charges for the year	1,246	15,913	1,728	1,750	20,637
On Disposals	-	-	-	-	-
At 31/12/08	**15,740**	**158,234**	**24,006**	**13,441**	**211,421**
Net Book Value					
At 31/12/08	**40,222**	**326,729**	**8,944**	**12,070**	**387,965**
At 31/12/07	38,983	322,294	5,679	7,694	374,650

2 Estate Development

	COST N'000	AMORTISATION N'000	NET BOOK VALUE N'000
Matured Plantation:			
As at 1st January, 2008	196,823	58,313	138,510
Additions	4,754	7,892	(3,138)
As at 31st December, 2008	201,577	66,205	135,372

The plantations were revalued by the directors as at 1st January, 1995 and the directors' valuation of N88,020,000 has been incorporated in the above figures.

3 Investments

	2008 N'000	2007 N'000
2,519,000 Ordinary Shares in Oluwa Glass Co. Plc at cost	1,296	1,296
100,000 Ordinary Shares in Sovereign Trust Insurance Plc at cost	110	110
	1,406	1,406

4 Stocks and Stores

	2008 N'000	2007 N'000
Spare Parts and other Stores items	4,189	11,810
Finished Goods	1,639	1,343
	5,828	13,153

5 Debtors and Prepayments

	2008 N'000	2007 N'000
Amounts falling due within one year:		
Staff Debtors and Advances	2,317	2,929
Prepayments	-	-
Other Debtors		163
	2,317	3,092

6 Bank Loan

	2008 N'000	2007 N'000
Guaranty Trust Bank Plc	149,542	142,667

7 Bank Overdrafts

	2008 N'000	2007 N'000
Sterling Bank Plc	5,873	5,938
Wema Bank Plc - Ore	26,205	23,462
Union Bank Plc - Irele	451	1
Unity Bank Plc	13,327	14,206
	45,856	43,607

8 Taxation

	2008 N'000	2007 N'000
Balance brought forward	10,272	12,337
Payments/Adjustments		
during the year	(6,067)	(2,065)
Provision for the Period :		
Income Tax	-	-
Education Tax	-	-
Balance Carried Forward	4,205	10,272

9 Other Creditors

	2008 N'000	2007 N'000
Customers' Deposits	14,016	13,199
Suppliers	26,679	11,715
Accruals	155,586	97,450
Ondo State Government	235,240	217,092
Other Sundry Creditors	5,132	2,135
	436,653	341,591

10 Deferred Taxation

	2008 N'000	2007 N'000
Balance Brought Forward	18,237	18,237
Charge/(Release during the year)	-	-
	18,237	18,237

11 Share Capital

	2008 N'000	2007 N'000
Share Capital Authorised		
100 million Ordinary Shares of 50k each	50,000	50,000
Issued and Fully Paid:		
96 million Ordinary Shares of 50k each	48,000	48,000

12 Revaluation Reserve

i. The company's fixed assets and estate development were professionally valued by various firms of estate values in 1992 for a total sum of N729.6 million. However, the directors resolved to adopt a valuation figure of N200 million for these assets as at 1st January, 1995. The difference between this amount and the net book value as at that date has been credited to this account.

ii. The headquarters' buildings and mill complex were valued by a value appointed by Union Bank Plc at N1.1 billion. This has, however, not been reflected in the Accounts.

13 Revenue Reserve

	2008 N'000	2007 N'000
Balance as at 1st January	(147,437)	(160,163)
Prior Year Adjustments	(21,884)	
Profit for the year transferred from the Profit & Loss Accounts	(61,698)	12,726
Balance at 31st December	(231,019)	(147,437)

14 Turnover

Turnover comprises the value of palm oil and other by-products which the company sold to third parties. It was derived as follows.

	2008 N'000	2007 N'000
Sales- Fresh Fruit Bunches	112,402	113,033
Sales- Palm Oil	90,686	91,195
Sales- Palm Kernel	7,396	7,438
Sales- Other By-Products	2,686	2,701
	213,170	214,367

15 Cost of Sales

	2008 N'000	2007 N'000
Estates Revenue Expenditure	16,413	32,623
Staff Costs	87,871	53,621
Other Production Costs	36,128	18,891
Depreciation & Amortization	28,529	30,598
	168,940	135,733

16 Other Incomes

	2008 N'000	2007 N'000
Handling Charges	9,895	9,978
Other Sundry Incomes	27,354	27,581
	37,249	37,559

17 Cash flow from operating activities

	N'000	2008	N'000	2007 N'000
Profit/(Loss) Before Taxation		(61,698)		12,726
Adjusted for non-cash items:				
Depreciation & Amortization	28,529		30,558	
Provision for doubtful investments	-		1,296	
Provision for deferred tax	-		-	
Interest Income	-		(201)	
Interest Paid	(47,616)		38,927	
		(19,088)		70,580
Changes In Working Capital		(80,786)		83,306
(Increase)/Decrease in stocks	7,325		(3,801)	
(Increase)/Decrease in Debtors	775		4,917	
Increase/(Decrease) in Creditors	95,062		4,559	
		103,162		5,675
Changes In other assets and liabilities				
Deferred Assets		51,637		19,639
		95,328		108,620

18 Operating Profits

(a) Operating Profit is arrived at after charging:

	2008 N'000	2007 N'000
Depreciation & Amortization	28,528	30,559
Audit Fees	1,389	1,500

(b) Directors' Emoluments

i. The aggregate emoluments of the directors were:

	2008 N'000	2007 N'000
Fees as Directors	1150	1,250
Other emoluments	2700	1,906
	3,850	3,156

ii. The fees paid to the:

	2008 N'000	2007 N'000
Chairman	150	150
Other Directors	1100	1,100
	1,250	1,250

iii. Other Directors received emoluments in the following ranges

	Number	Number
Up to =N=100,000	11	11
N20,001 - N30,000	-	-
	11	11

(c) Staff Number & Costs

i. The average number of persons employed (excluding the directors) In the company during the year was

	Number	Number
	1,954	2,287

ii. The aggregate payroll costs of these persons were as follows:

	2008 N'000	2007 N'000
Salaries & wages	130,915	63,856
Staff retirement scheme contributions including pension fund.	2,849	2,345
	133,764	66,201

(d) Highest Paid Employees

Employees of the company other than directors whose duties were wholly or mainly discharged in Nigeria and who received remuneration over =N=60,000 in the year fell within the following ranges:

	Number	Number
Up to =N80,000	1,720	1,728
N80,001 - N90,000	307	307
N90,001- N100,000	180	180
N100,001 and above	71	72
	2,278	2,287

19 Interest Payable & Similar Charges on Bank Loans & Overdrafts

	2008 N'000	2007 N'000
Repayable wholly within 5 years	47,616	38,927
On other loans and debenture stock		
Repayable wholly within 5 years	-	-
	47,616	38,927

20 Contingent Liabilities

The management is of the opinion that the total claims in respect of pending legal matters are not expected to be of any significant value and we cannot find any evidence to the contrary.

21 Capital Commitments

Capital expenditure authorized by the directors but not provided for in these Financial statements are as follows:

	2008 N'000	2007 N'000
Contracted	-	-
Not Contracted	-	-

22 Suppliers

The company has no significant suppliers as it produces its own crops.

23 Comparative Figures

Certain items of the previous year are sometimes re-classified to give a more meaningful comparison.

CASH FLOW STATEMENTS

For the year ended 31st December 2008

	2008	2007
	N'000	N'000
Net Cash flow from operating activities (Note 17)	**95,328**	108,620
Taxation paid	(6,067)	(2,065)
Cash flow from Investing Activities		
Fixed assets acquired	(33,951)	(219,915)
	55,310	(113,360)
Cash flow from Financing Activities		
Loan received	**-**	**150,000**
Loan paid	**(11,242)**	**(13,492)**
Interest On Loan	**(47,616)**	**(38,927)**
Interest Income	**-**	**201**
Cash & Cash Equivalents on January 1	**(41,292)**	**(25,714)**
	(44,841)	**(41,292)**
Represented by:		
Cash & Bank balances	1,015	2,315
Bank Overdraft	(45,856)	(43,607)
	(44,841)	**(41,292)**

VALUE ADDED STATEMENTS

For the year ended 31st December 2008

	Year Ended 31/12/08 N'000	%	Year Ended 31/12/07 N'000	%
Gross Earnings	**250,419**		**251,926**	
Cost of Sales & other services	**(105,058)**		**(105,819)**	
Value Added	**145,361**	**100%**	**146,107**	**100%**
Applied as follows:				
In payment of Employees:				
Salaries, allowances & other benefits	**130,915**	**90%**	**63,856**	**44%**
In payment of Providers of Funds:				
Dividends to Shareholders	**-**	**-**	**-**	
Interest on Loans	**47,616**	**33%**	**38,927**	**27%**
In payment to Government:				
Direct Taxation	**-**	**-**	**-**	**0%**
Retained for future Replacement of Assets & expansion of Business:				
Depreciation and Amortization	**28,528**	**20%**	**30,598**	**21%**
Profit/(Loss) for the year	**(61,698)**	**-42%**	**12,726**	**9%**
Value Added	**145,361**	**100%**	**146,107**	**100%**

Value added represents the additional wealth created and its allocation among Employees, Shareholders, Government and re-investment for the future.

FIVE YEAR FINANCIAL SUMMARY

	As at 31/12/08 N'000	As at 31/12/07 N'000	As at 31/12/06 N'000	As at 31/12/05 N'000	As at 31/12/04 N'000
Use of Funds					
Fixed Assets	387,965	374,650	200,354	198,003	72,316
Estate Development	135,372	138,510	146,383	134,348	108,506
Investments	1,406	1,406	1,406	1,406	1,413
Deferred Assets	19,638	19,639	-	-	-
Current Assets	9,160	18,560	20,195	24,677	66,560
Total Assets	553,541	552,765	368,338	358,434	248,795
Less: Current Liabilities	(636,256)	(538,137)	(366,436)	(366,407)	(291,201)
	(82,716)	14,628	1,902	(7,973)	(42,406)
Deferred AGM Expenses	13,762				
Deferred Taxation (Release)	18,237	18,237	18,237	9,364	40,472
Total Net Assets	(50,717)	32,865	20,139	1,391	(1,934)
Financed By:					
Share Capital	48,000	48,000	48,000	48,000	48,000
Share Premium	9,368	9,368	9,368	9,368	9,368
Revaluation Reserve	122,934	122,934	122,934	122,934	122,934
Revenue Reserve /(Deficit)	(231,019)	(147,437)	(160,163)	(178,911)	(182,236)
Shareholders' Funds	(50,717)	32,865	20,139	1,391	(1,934)
Total assets per 50k share	5.77k	5.75k	3.84k	3.73k	2.59k
Net assets per 50k share	(52.83k)	34.2k	21.5k	0.6k	(2k)
Turnover	213,170	214,367	186,039	218,424	203,303
Profit/(Loss) Before Tax	(61,698)	12,726	14,357	35,964	19,958
Profit/(Loss) After Tax	(61,698)	12,726	9,875	34,433	18,886
Dividends	-	-	-	-	-
Basic Earnings Per 50k Share	-64.27k	13.26k	10.29k	35.7k	19.7k
Dividends per 50k Share	-	-	-	-	-

NOTES

NOTES

Affix Current Passport Photograph

E-DIVIDEND MANDATE ACTIVATION FORM

Only Clearing Banks are acceptable

Instruction

Please complete all sections of this form to make it eligible for processing and return to the address below

The Registrar
GREENWICH REGISTRARS & DATA SOLUTIONS LIMITED
274 Murtala Muhammed Way, Yaba, Lagos

I\We hereby request that henceforth, all my\our Dividend Payment(s) due to me\us from my\our holdings in all the companies ticked at the right hand column be credited directly to my\our bank detailed below:

Bank Verification Number

Bank Name

Bank Account Number

Account Opening Date

Shareholder Account Information

Surname/Company Name	First Name	Other Names

Address

City	State	Country

Previous Address (if any)

CSCS Clearing House Number

Mobile Number 1 **Mobile Number 2**

Email Address

Shareholder's Signature **Company Seal (If applicable)**

2nd Signatory (Joint/Company Accounts)

Help Desk Telephone No/Contact Centre Information for Issue resolution or clarification: +234-(0)1-2917747, +234-(0)1-2793160-2.

Tick	Company Name	Shareholders Account No.
	11 PLC	
	Abplast Products PLC	
	Allianz Nigeria Plc (erstwhile Union Assurance Company Limited; Ensure Insurance)	
	Aluminium Extrusion PLC	
	Cashchew Nut Processing Industries PLC	
	Chellarams PLC	
	Christlieb PLC	
	DANA Group of Companies PLC Series 1 & 2	
	DN Tyre & Rubber PLC	
	Ekiti State Bond Tranche 2	
	EKOCORP PLC	
	Eterna PLC	
	FAN Milk PLC	
	General Telecoms PLC	
	GlaxoSmithKline Nigeria PLC	
	Global Biofuel Nigeria Limited	
	Great Nigeria Insurance PLC	
	Ikeja Hotels PLC	
	Impresit Bakolori PLC	
	Industrial & General Insurance PLC	
	IPWA PLC	
	John Holts PLC	
	Julius Berger Nigeria PLC	
	Kajola Integrated & Investment Company PLC	
	Lennard Nigeria PLC	
	Meyer PLC	
	Municipality Waste Management Contractors Limited Series I,II & III	
	Nestle Nigeria PLC	
	Nigeria Cement Company PLC	
	Nigeria Reinsurance	
	Nigerian Enamelware PLC	
	Nigerian Lamp & Industries	
	Nigerian Wire & Cable PLC	
	Okitipupa Oil Palm PLC	
	Oluwa Glass Company	
	The Tourist Company of Nigeria PLC	
	Tripple Gee & Company PLC	
	UBN Property Company PLC	
	Unilever Nigeria PLC	
	Union Bank of Nigeria PLC	
	Union Homes REITS	
	Union Homes Savings & Loans PLC	
	University Press PLC	
	WEMA Bank PLC	
	Wema Funding SPV Plc Bond Series I & II	

GREENWICH
REGISTRARS & DATA SOLUTIONS

SHAREHOLDER'S RECORD UPDATE FORM

Date: [DD]-[MM]-[YYYY]

Passport Photograph

PERSONAL INFORMATION

1.*Surname/Company Name

2.*Other name(Individual Shareholders)

3.*Mailing Address

4.*Contact Address

5.*E-mail Address

6.*G.S.M Number 1

***G.S.M Number 1**

7.CSCS Clearing House Number

8.Shareholders Account Number

9.* Occupation

10. Nationality

11. *Name of Stockbroking Firm

12. *Next of Kin

13. Relationship to Next of Kin

Please tick as appropriate	√
11 PLC	
Abplast Products PLC	
Allianz Nigeria Plc (erstwhile Union Assurance Company Limited; Ensure Insurance)	
Aluminium Extrusion PLC	
Cashchew Nut Processing Industries PLC	
Chellarams PLC	
Christlieb PLC	
DANA Group of Companies PLC Series 1 & 2	
DN Tyre & Rubber PLC	
Ecobank Transnational Incorporated (Naira)	
Ecobank Transnational Incorporated (USD)	
Ekiti State Bond Tranche 2	
EKOCORP PLC	
Eterna PLC	
FAN Milk PLC	
General Telecoms PLC	
GlaxoSmithKline Nigeria PLC	
Global Biofuel Nigeria Limited	
Great Nigeria Insurance PLC	
Ikeja Hotels PLC	
Impresit Bakolori PLC	
Industrial & General Insurance PLC	
IPWA PLC	
John Holts PLC	
Julius Berger Nigeria PLC	
Kajola Integrated & Investment Company PLC	
Lennard Nigeria PLC	
Meyer PLC	
Municipality Waste Management Contractors Limited Series I,II & III	
Nestle Nigeria PLC	
Nigeria Cement Company PLC	
Nigeria Reinsurance	
Nigerian Enamelware Company PLC	
Nigerian Lamp & Industries	
Nigerian Wire & Cable PLC	
Okitipupa Oil Palm PLC	
Oluwa Glass Company	
The Tourist Company of Nigeria PLC	
Tripple Gee & Company PLC	
UBA Fixed N20 Billion Bond Series 1 Bond	
UBN Property Company PLC	
Unilever Nigeria PLC	
Union Bank of Nigeria PLC	
Union Homes REITS	
Union Homes Savings & Loans PLC	
University Press PLC	
WEMA Bank PLC	
Wema Funding SPV Plc Bond Series I & II	

DECLARATION

I hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details.

Shareholders Signature

2nd Joint Account holders Signature

Incorporation Number (Corporate Shareholder) RC

Company Seal

Kindly return the duly completed form to the Registrar; Greenwich Registrars & Data Solutions No. 274 Murtala Muhammed Way, Yaba, Lagos. Completed forms can be submitted electronically via email: info@gtlregistrars.com or through any of our branches on our website: www.gtlregistrars.com. Note: Shareholders with outstanding dividend warrants should send a mail to info@gtlregistrars.com visit GTL Registrars Limited or call +234-(01)-2793160-2.

RC 17790

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