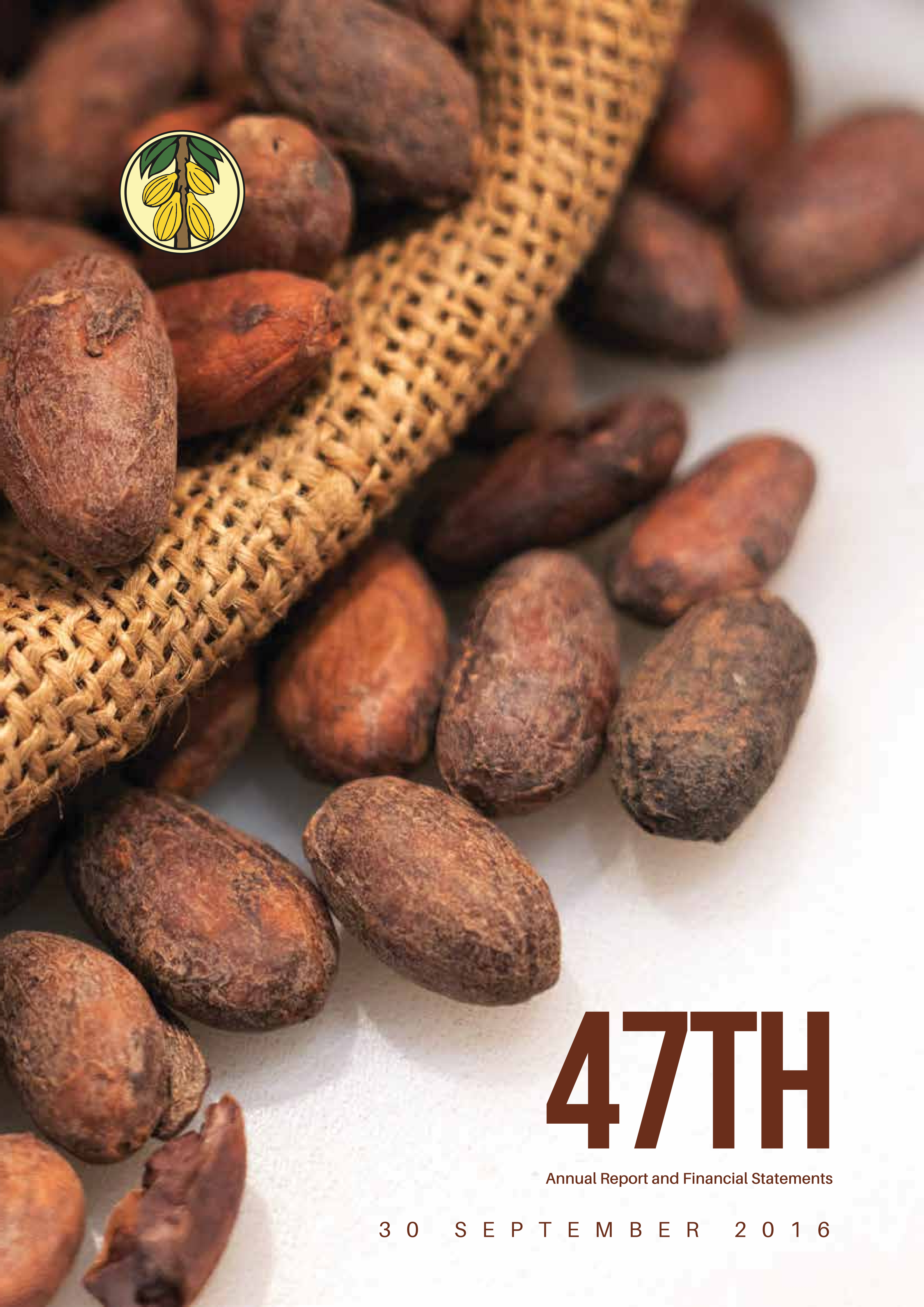


47TH

Annual Report and Financial Statements

30 SEPTEMBER 2016

REASONS TO CONSUME Cocoa

01 Provides the most powerful dietary antioxidants

02 Reduces blood pressure

03 Delays physical signs of ageing

04 Fights dental decay.

05 Rich dietary iron which helps to fight anemia.

06 Has Aphrodisiac effect

07 Prevents stroke by improving blood circulation

08 Fights stress

09 Minimizes discomfort/ pain associated with menstrual periods

10 Protects blood vessels.

11 Boosts sense of well-being.

AUDITORS AND REGISTERED OFFICE

Auditors

KPMG (ICAG/F/2014/038)
Chartered Accountants
13 Yiyiwa Drive, Abelenkpe
Post Office Box 242
Accra.

Registered Office

Cocoa House
41 Kwame Nkrumah Avenue
Post Office Box GP 933
Accra
Tel. 233 -302 – 661752/678972/661782/683300
Fax: 233 -302- 667104/665076
E-mail: cocobod@cocobod.gh
Website: www.cocobod.gh

TABLE OF CONTENTS

Table of contents cont.

FINANCIAL HIGHLIGHTS

	2015/16	2014/15	% CHANGE
1. Turn-Over (Gross) (GH¢)	9,201,490,000	7,583,869,000	21.33
2. Profit (GH¢)	(216,678,000)	152,147,000	(242.41)
3. Total Assets (GH¢)	5,464,744,000	5,714,915,000	(4.38)
4. Equity Capital (GH¢)	852,075,000	1,081,019,000	(21.18)
5. Current Assets (GH¢)	2,947,887,000	3,216,965,000	(8.36)
6. Current Liabilities (GH¢)	1,637,508,000	2,492,559,000	(34.30)
7. Producer Prices (GH¢ per tonne)			
- Main Crop (Cocoa)	6,800	5,600	21.43
- Mid-Crop (Cocoa)	6,800	5,600	21.43
- Coffee (Hulled)	4,320	3,400	27.06
8. Number of Subsidiaries and Divisions	5	5	-
9. Total Employees	8,674	8,499	2.06
10. Quantity Purchased/Exported (tonnes)			
- Cocoa Purchased	778,043	740,254	5.10
- Coffee Purchased	-	2,089	(100)
- Sheanut Exported	134,651	59,909	124.76
11. Achieved F.O.B (US$ per tonne of Cocoa)	3,015	2,810	7.30

BOARD OF DIRECTORS AND COCOBOD MANAGEMENT – 2015/16

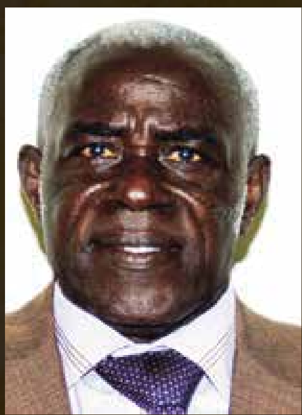
Board of Directors

Mr. Daniel Ohene Agyekum
Chairman

Dr. Stephen Kwabena Opuni
Chief Executive

Mrs. Afriyie Haffar
Member

Mr. Cassiel Ato Forson
Member

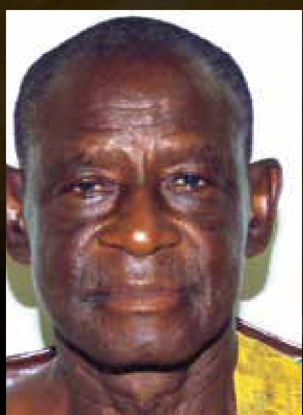


Dr. Agyemang-Atuahene Kontor
Member

Dr. Henry Kofi Wampah
Member

Hon. Ibrahim Murtala Mohammed
Member

Alhaji Alhassan Bukari
Member



Nana Adjei Damoah
Member

Mr. Charles Tetteh Kwao Dodoo
Member

COCOBOD Management

Dr. Stephen Kwabena Opuni	Chief Executive
Mrs. Miriam Okwabi	Deputy Chief Executive (F&A)
Dr. Francis Kofi Oppong	Deputy Chief Executive (A&QC)
Mr. James Kofi Kutsoati	Deputy Chief Executive (Ops)
Mr. Charles Tetteh Kwao Dodoo	Director, Finance
Mr. Ebenezer Tei Quartey	Director (RM&E)
Mr. Alexander M. Asiedu	Director, Estates
Mr. Richard A. Danquah-Boateng	Director, Civil Works
Mr. Lucius C.T. Zaukuu	Director, Audit
Mr. Francis A. Temeng	Director, Human Resource
Dr. Godwin A. Lartey	Director, Health
Mr. John Clottey-Sefa	Director, Legal Services
Mr. Arnold Mensa-Bonsu	Deputy Director, Scholarships Unit
Mr. Emmanuel A. Opoku	Deputy Director (R&D)
Mr. Kwadwo Kissiedu Kwapong	Deputy Director (M&E)
Mr. Charles Amenyaglo	Deputy Director, Legal
Mr. Charles Asamoah-Frimpong	Deputy Director, Finance
Mr. Charles Asafo Adjei	Deputy Director, Civil Works
Mr. Joseph Nsiah	Deputy Director, Civil Works
Dr. Jerry Owusu-Ansah	Acting Deputy Director, Health

Heads Of Divisions/Subsidiaries

Mr. Thomas K. Osei	Managing Director, QCC
Mr. Bennett Akantoa	Managing Director, CMC
Dr. Francis Baah	Executive Director, CHED
Dr. I. Y. Opoku	Executive Director, SPD
Dr. Gilbert J. Anim-Kwapong	Executive Director, CRIG
Mr. Daniel G Essien	Deputy Managing Director (Ops), QCC
Dr. Kwame Mensah Aborampah	Deputy Managing Director (F&A),QCC
Mr. Edem Amegashie	Deputy Managing Director (CMC)
Rev. Dr. Emmanuel Ahia Clottey	Deputy Executive Director (Ops), CHED
Mr. Peter Okyere Boateng	Deputy Executive Director (M&E), CHED
Dr. Emmanuel Agyemang Dwomoh	Deputy Executive Director (Ops), SPD
Dr. Kwabena Opoku Ameyaw	Deputy Executive Director (Cocoa), CRIG
Dr. George Opoku	Deputy Executive Director (Coffee), CRIG

CHAIRMAN'S STATEMENT

Economic Background

World Cocoa Environment 2015/16 Season

World cocoa production, as reported by the International Cocoa Organisation (ICCO), was estimated at 4.03 million tonnes in 2015/16, representing a 5.0% decline over the 4.24 million tonnes recorded in 2014/15. The relatively lower cocoa output recorded in 2015/16 was influenced largely by unfavourable weather conditions in the West Africa sub-region which accounts for about 73% of global cocoa supply. Supplies from West Africa were affected by strong harmattan winds and a prolonged period of drought. Cote d'Ivoire and Ghana continued with their dominance as the two leading producers globally.

Global consumption of cocoa beans, as measured by grindings, decreased by 0.31% from 4.15 million tonnes in 2014/15 to 4.14 million tonnes in 2015/16. The slight decrease was due to the slump in the availability of cocoa beans to processors in the West African region. Conversely, grindings in Asia and Oceania increased by almost six per cent to 898,000 tonnes, while for Europe and the Americas, they rose by almost three per cent and one per cent, to 1.591 million tonnes and 883,000 tonnes respectively.

World market prices at the beginning of the year started on a strong note at US$3,198.30 per tonne. However, expectations of unfavourable weather conditions along with negative expectations for the 2015/2016 main crop from West Africa contributed to an increase in price. Nonetheless, unfavourable weather conditions coupled with the strengthening of the US dollar stimulated bearish movement. The market witnessed a sustained downward trend which was reinforced in the middle of the season. The price recovered from the latter part of April and continued throughout May. Persisting concerns related to Ghana's crop and the El Niño weather coupled with similar concerns from Côte d'Ivoire reversed the price trend.

The average international cocoa prices, as measured by the ICCO daily price for the 2015/16 season, settled at US$3,092.59. This price exceeded the average price of US$3,009.00 realized in the 2014/15 season by 2.70%. A significant share of beans reaching the ports in Cote d'Ivoire had been reportedly rejected by exporters in the country. This was due to their sizes being below the official threshold set for exports and this lent support to upward movement of cocoa prices. The effect was due to strong harmattan winds coupled with a long period of drought.

Off-shore Borrowing

We continued to rely on off-shore trade finance facility to support cocoa purchases operations. At the start of the season, COCOBOD secured a syndicated loan of US$1.8 billion from a consortium of banks led by mandated lead arrangers. They were Barclays Bank PLC, Commerzbank Aktiengesellschaft, Deutsche Bank AG, Natixis, Standard Bank of South Africa and Sumitomo-

Mitsui Banking Cooperation with Standard Chartered Bank as Co-Arranger. The other banks in the syndication included The Bank of Tokyo-Mitsubishi UFJ Ltd, DZ Bank AG Deutsche Zentral-Genossenchaftbank, HSBC France, KfW Impex-Bank GmbH, Ned Bank Limited, Qatar National Bank SAQ, Rand Merchant Bank, ABN Amro bank N.V. The rest were Société Générale S.A., Crédit Agricole Corporate and Investment Bank, Intesa SanPaolo SpA, Barclays Bank Mauritius Limited, Mizuho Bank, Absa Bank Limited and BHF-Bank Aktiengesellschaft. COCOBOD successfully repaid the loan with interest within the agreed terms of the facility.

Operating Results

The industry experienced a global economic challenge which invariably affected the operational returns of COCOBOD. Consequently, we recorded a loss of GH¢216,678,000 as against a profit of GH¢152,147,000 recorded in 2014/15.

COCOBOD paid GH¢364,737,000 as export duty during 2015/16 crop year as against GH¢88,647,000 paid in the 2014/15 crop year.

Future Outlook

Although the 2015/16 season experienced unfavourable weather conditions, there was a 5.10% increase in crop outturn compared with the previous year. Several broad policy measures to support the cocoa sub-sector will be implemented. These measures are to ensure efficiency through streamlining of activities, introduction of new interventions and programmes in order to contribute efficiently to growth in the cocoa sector. COCOBOD, in conjunction with the Ministry of Trade and Industry, will seek new markets and strengthen stands in the existing ones. Policies have also been put in place to promote industrialization by increasing processing of cocoa in Ghana.

In an attempt to modernize the cocoa sector, COCOBOD is introducing vigorous rehabilitation of existing farms, replanting of old and moribund cocoa farms as well as cutting and replanting diseased cocoa trees. In addition, an efficient and effective supply of hybrid cocoa seedlings to farmers will be implemented. Government also seeks to take care of bottlenecks in the customary land tenure system as well as to re-introduce compensation payments to farmers whose farms are grubbed under the cocoa rehabilitation programme.

The Cocoa Diseases and Pests Control Programme (CODAPEC) is to be redesigned to involve farmers with the introduction of private sector participation in order to maximize the impact on cocoa productivity. A programme has also been drawn up to train technical officers on artificial pollination in all cocoa growing regions. COCOBOD will institute programmes on soil mapping of cocoa farmlands as well as collect data on farmers and their farms.

To ensure the long term sustainability of coffee production, COCOBOD has allocated an amount of GH¢2.04 million to produce 5 million coffee seedlings to be distributed free of charge to farmers. Coffee farmers will also be supported with fertilizers and extension services to hasten growth and improve productivity in young and matured plants respectively. Reforms in the marketing of coffee will be introduced to assure farmers of ready market at competitive prices for the coffee produced.

Government facilitated the establishment of a shea processing factory at Buipe to add value and increase foreign exchange earnings from the sector. COCOBOD will continue funding the Shea Unit as part of its operational activities to revamp the shea industry. The Shea Development Strategy (SHEDS) has been formulated by COCOBOD in close collaboration with stakeholders to provide a long-term development perspective for the shea sector. The road map for the evolution of the Shea Development Board has also been laid and will be pursued.

To conclude, I wish to reiterate our resolve to put Ghana Cocoa Board and its activities on a strong footing. To this end, COCOBOD will finalise the capacity building process to enable QCC to test for chemical residue levels and issue appropriate certificates as well as undertake other superintending functions involving inspection of produce at origin (point of shipment) and destination. The Board of Directors will also support COCOBOD Management to monitor and consolidate gains made and find solutions to any emerging challenges.

CHIEF EXECUTIVE'S REPORT FOR THE YEAR ENDING 30TH SEPTEMBER, 2016

Review Of Business Operations

1. Producer Price

The 2015/16 cocoa year commenced on 2nd October, 2015. The producer price per tonne of cocoa was set at GH¢6,800.00. Margins and rates for cocoa buyers, hauliers and other operatives as well as fees and charges were also set at the beginning of the season.

The coffee and sheanut sectors have been privatized. As a result, their producer prices are determined through negotiations between farmers and Licensed Buying Companies (LBCs) with minimal COCOBOD involvement. For the two commodities, COCOBOD sets their floor prices which serve as the starting point at which both farmers and LBCs may negotiate. During the period under review, the floor price for a tonne of coffee was GH¢4,320.00 (GH¢270.00 per bag) whiles a tonne of sheanut stood at GH¢1,462.50 (GH¢117 per bag).

2. Cocoa Purchases Performance of Licensed Buying Companies (LBCs)

The 2015/16 cocoa season marked 23 years of participation by Licensed Buying Companies (LBCs) in the internal marketing of cocoa. At the beginning of the 2015/16 season, COCOBOD licensed 46 companies to engage in the internal marketing of cocoa. However, 40 out of 46 registered LBCs were active and purchased cocoa during the year.

Cumulative cocoa purchases for the 2015/16 season was 778,043.38 tonnes. This volume showed an increase of 5.10%, compared to the 740,253.63 tonnes recorded in 2014/15.

The LBCs that were actively involved in the internal marketing of cocoa in the year under review were;

1.	PBC Limited	(PBC)
2.	Armajaro (Gh) Limited	(AGL)
3.	Olam (Gh) Limited	(Olam)
4.	Transroyal (Gh) Limited	(TGL)
5.	Cocoa Merchant (Gh) Limited	(CMGL)
6.	Federated Commodities Limited	(FCL)
7.	Kuapa Kokoo Limited	(KKL)
8.	Adwumapa Buyers Limited	(ABL)
9.	Nyonkopa Commodities Buyers Ltd	(NCBL)
10.	Royal Commodities Limited	(RCL)
11.	Unicom Commodities Limited	(Unicom)
12.	Kumankoma Company Limited	(KCL)
13.	Sika Aba Buyers Limited	(SABL)
14.	Fludor Ghana Limited	(FGL)
15.	NTHC Commodities Limited	(NTHC)
16.	CDH Commodities Limited	(CDH)
17.	M-Ghazzalli Ghana Limited	(MGGL)
18.	Evadox Limited	(EVL)

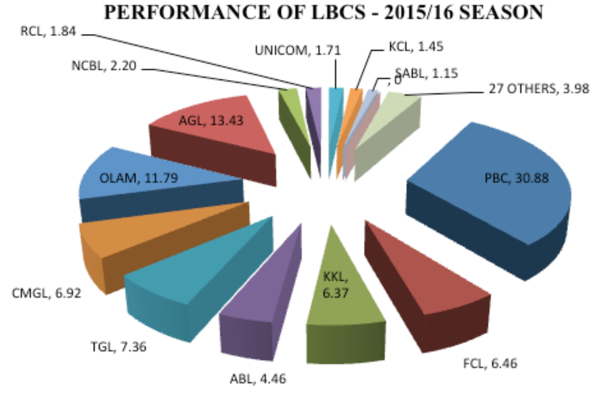
19. Splendid Business Services (SBS)
20. Nhyira Dua Ghana Limited (NHDGL)
21. First Sky Commodities Limited (FSC)
22. Akuotech Company Limited (AKCL)
23. Yayra Glover Limited (YGL)
24. Brosaman Company Limited (BRCL)
25. Liberty Commodities Limited (LCL)
26. Fortune Tree Company Limited (FTCL)
27. Kokoo Aba Buyers Limited (KABL)
28. Sassh Company Limited (Sassh)
29. Countryside Investment Limited (CIL)
30. Five Star Produce Buying Co. (FSPBC)
31. Edebo Kokoo Company (EKC)
32. Universal Co-operative Co. Ltd (UCCL)
33. Demeter Commodities Limited (Demeter)
34. Yemon Ghana Limited (Yemon)
35. Nkwa Dua Ghana Limited (NDGL)
36. Abrempong Commodities Ltd (Abrempong)
37. Doxa Worldwide Movers Ltd (DWML)
38. Akyaamah and Sons Limited (AAS)
39. Fredako Commodities Co. Ltd (FCCL)
40. Farmers Star Limited (FSL)

The LBCs that did not operate during the period under review were as follows:

1. Alhaji Sulemana Ind. Ltd
2. Tradeco International Co. Ltd
3. Farmers Alliance Ltd
4. Abapa Golden Limited
5. Aboafo Buying Company Limited
6. Akuafo Adamfo Marketing Co. Limited

The Produce Buying Company Limited (PBC) continued to be the leading buyer of cocoa with 30.88% share of the market. Armajaro Ghana Limited and Olam Ghana Limited followed in second and third places with market shares of 13.43% and 11.79% respectively. Ten (10) of the remaining LBCs with market share of between 1.00% and 10.00% accounted for about 40% of the market. The other twenty seven (27) companies together accounted for 3.98% of the market. The performance (%) of the respective LBCs during the season under review is shown in Figure 1.

FIGURE 1
PERFORMANCE OF LBCS - 2015/16 SEASON



3. Coffee And Sheanut Purchases/Exports

The private sector continued to dominate the internal and external marketing of coffee and sheanuts. The number of eligible coffee and sheanut LBCs during 2015/16 was forty two (42). However, only ten (10) were active for coffee marketing and that included the following.

1. Time Marketing Company Limited
2. De Jong
3. Mohage Ventures
4. Al Noad
5. Kwayaa Farms
6. Stemark Farm
7. Cordoba Agro Ghana Ltd
8. Fludor Ghana Ltd
9. Asili Coffee Surveyors
10. Stallion Industries &Investment

There was no record on coffee purchases for the 2015/16 season. This was because the Companies were licensed in February, 2016 after the major harvest. Sheanuts exported during the year 2015/16 was 134,651.18 tonnes valued at GH¢121,212,393 while sheabutter exports were 83,182.24 tonnes valued at GH¢234,956,449.

4. Cocoa Processing

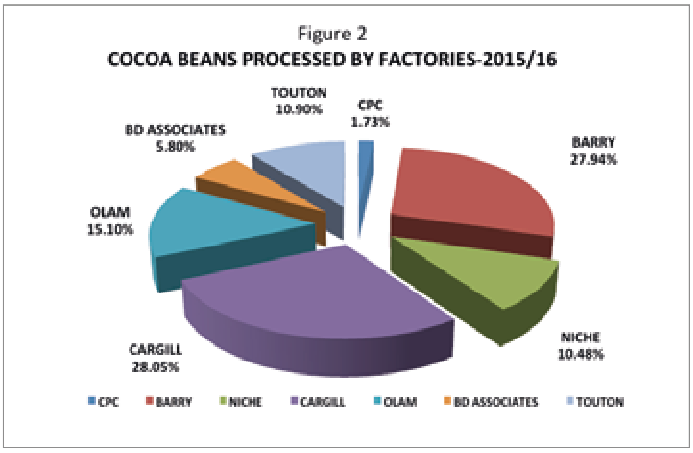
(i) Cocoa Beans

Local processing companies processed 201,869.00 tonnes of cocoa beans into semi-finished products. The companies included;

1. Barry Callebaut
2. Cocoa Processing Company Limited (CPC)
3. Niche Cocoa Industries Limited
4. Cargill (Ghana) Limited
5. Olam Ghana Limited
6. BD Associates
7. Touton Ghana

The major ones, Barry Callebaut, Cargill (Ghana) Limited, Olam Ghana Limited are members of multinational groups with operations worldwide.

Figure 2 below shows the share of cocoa beans processed by the respective local processing factories during the year. Cargill and Barry Callebaut Limited with equivalent share of about 28% each accounted for 55.99% of domestic cocoa processing in 2015/16.



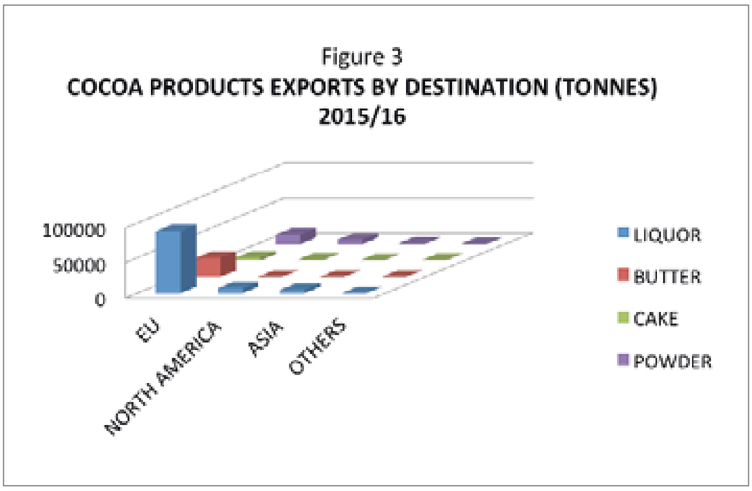
(ii) Cocoa Products

Exports of cocoa products by the seven (7) cocoa processing companies during the 2015/16 year comprised:

Product	Tonnage	Value (GH¢)
Cocoa liquor	98,510.41	345,982,300.96
Cocoa butter	30,152.30	181,717,896.00
Cocoa cake	7,705.34	14,256,693.85
Cocoa powder	23,159.00	65,637,591.44

(iii) Cocoa Product Export by Destination

The trend of cocoa product shipments confirmed the EU market as Ghana's most important destination for the cocoa trade, as the bulk of cocoa products produced by local cocoa processing companies were delivered to European buyers. Details of cocoa products shipments by destination during the season are shown in Figure 3 below.



5. Performance of Subsidiaries and Divisions of COCOBOD

A. Quality Control Company Limited (QCC)

The QCC continued with their core functions of grading/sealing and disinfestation of mandated crops namely cocoa, coffee and sheanuts. During the 2015/16 crop year, the Company inspected and certified the storage facilities of Cocoa Marketing Company (Gh) Limited, Kateon Natie and LBCs at both up-country and take-over centres, in accordance with the Cocoa Industry Regulations 1968/LI598. Additionally, the company intensified education of farmers on good agronomic practices in order to maintain the premium quality of Ghana's cocoa.

(a) Selective Grading of Cocoa

Prescribed codes for the various cocoa bean-size categories that differentiate the 2015/16 crop from the previous years' are indicated below:

		Prescribed Codes	
Bean Size Category	Bean Count per 100 grams	2015/16	2014/15
Super Main Crop	Up to 90	M	W
Main Crop	91 to 100	U	E
Super Light Crop	101 to 110	N	S
Light Crop	111 to 120	G	T
Small Beans	121 to 130	D	Y
Type "4"	131 to 150	K	B
Remnant	151 to 180	R	R

(b) Grading and Sealing

(i) Cocoa

QCC graded and sealed 776,667 tonnes of cocoa in 2015/16 as against 737,022 tonnes in 2014/15. The graded and sealed figure represented 99.82% of the total declared purchases of 778,043.38 tonnes.

(iv) Composition of Bean-size Categories (%)

Bean-size category	2015/16	2014/15
Main Crop	83.15	82.52
Light Crop	7.85	6.29
Small Beans	6.33	0.85
Type "4" Beans	2.33	0.27
Remnant	0.34	0.06

(iii) Other Produce Inspected

QCC also inspected and certified the following produce during the 2015/16 crop season.

Produce	2015/16	2014/2015
Cocoa Waste (tonnes)	4,276	2,910
Coffee (tonnes)	50	35
Sheanut tonnes)	13,136	15,704

(c) Check Sampling

QCC carried out check-sampling activities to certify the purity of the consignment of sealed cocoa delivered by the LBCs to CMC at the Take-Over Centres. Additionally, parcels of cocoa for export or delivery to local processing factories were check-sampled prior to shipment or delivery to the factories.

(d) Disinfestation Activities

The company also undertook the following disinfestation activities during the period.

(i) Insect Control Operations	2015/16	2014/15
1. Number of sheds sprayed	47,036	55,162
2. Number of sheds fogged	34,031	47,170
3. Tonnage of produce fumigated for export (including re-fumigated stocks of cocoa	866,912	917,259

(ii) Shipment Inspection and Treatment

Number of vessels inspected and treated at the ports before loading of produce for shipment.

	2 62	332

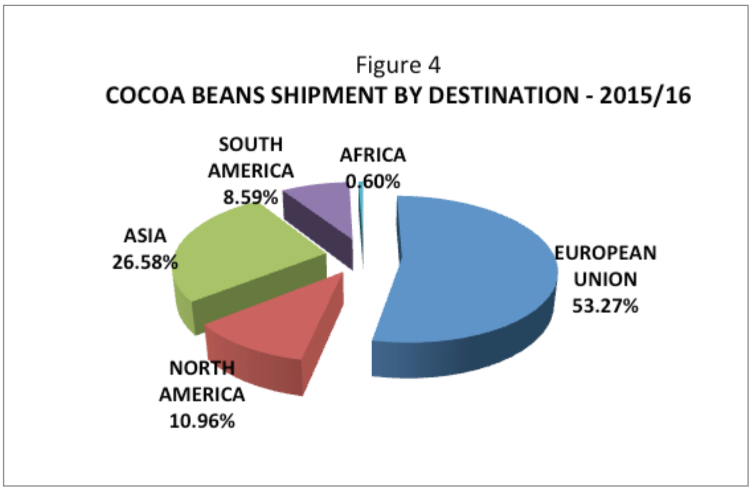
B. Cocoa Marketing Company (Gh) Limited (CMC)

CMC continued to market and ship/deliver cocoa on contract to overseas and local buyers from the Tema, Takoradi and Kumasi ports.

(a) Shipments and Deliveries to Local Processing Companies

(i) Shipment

Cocoa beans shipped to overseas destinations during the 2015/16 crop year totaled 582,016.94 tonnes. The FOB value of the beans shipped amounted to US$1,802,286,786.59. The European Union continued to be the destination receiving the largest shipment of Ghana cocoa beans accounting for 53.27% of total cocoa beans exported. The direction of trade for bean shipments is shown in Figure 4.



(ii) Deliveries to Local Processing Companies

Cocoa beans delivered to local processing companies during the period totaled 213,393.50 tonnes with an FOB value of US$664,358,513.06.

C. Seed Production Division - (SPD)

The Seed Production Division (SPD) has the mandate to multiply improved planting materials for distribution to cocoa farmers.

(a) Hybrid Seed Pods

In 2015/16, the Division harvested 4,642,707 hybrid seed pods, representing 53.1% of the target of 8,752,200 pods. The inability to meet the set target was due to the grubbing of old and unproductive seed gardens and unfavorable weather conditions which affected pod development. Out of the 4,642,707 hybrid pods harvested, 3,995,596 pods, representing 86% were distributed as field usable pods and the remaining pods processed as either fermentable or non-fermentable discards.

(b) Cocoa Seedlings

Out of a target of 30,000,000 hybrids cocoa seedlings projected to be raised for the year, a total of 30,075,268 were raised of which 29,810,679, representing 99%, were distributed to farmers through the Cocoa Health and Extension Division under the free seedlings programme.

D. Cocoa Health And Extension Division (CHED)

(a) Field Operations

The CHED surveyed a total of one hundred and five (105) sectors, representing a 33% increase over the previous year's achievement. The 105 sectors contained 465 blocks and measured 234,428.95 hectares. Out of the 45,509.18 hectares of cocoa areas surveyed during the year under review, 3.44% was found infected with the cocoa swollen shoot virus disease (CSSVD). A total of 299 outbreaks were discovered from an estimated 895,944 diseased trees. A total of 1,680,212 diseased and contact trees were removed by farmers through treatment of 2,738 farms measuring 1,621.34 hectares.

During the year, a total of 873,656 over-aged (unproductive) cocoa trees were cut by farmers from 1,788 farms. This showed 60.4% increase over the 544,775 trees cut from 1,190 farms in the previous year. Western North and South Regions did not remove moribund cocoa trees during the year because almost all over-aged farms in the regions were potentially CSSVD infected and were treated as such.

(b) Extension Delivery

Extension delivery continued during the 2015/16 operational year. A total of 66,735 farmers from

2,560 communities were trained on various modules. The German Development Cooperation (GIZ) in collaboration with CHED (COCOBOD) trained farmers using the Farmer Business School (FBS) platform.

(c) CODAPEC & Hi-Tech

Distribution of fertilizers at the district and community level was supervised by the District Task Forces. A total of 2,597,675 bags of granular fertilizers (inorganic and organic) was distributed to 174,471 cocoa farmers. In addition, 1,736,743 litres of liquid fertilizers (Sidalco and Lithovit) were also distributed to 225,148 cocoa farmers. A total of 110,257 bags of ammonium fertilizer were also distributed to 43,888 farmers to apply on newly established farms.

A total of 21,171,840 satchets of powdered fungicides consisting of 2,043,000 satchets of Kocide, 3,998,600 satchets of Fungikill, 1,393,840 satchets of Nordox, 4,000,000 satchets of Champion and 6,112,400 satchets of Ridomil were distributed. Other powdered fungicides included 1,373,000 satchets of Afro Comet, 2,251,000 satchets of Metacide and 99,960 litres of Sidalco Defender. These were distributed to cocoa farmers over three fungicidal applications to control black pod disease.

A total of 1,239,564 litres of insecticides comprising 433,764 litres of Acati Power, 619,414 litres of Akate Master and 186,384 litres of Confidor were distributed to cocoa farmers free of charge.

E. Cocoa Research Institute Of Ghana (CRIG)

Scientific research activities carried out by CRIG during the 2015/16 crop year included the following:

(a) Cocoa Agronomy: Cocoa Development/Improvement, Mirid, Black Pod and CSSVD Control

(i) During the year under review, five projects at various stages of execution were reported under Cocoa Establishment Thrust. Superior shade tree growth did not influence dry bean yield under the trial "Diversified cocoa/fruit tree system". Generally cocoa yields were relatively lower than the previous year.

(ii) Agronomic evaluation of seedlings and clones of selected cocoa progenies indicated that, genotypes Pa150 x Pound 7 recorded the largest canopy area among seedling planting materials while CRG 1016 recorded the largest canopy area among cloned planting materials. However, these crown area superiorities did not reflect in cocoa bean yields.

(iii) On improving the methods of forecasting cocoa output in Ghana, initial analysis suggest that a time series model could be used to forecast Ghana's cocoa output. The model is dependent on past trends to predict the future and unable to determine the factors responsible for the variation in the past trends. Identifying and including these factors may reduce forecast deviations.

(iv) Under the cocoa improvement thrust, genetic fingerprinting on 62 clones without passport data was completed, to enable their inclusion in the germplasm database. Eleven of the most important clones for variety development have been planted on a 6.0 ha land as support to the seed gardens. In three clone evaluation trials, six clones: CRG 6035/103, CRG 9006/106, CRG 2059/508, CRG 2022/104, CRG 8914/409, CRG 0134/311 have shown high yields with the potential for cultivation by farmers.

(v) Under the cocoa insects' management thrust, field data and reports from farmers confirmed real changes in mirid (Akate) population dynamics across the country, with peak numbers occurring from January to May depending on the location, and another peak in August to December. Sap or pod sucking bugs (stinkbugs and Pseudotheraptus spp.) are becoming increasingly important.

(vi) In the search for alternative forms of control of the black pod disease, two bacteria isolates from cocoa pods were found promising. However application of fungicides currently recommended against black pod disease can disrupt bioactivity of these bacteria isolates. Farmers from three districts in the Eastern Region were trained on Pink disease (Erythricum salmonicolor) identification and management.

(b) Coffee Agronomy, Coffee Development/Improvement, Coffee Pests and Disease Control
Application of fertilizers generally increased dry coffee berry yield with foliar fertilizer NPK giving the highest dry berry yield. Intercropping coffee with fruit trees such as pawpaw, avocado and pineapple produced significantly higher yield (P0.05) than could be obtained from a sole coffee system. An adaptation trial testing 36 hybrids under drought- and nutrient-stress and non-stress conditions has been set up to select generally adaptable hybrids.

(c) Kola Agronomy, Kola Development/Improvement, Kola Pests and Disease Control
Fifteen new kola accessions planted in the kola gene bank in 2015 were evaluated for vigour and yield. Significant variation was observed for these new germplasm for vigour. Clones that show superior vigorous growth have been identified and they could be incorporated into the kola improvement programme at CRIG.

(d) Sheanuts Agronomy/Cashew Development, Sheanuts Pests and Disease Control
Analysis of cashew germplasm plots for genetic diversity resulted in the identification of 21,113 single nucleotide polymorphisms (SNP). Assessment of trees in the various germplasm plots for yield showed that trees from Benin yielded between 0.5 and 25.5 kg/tree and those from Tanzania ranged from 0.5 to 24.1 kg/tree. Evaluation of spacing between cashew trees has shown that close spacing in cashew leads to high nut yield at the early stages of bearing.

(e) New Products Development

Two shea butter-based products, toilet soap and body lotion, were developed and are yet to be produced for economic feasibility studies. The products passed quality assessment at the Ghana Standards Authority.

6. Financial Results
Highlights of the audited accounts for the 2015/16 season included the following:-

(i) Profit/Loss

During the 2015/16 financial year, COCOBOD made a loss of GH¢216,678,000.00 compared to a profit of GH¢152,147,000.00 recorded in 2014/15. The 2015/16 financial year recorded an achievable FOB price of US$3,015.00 per tonne as against US$2,810.00 per tonne in the 2014/15 financial year.

(ii) Export Duty
COCOBOD paid a total of GH¢364,937,000.00 as export duty into government treasury in the 2015/16 crop year as against GH¢88,647,000.00 paid during the 2014/15 crop year.

7. Community Improvement Projects

As part of COCOBOD corporate social responsibility, COCOBOD made cash donations to various institutions and persons during the 2015/16 season. They were as follows:

1. Akyem Abuakwa Traditional Council
2. Ghana Arbitration Centre
3. World Cocoa Farmers Organisation
4. Institute of Human Resource Management
5. Obrachire Senior High School
6. National Farmers' Day Planning Committee
7. Young Cocoa Farmers Association
8. Apowaman Kundum Festival Planning Committee
9. Nii Tetteh Adjabeng 1
10. Cocoa, Coffee & Sheanut Farmers' Association

11. COCOBOD Retired Employees Association
12. Oseadeeyo Addo Dankwa 111
13. Ghana College of Physicians and Surgeons
14. Ghana Institute of Surveyors
15. Ghana Institute of Chartered Accountants
16. IMANI Centre for Policy Education
17. Ghana Scout Association
18. Ghana Academy of Arts and Sciences
19. Barima Kontor Acheampong
20. Tetteh Quarshie Memorial Hospital
21. Chief of Staff, Office of the President.
22. Eugene Sarfo M.
23. Ebenezer Matei Hammond
24. University of Ghana Business School
25. Consumer Protection Agency
26. Dr. Matthew Prempeh
27. Values for Life
28. Adabraka Atukpai Sub-Stool
29. University of Ghana

Dr. Stephen Kwabena Opuni
Chief Executive

12 Provides energy and vitality

13 Boosts fertility in both sexes.

14 Inhibits dangerous clot formation within blood vessels.

15 Affords anti-cancer and cancer-prevention properties.

16 Promotes cleansing and detoxification of the body.

17 Minimizes worrisome changes that accompany menopause

18 Improves memory and general brain functions.

19 Promotes nourishment/ health of brain cells.

20 Supplies many essential dietary minerals.

21 Offers healthy levels of dietary fiber.

An initiative of NCPCC-COCOBOD
Endorsed by Prof. F.K. Addai
(Head of Anatomy) UGMS

Ghana Cocoa Board

ANNUAL REPORTS AND FINANCIAL STATEMENTS

Index	**Page**

Ghana Cocoa Board

CORPORATE INFORMATION

Board of Directors

Mr Daniel Ohene Agyekum (Chairman)
Dr Stephen Kwabena Opuni (Chief Executive)
Dr. Abdul Nashiru Issahaku (Appointed 21/06/2016)
Nana Asiedu Agyeman (Appointed 27/09/2016)
Alhaji Alhassan Bukari
Mr Cassiel Ato Forson
Nana Adjei Damoah
Mr. Charles Tetteh Kwao Dodoo
Mrs. Afriyie Haffar
Ibrahim Murtala Muhammed
Dr Agyemang-Attuahene Kontor (Deceased)
Dr Henry Kofi Wampah (Resigned 29/03/2016

Registered Office

Ghana Cocoa Board
Cocoa House
41 Kwame Nkrumah Avenue
P O Box 933, Accra

Solicitor/Secretary

Mr. John Daniel Clottey-Sefa
Ghana Cocoa Board
41 Kwame Nkrumah Avenue
P O Box 933, Accra

Lithur Brew
No 11B off Kade Avenue,
Kanda Estates
P O Box CT 3865,
Accra

Auditor

KPMG
Chartered Accountants
13 Yiyiwa Drive, Abelenkpe
P O Box 242, Accra

Bankers

Bank of Ghana
Agricultural Development Bank Limited
Barclays Bank (Ghana) Limited
CAL Bank Limited
Ecobank Ghana Limited
FNB Bank Ghana Limited
Fidelity Bank Ghana Limited
GCB Bank Limited
Ghana International Bank Plc
HFC Bank Ghana Limited
National Investment Bank Limited
Prudential Bank Limited
Societe Generale Ghana Limited
Stanbic Bank Ghana Limited
Standard Chartered Bank Ghana Limited
UniBank (Ghana) Limited
Universal Merchant Bank Limited
UT Bank Ghana Limited

Ghana Cocoa Board

REPORT OF THE DIRECTORS TO THE MINISTER RESPONSIBLE FOR FINANCE

The Directors present their report and the consolidated financial statements of Ghana Cocoa Board ("the Group" or "COCOBOD") for the year ended 30 September 2016.

Principal activities

Ghana Cocoa Board is a corporate body domiciled in Ghana, which was established by the Ghana Cocoa Board Act, 1984 (PNDCL 81) as amended by Ghana Cocoa Board (Amendment) Act, 1991, (PNDCL 265). The mandate of Ghana Cocoa Board as set out in section 2 of the Ghana Cocoa Board, Act 1984 (PNDCL 81) as amended, includes amongst others:

(a) To purchase, market and export cocoa produced in Ghana, which is graded under the Cocoa Industry Regulation (Consolidation) Act, 1968 (NLCD 278) or any other enactment as suitable for export;

(b) To establish or encourage the establishment of industrial processing factories for the processing of cocoa and cocoa waste into marketable cocoa products; and

(c) To regulate the marketing and export of cocoa, coffee and sheanuts.

Directors' responsibility statement

The Directors are responsible for the preparation of financial statements that give a true and fair view of Ghana Cocoa Board, comprising the consolidated statement of financial position at 30th September 2016, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Ghana Cocoa Board Act 1984 (PNDCL 81) as amended by the Ghana Cocoa Board (Amendment) Act, 1991 (PNDCL 265). In addition, the Directors are responsible for the preparation of the Report of the Directors.

The Directors are also responsible 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, and for maintaining adequate accounting records and an effective system of risk management.

The Directors have made an assessment of the ability of the Group and its subsidiaries to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the year ahead.

The auditor is responsible for reporting on whether the consolidated financial statements give a true and fair view in accordance with the applicable financial reporting framework.

Business review

Cocoa production for the year under review was 778,043 metric tonnes. This was an increase of 5.1% over the previous year's (2014/2015) production of 740,254 metric tonnes.

Despite the increase in production over the previous year the targeted production of 850,000 metric tonnes could not be achieved. The non-achievement of projected production was attributable to the severe and prolonged harmattan condition which prevailed from early December 2015 to February 2016.

Turnover for the year under review was GH¢9,201,490,000 as against GH¢7,583,869,000 for the 2014/2015 financial year. Despite the increase in turnover, COCOBOD made a net loss of GH¢ 216,678,000 (2014/2015 - net profit of GH¢152,147,000).

The increase in turnover was largely the result of an increase in the achieved average selling price of cocoa beans from US$2,810 per tonne in 2014/2015 financial year to US$3,015 per tonne in the current year. The depreciation of the Ghana Cedi against the US Dollar also contributed to the higher turnover figure achieved for the year.

The loss in the 2015/2016 financial year was attributable to expenses incurred during the year which were directly and positively related to the budgeted production of 850,000 metric tonnes, though a lower quantum of cocoa was produced. The expenses were incurred with the view of attaining the budgeted production figure.

During the year under review, COCOBOD procured adequate chemicals and fertilizer for disease control and to boost production. The effects of these applications on production are expected to be seen in the 2016/2017 crop year.

Price movements

In October 2016, the International Cocoa Organisation (ICCO) daily price averaged US$2,711 per tonne, down by US$170 compared with the average price recorded in the previous month (US$2,881) and ranged between US$2,651 and US$2,835 per tonne.

During the first week of October 2016, cocoa futures markets surged to their highest level for the month and settled at £2,261 per tonne in London and at US$2,790 per tonne in New York. This increase was spurred by a weakening Pound Sterling following concerns over the state of the UK's economy which had re-surfaced following the announcement by the British Prime Minister that formal negotiations for Britain to leave the EU will start by March 2017.

Excessive rainfall in some producing countries in West Africa resulted in the market expectation of a surplus for the 2016/2017 year, leading to the downward pressure on the price. Towards the end of the month under review, cocoa futures moved sideways, with the release of grindings data from Europe, Asia and North America, which was mostly in line with market expectations and the publication of weak weekly arrivals at ports.

The 2016/2017 crop has largely been sold forward at a good price. About a quarter of the crop size for the 2016/2017 is expected to be affected by the declining world cocoa price. The expected loss in revenue would be compensated by the anticipated increase in production volumes.

Supply and demand outlook for 2016/2017 crop season

The 2016/2017 cocoa harvest started slowly in West Africa, as the crop development was delayed due to dry weather conditions. As weather conditions have been favourable in recent months for crop development, in particular in light of conducive rainfall in September 2016, the flow of cocoa beans reaching the ports has picked up.

On the demand side, while European and Asian grindings rose in line with market expectations in the third quarter of 2016 by 2.9% and 12.45% to 343,935 tonnes and 167,637 tonnes respectively, North American grindings on the other hand, increased slightly, at a rate below market expectation, by 0.5% to 124,412 tonnes.

Management's strategy to improve cocoa production remains on course following the implementation of several pragmatic interventions by COCOBOD to support the country's main cash crop. This includes continuous attention towards the cocoa Rehabilitation Programme, Youth in Cocoa Initiative, the Mass Spraying and Disease Control Programme as well as the Free Fertilizer Distribution Programme. Extension support to farmers also continues to receive critical support.

Cocoa Rehabilitation Programme

Ghana Cocoa Board (COCOBOD), with support from the Government of Ghana, continues to intensify its operations in the Cocoa Rehabilitation and Replanting Programme. This is meant to assist farmers to rehabilitate and replant old, destroyed and abandoned cocoa farms.

For the 2015/2016 cocoa season, COCOBOD produced 60 million high yielding and early bearing hybrid seedlings. These hybrid seedlings have already been distributed free of charge to cocoa farmers during the 2015/2016 planting season. For the 2016/2017 cocoa season, COCOBOD will produce an additional 60 million hybrid seedlings for distribution to cocoa farmers.

During the year, COCOBOD increased its nursery sites from 87 to 331 with the dual purpose of increasing seedling production for distribution to cocoa farmers, as well as bringing the planting materials closer to the farmers

Youth in Cocoa Programme

COCOBOD initiated more youth groups in the Youth in Cocoa Farming Programme in a number of cocoa growing communities. The programme seeks to encourage interested young men and women to take up cocoa farming as a lucrative business venture. So far, over 40,000 youth are engaged in cocoa farming under this programme.

The COCOBOD Road Trust Fund

The Ministry of Finance established an Infrastructural Development Trust Fund, otherwise known as the Cocoa Trust in the course of the year 2015/2016. The objectives of the Trust are as follows:

i. Improve the road network in the cocoa growing areas for the efficient operations of COCOBOD, reduce post-harvest losses faced by the farmers and facilitate the movement of people, goods and services in the cocoa growing areas.

ii. Establish oversight of funds provided by COCOBOD in an efficient, economical and effective manner for the financing and rehabilitation of cocoa roads in cocoa growing areas; and

iii. Develop a consistent criterion for identification, selection and maintenance of cocoa roads to be financed and or rehabilitated.

The Producer Price Review Committee (PPRC) in collaboration with Ghana Cocoa Board and the Government of Ghana agreed that an amount of one hundred and fifty million United States Dollars (US$150 Million) be set aside from the appropriations to develop roads in cocoa growing communities. The Cocoa Trust has the mandate to administer funds contributed to the Trust. Consequently, Ghana Cocoa Board is only required to make annual contributions to the Trust Fund based on the appropriations determined by the PPRC annually.

Subsidiaries

Cocoa Marketing Company (Ghana) Limited, a company incorporated in Ghana to engage in the sale and marketing of cocoa, is a wholly owned subsidiary of Ghana Cocoa Board.

Ghana Cocoa Board holds a 57.73% interest in Cocoa Processing Company Limited, a company incorporated in Ghana to engage in the processing and marketing of cocoa products.

Quality Control Company, a company incorporated in Ghana to engage in certification, inspection, grading and sealing of agricultural produce, disinfestation activities, certification of weights of agricultural produce, warehousing and warehousing practices and other incidental business, is a wholly owned subsidiary of Ghana Cocoa Board. The company has been dormant since its formation in 2008.

The financial statements of the above subsidiaries are included in the consolidated financial statements of Ghana Cocoa Board.

Associate

Ghana Cocoa Board owns a 49% interest in Tema Chemicals Limited, a company incorporated in Ghana in the business of formulation, repackaging and sale of Agro chemicals.

Approval of the consolidated financial statements

The consolidated financial statements of the Ghana Cocoa Board were approved by the Board of Directors on

26th January.....2017 and were signed on their behalf by:

DIRECTOR DIRECTOR

Ghana Cocoa Board

INDEPENDENT AUDITOR'S REPORT TO THE MINISTER RESPONSIBLE FOR FINANCE

Opinion

We have audited the consolidated financial statements of Ghana Cocoa Board ("the Group"), which comprise the consolidated statement of financial position at 30 September 2016, and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory note, as set out on pages 18 to 50.

In our opinion, these financial statements give a true and fair view of the consolidated financial position of Ghana Cocoa Board at 30 September 2016, and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Ghana Cocoa Board Act, 1984 (PNDCL 81) as amended by the Ghana Cocoa Board (Amendment) Act, 1991 (PNDCL 265).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and the Directors' Report as required by the Ghana Cocoa Board Act, 1984 (PNDCL 81) as amended by the Ghana Cocoa Board (Amendment) Act, 1991 (PNDCL 265) but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Ghana Cocoa Board Act, 1984 (PNDCL 81) as amended by the Ghana Cocoa Board (Amendment) Act, 1991 (PNDCL 265), and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

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

SIGNED BY: NATHANIEL D HARLLEY (ICAG/P/1056)
FOR AND ON BEHALF OF:
KPMG: (ICAG/F/2016/038)
CHARTERED ACCOUNTANTS
13 YIYIWA DRIVE, ABELENKPE
P O BOX GP 242
ACCRA

3rd January 2017

Ghana Cocoa Board

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended 30 September 2016

	Note	2015/16 GH¢'000	2014/15 GH¢'000
Revenue	7	9,201,490	7,583,869
Direct costs	8	(8,126,710)	(6,220,943)
Gross profit		1,074,780	1,362,926
Other operating income	9	91,195	116,305
Distribution expenses	10	(365,346)	(90,645)
Administrative expenses	11	(880,115)	(1,058,957)
Operating (loss)/profit		(79,486)	329,629
Finance costs	12	(490,331)	(494,598)
Finance income	13	347,316	318,165
Share of profit of associates, net of tax		954	-
(Loss)/profit before tax		(221,547)	153,196
Taxation	14	4,869	(1,049)
(Loss)/profit for the year		(216,678)	152,147
Other comprehensive income			
Items that will not be classified to profit or loss			
Revaluation of property, plant and equipment	15	-	(95,506)
Change to deferred tax on revaluation surplus		(2,090)	-
Re-measurement of defined benefit liability	25	102	(42,672)
Related tax		(27)	-
		(2,015)	(138,178)

	Note	2015/16 GH¢'000	2014/15 GH¢'000
Items that may be reclassified subsequently to profit or loss			
Foreign exchange translation differences – foreign operations		(10,565)	(12,548)
Effect of foreign exchange on revaluation surplus realised	27	-	6,046
Net change in fair value of other financial assets classified as available for sale	27	314	(2,116)
Net gain realized on disposal of available for sale financial assets recycled to profit or loss	27	-	(16,511)
		(10,251)	(25,129)
Other comprehensive income for the year, net of tax		(12,266)	(163,307)
Total comprehensive income for the year		(228,944)	(11,160)
(Loss)/ Profit attributable to:			
Owners of the Company		(201,979)	161,350
Non-controlling interest		(14,699)	(9,203)
		(216,678)	152,147
Total comprehensive income attributable to:			
Owners of the Company		(209,965)	1,664
Non-controlling interest		(18,979)	(12,824)
		(228,944)	(11,160)

The notes on pages 18 to 51 form an integral part of these financial statements

Ghana Cocoa Board

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2016

	Note	2015/16 GH¢'000	2014/15 GH¢'000
Non-current assets			
Property, plant and equipment	15	2,467,852	2,471,071
Trade and other receivables	20	41,758	20,826
Investment in subsidiaries	16	10	10
Investments in associates	16	916	36
Other equity investments	17	6,321	6,007
		2,516,857	2,497,950
Current assets			
Inventories	19	388,951	324,743
Other financial assets	18	404,894	576,919
Trade and other receivables	20	1,928,463	1,889,506
Cash and cash equivalents	21	225,579	425,797
		2,947,887	3,216,965
Total assets		5,464,744	5,714,915
Equity			
Capital contribution		393	393
Fair value reserve		5,579	5,265
Translation reserve		(12,548)	(6,263)
Revaluation reserve		1,668,608	1,703,233
Other reserves		(36,549)	(36,624)
Retained earnings		(733,286)	(563,842)
Equity attributable to owners of the company		892,197	1,102,162
Non-controlling interest		(40,122)	(21,143)
Total equity		852,075	1,081,019
Non-current liabilities			
Loans and borrowings	22	2,890,271	2,062,202
Employee benefits	25	74,071	63,000
Deferred tax liability	14	10,819	16,135
		2,975,161	2,141,337

Consolidated Statement Of Financial Position At 30 September 2016 (cont'd)

	Note	2015/16 GH¢'000	2014/15 GH¢'000
Current liabilities			
Bank overdraft	21	5,065	4,853
Loans and borrowings	22	375,489	1,281,762
Trade and other payables	23	898,539	632,971
Current tax payable	14	7,666	5,102
Deferred income	24	132,668	434,732
Provisions	26	218,081	133,139
		1,637,508	2,492,559
Total liabilities		4,612,669	4,633,896
Total equity and liabilities		5,464,744	5,714,915

The consolidated financial statements were approved by the Board of Directors on 3rd January and were signed on their behalf by:

DIRECTOR

DIRECTOR

The notes on pages 18 to 51 form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Year Ended 30 September 2016

2016	Capital Contribution GH¢'000	Fair Value Reserve GH¢'000	Translation Reserve GH¢'000	Revaluation Reserve GH¢'000	Other Reserve GH¢'000	Retained Earnings GH¢'000	Total Parent Equity GH¢'000	Non-Controlling Interest GH¢'000	Total Equity GH¢'000
Balance at 1 October 2015	393	5,265	(6,263)	1,703,233	(36,624)	(563,842)	1,102,162	(21,143)	1,081,019
Total comprehensive income									
Loss for the year	-	-	-	-	-	(201,979)	(201,979)	(14,699)	(216,678)
Other comprehensive income	-	314	(6,285)	(2,090)	75	-	(7,986)	(4,280)	(12,266)
Total comprehensive income	-	314	(6,285)	(2,090)	75	(201,979)	(209,965)	(18,979)	(228,944)
Transfer within equity									
Revaluation surplus realised	-	-	-	(32,535)	-	32,535	-	-	-
Transfer within equity	-	-	-	(32,535)	-	32,535	-	-	-
Balance at 30 September 2016	393	5,579	(12,548)	1,668,608	(36,549)	(733,286)	892,197	(40,122)	852,075

Ghana Cocoa Board

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Year Ended 30 September 2016

2015	Capital Contribution GH¢'000	Fair Value Reserve GH¢'000	Translation Reserve GH¢'000	Revaluation Reserve GH¢'000	Other Reserve GH¢'000	Retained Earnings GH¢'000	Total Parent Equity GH¢'000	Non-Controlling Interest GH¢'000	Total Equity GH¢'000
Balance at 1 October 2014	393	23,892	1,000	1,802,107	5,807	(732,701)	1,100,498	(8,319)	1,092,179
Total comprehensive income									
Profit for the year	-	-	-	-	-	161,350	161,350	(9,203)	152,147
Other comprehensive income	-	(18,627)	(7,263)	(95,506)	(42,431)	4,141	(159,686)	(3,621)	(163,307)
Total comprehensive income	-	(18,627)	(7,263)	(95,506)	(42,431)	165,491	1,664	(12,824)	(11,160)
Transfer within equity									
Revaluation surplus realised	-	-	-	(3,368)	-	3,368	-	-	-
Transfer within equity	-	-	-	(3,368)	-	3,368	-	-	-
Balance at 30 September 2015	393	5,265	(6,263)	1,703,233	(36,624)	(563,842)	1,102,162	(21,143)	1,081,019

The notes on pages 18 to 51 form an integral part of these financial statements.

Ghana Cocoa Board

STATEMENT OF CASH FLOWS

For The Year Ended 30 September 2016

	Note	2015/16 GH¢'000	2014/15 GH¢'000
Cash flow from operating activities			
Profit for the year		(216,678)	152,147
Adjustments for:			
Depreciation	15	92,161	100,183
Assets written-off	15	6,900	-
Loss/ (Gain) on disposal of property and equipment		436	(133)
Foreign exchange gains		(102,024)	(300,779)
Gain on disposal of available for sale financial assets		-	(10,399)
Reclassification of fair value on available for sale financial assets to profit and loss		-	(16,511)
Share of profit of equity –accounted investees		(954)	-
Finance income	13	(347,316)	(318,165)
Finance costs	12	490,331	494,598
Taxation		(4,869)	1,049
Impairment loss (recovered)/recognised on trade receivables		(61,452)	192,869
		(143,465)	294,859
Changes in:			
Inventories		(64,208)	(34,314)
Other financial assets		184,854	(302,127)
Trade and other receivables		100,338	(550,442)
Trade and other payables		265,568	235,471
Deferred income		(302,064)	316,750
Provisions		84,942	69,698
Employee benefits		(4,368)	(4,898)
Net cash from operating activities		121,597	24,997
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		177	478
Proceeds from sale of available for sale financial assets		-	34,101
Interest received		346,757	322,494
Dividends received	13	633	1,382
Acquisition of property, plant and equipment	15	(70,839)	(71,731)

	Note	2015/16 GH¢'000	2014/15 GH¢'000
Net cash from investing activities		276,728	286,724
Cash flows from financing activities			
Proceeds from loans and borrowings		1,131,708	244,156
Interest paid		(475,080)	(467,945)
Repayment of loans and borrowings		(1,264,464)	(162,421)
Net cash used in financing activities		(607,836)	(386,210)
Net (decrease)/increase in cash and cash equivalents		(209,511)	(74,489)
Cash and cash equivalents at 1 October		420,944	465,353
Effect of exchange rate fluctuation on cash held		9,081	30,080
Cash and cash equivalents at 30th September	21	220,514	420,944

The notes on pages 18 to 51 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 30 September 2016

1. Reporting entity

Ghana Cocoa Board is a corporate body domiciled in Ghana, which was established by the Ghana Cocoa Board Act 1984 (PNDCL 81) as amended by the Ghana Cocoa Board (Amendment) Act, 1991 (PNDCL 265).

These are the consolidated financial statements of Ghana Cocoa Board for the year ended 30 September 2016.

The separate financial statements are available at the Group's registered office, Cocoa House, 41 Kwame Nkrumah Avenue, Accra, Ghana.

2. Basis of accounting

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Ghana Cocoa Board Act, 1984 (PNDCL 81) as amended by the Ghana Cocoa Board (Amendment) Act, 1991 (PNDCL 265).

3. Functional and presentation currency

The financial statements are presented in Ghana Cedis, which is the Company's functional currency. All financial information presented in Ghana Cedis have been rounded to the nearest thousand, except where otherwise indicated.

4. Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. 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 estimates are revised and in any future periods affected.

Critical accounting estimates and judgments

The Group's financial statements and financial results are influenced by accounting policies, assumptions, estimates and management judgments, which necessarily have to be made in the course of preparing the financial statements.

The Group makes estimates and assumptions that affect reported amounts of assets and liabilities. All estimates and assumptions required in conformity with IFRS are based on best estimates made in accordance with applicable standards. Estimates and judgments are evaluated on a continuous basis, based on past experience and other factors, including expectations with regard to future events.

a) Impairment of trade and other receivables

The Group assesses its trade receivables for impairment on a continuing basis. In determining whether an impairment loss should be recorded in profit or loss, the Group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The estimation of the requirement for impairment is based on the current collectability of trade receivables, as well as taking into account historical factors with regard to the impairment of trade receivables. Management believes that the allowance for impairment is conservative and that there are no significant trade receivables that are doubtful and have not been impaired.

(b) Fair value of financial instruments

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The Group regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset and liability that are not based on observable market data (unobservable inputs).

If inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognised transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in determining fair values is included in Note 29 Determination of fair values.

(c) Property, plant and equipment

The residual values of property, plant and equipment are considered in the estimation of their useful lives and economic lives. The estimation of useful lives is based on historical performance as well as expectations about future use, and therefore, require a degree of judgement to be applied. The depreciation rates represent management's current best estimate of the useful lives of the assets.

(d) Land and buildings

An external, independent valuation Company, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the Group's property. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

(e) Defined benefit obligation

Key actuarial assumptions used in the measurement of defined benefit obligations are described under Note 26.

5. Basis of measurement

The financial statements have been prepared under the historical cost convention except for the following material items:

- Financial assets classified as available-for-sale, measured at fair value.
- Defined benefit obligations measured at the present value of future benefit to employees, net of the fair value of fund assets.
- Land and buildings and produce sheds, measured at fair value.

6. Significant accounting policies

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

6.1 Basis of consolidation

Business combinations

Business combinations are accounted for using the acquisition method at the acquisition date - i.e. when control is transferred to the Group. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if they relate to the issue of debt or equity securities.

The consideration transferred does not include amounts that relate to the settlement of pre-existing relationships, such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

The financial statements of the subsidiary used to prepare the consolidated financial statements were prepared as of the Company's reporting date.

Non-controlling interests

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of the equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in a former subsidiary is measured at fair value when control is lost.

6.1 Basis of consolidation

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost.

6.2 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentation currency (Ghana Cedi) at foreign exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated at an average rate for the year. Exchange differences arising from the translation of foreign operations are reported as an item of other comprehensive income and accumulated in the translation reserve or non-controlling interest as the case may be.

When a foreign operation is disposed of, such that control, joint control or significant influence is lost, the entire accumulated amount in the translation reserve, net of amounts previously attributed to non-controlling interests, is recycled to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while still retaining control, the relevant proportion of the accumulated amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while still retaining significant influence or joint control, the relevant proportion of the cumulative amount is recycled to profit or loss.

6.3 Financial instruments

All financial assets and liabilities are recognized in the statement of financial position and measured in accordance with their assigned category.

6.3 Financial instruments

(i) Non-derivative financial assets and liabilities - recognition and derecognition

The Group initially recognises loans and receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognized on the trade date.

6.3 Impairment of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risk and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Group is recognized as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(ii) Non-derivative financial assets - measurement

Loans and receivables

Loans and receivables comprises cash and cash equivalents and trade and other receivables.

Loans and receivables are initially recognized at fair value plus incremental direct transaction costs, and subsequently measured at amortized cost using the effective interest method less any impairment losses.

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents include bank overdrafts that are repayable on demand and forms an integral part of the Company's cash management.

Held-to-maturity financial assets

The Group classifies other financial assets as Held-to-maturity financial assets.

Held-to-maturity are initially recognized at fair value plus incremental direct transaction costs, and subsequently measured at amortized cost using the effective interest method.

Any sale or reclassification of a significant amount of held to maturity assets not close to their maturity would result in the reclassification of all held to maturity assets as available-for-sale, and would prevent the Group from classifying such assets as held-to-maturity for the current and the following two financial years. Differences between the carrying amount (amortized cost) and the fair value on the date of the reclassification are recognized in other comprehensive income.

Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices that are not classified as held-to-maturity investments, fair value through profit or loss or loans and receivables.

Available-for-sale financial assets comprise other equity investments.

Unquoted equity securities whose fair value cannot be measured reliably are carried at cost. All other available-for-sale financial assets are measured at fair value after initial recognition.

6.3 Financial instruments

Available-for-sale financial assets

Interest income is recognized in profit or loss using the effective interest method. Dividends on available-for-sale equity instruments are recognized in profit or loss in dividend income when the Group's right to receive payment is established.

Other fair value changes, other than impairment losses are recognized in other comprehensive income and presented in the fair value reserve within equity. When the investment is sold, the gain or loss accumulated in equity is reclassified to profit or loss.

6.3 Financial instruments(cont'd)

(iii) Financial liabilities - measurement

The Group classifies its financial liabilities, other than financial guarantees and loan commitments, into the other financial liabilities category.

Other financial liabilities include trade and other payables, bank overdrafts and loans and borrowings.

Other financial liabilities are initially recognized at fair value less any directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method.

(iv) Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under applicable accounting standards, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

6.4 Impairment of financial assets

(a) Assets carried at amortised costs

Financial assets not classified as at fair value through profit or loss, including an interest in an equity-accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor will enter bankruptcy, adverse changes in the payment status of borrowers, economic conditions that correlate with defaults.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of estimated future cash flows discounted at the original effective interest rate.

The Group considers evidence of impairment of these assets both on an individual and collective basis. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and make adjustments if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested historical trends.

All impairment losses are recognised in profit or loss and reflected in an allowance account. Interest on the impaired asset continues to be recognised. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

6.4 Impairment of financial assets (cont'd)

(b) Assets classified as available-for-sale

The Group assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired at each reporting date. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is objective evidence of impairment resulting in the recognition of an impairment loss. In general, the Group considers a decline of 20% to be significant and a period of nine months to be prolonged. However, in specific circumstances a smaller decline or a shorter period may be appropriate.

Impairment losses are recognized by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss.

If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can objectively be related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through other comprehensive income.

(i) Recognition and measurement

Items of property, plant and equipment are initially recognised at cost. Land and buildings are recognised at revalued amounts less subsequent accumulated depreciation and subsequent accumulated impairment losses. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

An increase in the carrying amount of buildings as a result of a revaluation is recognized in other comprehensive income and accumulated in equity under revaluation reserve. However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

A revaluation decrease is recognized in profit or loss. However, the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset.

Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Other items of property, plant and equipment are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of self-constructed assets includes the cost of materials and direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components).

(ii) Subsequent costs

The cost of replacing part of an item of property, plant or equipment is recognised in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and the useful life of the asset. Freehold land is not depreciated. The estimated useful lives are as follows:

- Buildings and produce sheds 10-50 years
- Plant and equipment 5 years
- Furniture 5 years
- Motor vehicles 4 years
- Leasehold property shorter of the lease term and the remaining estimated useful life

Depreciation methods, useful lives and residual values are reassessed at each reporting date. Gains and losses on disposal of property, plant and equipment are included in profit or loss.

(iv) Capital work in progress

Property and equipment under construction is stated at initial cost and depreciated from the date the asset is made available for use over its estimated useful life. Assets are transferred from capital work in progress to an appropriate category of property and equipment when commissioned and ready for its intended use.

(v) Dual-use property

Properties that are part used for own-use activities and part for rental activities are considered dual-use properties. This would result in the property being considered to be classified as part property and equipment and the other part as investment property. If a significant portion of the property is used for own-use and the portion rented out cannot be sold or leased out separately under a finance lease, then the entire property is classified as property and equipment. The Group considers an own-use portion above 95% of the measure as significant.

(vi) Derecognition

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected to flow to the Group from either use or disposal.

6.6 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets other than deferred tax assets and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount.

The recoverable amount is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rates that reflect current market assessments of the time value of money and risks specific to the asset.

A previously recognised impairment loss is reversed where there has been a change in circumstances or in the basis of estimation used to determine the recoverable value, but only to the extent that the asset's net carrying amount does not exceed the carrying amount of the asset that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

6.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the selling price less costs to sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

6.8 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions to a separate company and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss in the periods during which services are rendered by employees.

The Group has the following defined contribution schemes:

Social Security and National Insurance Trust

Under the national pension scheme, the Group contributes 13% of employees' basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pensions. The Group's obligation is limited to the relevant contributions, which have been recognised in the financial statements. The pension liabilities and obligations, however, rest with SSNIT

Provident Fund

The Group has a Provident Fund Scheme for all employees who have completed their probation period with the Group. The Group contribute 7% of their basic salary to the Fund. Obligations under the plan are limited to the relevant contributions which have been recognised in the financial statements and are settled on due dates to the fund manager.

End of Service Benefit

The Group operates a contributory 'End-of-Service benefit' scheme for staff under which the Group contributes 12.5% of each staff's basic salary. Obligations under the plan are limited to the relevant contributions which are settled on due dates to the fund manager.

Defined benefit plans

The Group's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefits that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a Qualified Actuary using the projected unit credit method. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses is recognised immediately in other comprehensive income.

The Group determines the net interest expense (income) on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the defined benefit liability at the period end, taking into account any changes in the defined benefit liability during the period as a result of contributions and benefit payments.

Net interest expense and other expenses related to defined benefit plans are recognised in personnel expenses in profit or loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefits that relate to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of defined benefits when settlement occurs.

The Group has the following defined benefit plans:

Ghana Cocoa Board Pension scheme

This pension scheme entitles retired employees to receive annual pension payments. Members retire at the age of 60 and are entitled to receive annual payments, based on a proportion of their final salary until their death.

6.8 Employee benefits(cont'd)

Long-service awards

This defined benefit scheme entitles employees to a benefit package at the end of their service with the Group. This benefit package is paid at the point of exit on scales that have been graduated based on the length of service ranging from 10 to 40 years.

Post-retirement medical benefit

The defined benefit scheme entitles:

i. retired employees who have served a minimum of twelve (12) years to free medical care for themselves, one registered spouse and two children up to 18 years (or 22 years, if still in school).

ii. retrenched employees who have continuously served a minimum of fifteen (15) years and have attained the compulsory retiring age to free medical care for themselves, one registered spouse and two children up to 18 years (or 22 years, if still in school)

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by employees and the obligation can be estimated reliably.

6.9 Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at pre-tax rates that reflect risks specific to the liability. The unwinding of the discount is recognised as finance costs.

6.10 Revenue

Revenue from the sale of goods is measured at the fair value of consideration received or receivable, net of returns, trade discounts, taxes and volume rebates. Revenue is recognised when significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, associated costs and the possible return of goods can be estimated reliably, there is no continuing management involvement in the goods and the amount of revenue can be measured reliably. Risks and rewards of ownership are transferred at the point of despatch.

6.11 Deferred revenue

Deferred revenue is made up of customer advances. This relates to deposits made by customers towards the purchase of cocoa beans, which had not been delivered at the end of the reporting period.

Deferred revenue is recognised when cash is received but goods have not been delivered. It is measured at the value of the amount received. When product is delivered, the amount delivered is transferred from deferred revenue to revenue.

6.12 Leases

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for

6.12 Leases (cont'd)

other elements on the basis of their relative fair values. If the Group concludes for a finance lease that is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

(ii) Leased assets

Leases of property, plant and equipment that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are initially measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under any other leases are classified as operating leases and are not recognised in the Group's statement of financial position.

(iii) Lease payment

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

6.13 Finance income and expenses

Finance income comprise interest receivable on funds invested and dividend income. Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

Finance expenses comprise interest payable and finance lease charges recognised in profit or loss using the effective interest method and unwinding of discounts on provisions that are recognised in profit or loss.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying assets are recognised in profit or loss using the effective interest method.

6.14 Taxation

Tax on profit or loss for the year comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the

6.14 Taxation (cont'd)

foreseeable future. The amount of deferred tax is measured at tax rates that are expected to be applied to temporary differences when they reverse.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

6.15 New standards and interpretations not yet adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 October 2015 and earlier application is permitted. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

- **IFRS 9 Financial Instruments**

On 24 July 2014, the IASB issued the final IFRS 9 Financial Instruments Standard, which replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement.

This standard will have a significant impact on the Group, which will include changes in the measurement bases of the Group's financial assets to amortized cost, fair value through other comprehensive income or fair value through profit or loss. Even though these measurement categories are similar to IAS 39, the criteria for classification into these categories are significantly different. In addition, the IFRS 9 impairment model has been changed from an "incurred loss" model from IAS 39 to an "expected credit loss" model, which is expected to increase the provision for bad debts recognized in the Group.
The standard is effective for annual periods beginning on or after 1 January 2018 with retrospective application, early adoption is permitted.

- **IFRS 15 Revenue from Contracts with Customers**

This standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, and IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC-31 Revenue – Barter of Transactions Involving Advertising Services.
The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

This new standard will most likely have a significant impact on the Group, which will include a possible change in the timing of when revenue is recognised and the amount of revenue recognised. The Group will perform a detailed assessment of the impact of this standard on the Group and will provide more information in the subsequent financial statements.

The standard is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted under IFRS.

- **IFRS 16 Leases**

IFRS 16 was published in January 2016. It sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, ie the customer ('lessee') and the supplier ('lessor'). IFRS 16 replaces the previous leases Standard, IAS 17 Leases, and related Interpretations. IFRS 16 has one model for lessees which will result in almost all leases being included on the Statement of Financial position. No significant changes have been included for lessors.

The standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted only if the entity also adopts IFRS 15. The transitional requirements are different for lessees and lessors. The Group is assessing the potential impact on the financial statements resulting from the application of IFRS 16.

7. Revenue

	2015/16 GH¢'000	2014/15 GH¢'000
Sale of goods		
Sale of cocoa beans	9,145,360	7,484,411
Sale of processed cocoa products	56,130	99,458
	----------------	----------------
	9,201,490	7,583,869
	========	========

8. Direct costs

Cost of inventory included in cost of sales	5,285,502	4,158,993
Buyers' margin and haulers' costs	739,656	654,251
Pest and disease control	294,625	545,081
Cocoa Hi-Tech expenses	715,815	340,811
Other direct costs	218,297	221,765
Depreciation	17,532	17,238
Cocoa roads	855,283*	282,804
	----------------	----------------
	8,126,710	6,220,943
	========	========

*The Producer Price Review Committee (PPRC) in collaboration with Ghana Cocoa Board and the Government of Ghana agreed that an amount of one hundred and fifty million United States Dollars (US$150 Million) be set aside from the appropriations to develop roads in the cocoa growing communities. This agreement commenced in the 2014/2015 financial year.

In August 2016, the Ministry of Finance set up a Cocoa Roads Trust (independent of Ghana Cocoa Board), and has the mandate to administer funds contributed to the Trust. Consequently, Ghana Cocoa Board is only required to make annual contributions to the Trust Fund based on amounts determined by the PPRC.

9. Other operating income

	2015/16 GH¢'000	2014/15 GH¢'000
Rental income	3,244	1,890
Sundry income	87,951	87,372
Profit recycled from fair value reserve on disposal of available for sale financial assets	-	16,511
Profit on disposal of available for sale financial assets	-	10,399
Profit on disposal of property, plant and equipment	-	133
	----------------	----------------
	91,195	116,305
	========	========

10. Distribution expenses

Export duty	364,937	88,647
Other distribution costs	409	1,998
	----------------	----------------
	365,346	90,645
	========	========

11. Administrative expenses include:

Auditor's remuneration	694	400
Depreciation	74,692	82,945
Directors' remuneration	4,415	3,583
Staff costs	663,608	518,333
	========	========

12. Finance costs

	2015/16 GH¢'000	2014/15 GH¢'000
Interest on loans and borrowings	475,080	489,863
Interest on defined benefit pension plan obligations	15,251	4,735
	490,331	494,598

13. Finance Income

Interest on fixed deposits	195,115	110,304
Interest on loans and advances	94,768	168,601
Bank interest earned	56,874	37,878
Dividend income	559	1,382
	347,316	318,165

14. Taxation

Ghana Cocoa Board is exempt from income tax in accordance with section 25 of the Ghana Cocoa Board Act 1984 (PNDCL 81) as amended by Ghana Cocoa Board (Amendment) Act, 1991 (PNDCL 265). Cocoa Processing Company Limited, one of the Company's subsidiary, is also exempt from income tax due to its free zone status.

Of the Group entities, only Cocoa Marketing Company (Ghana) Limited and Ghana Cocoa Marketing Company (UK) Limited are subject to tax.

a. Recognised in profit or loss

	2015/16 GH¢'000	2014/15 GH¢'000
Current tax expense		
Current year	2,564	379
Deferred tax		
Current year	(7,433)	670
	(4,869)	1,049

b. Reconciliation of effective tax rate

(Loss)/Profit before tax	(216,678)	153,196
Tax using the statutory tax rate of 0% (2015: 0%)	-	-
Effect of subsidiaries subject to tax	(4,869)	1,049
Total tax (credit)/expense	(4,869)	1,049
Effective tax rate	2.25%	0.68%

c. Movement in deferred tax balances

	1 October GH¢'000	Profit or loss GH¢'000	In OCI GH¢'000	Net assets/ Liabilities GH¢'000	Deferred tax asset GH¢'000	Deferred tax liabilities GH¢'000
Property, plant and equipment	15,776	(1,883)	2,090	15,983	-	15,983
Carry over loss	-	(4,809)	-	(4,809)	(4,809)	-
Defined benefit liability	-	(259)	27	(232)	(232)	-
Trade receivables	-	(123)	-	(123)	(123)	-
Other items	359	(359)	-	-	-	-
	16,135	(7,433)	2,117	10,819	(5,164)	15,983

d. Tax reconciliation table

Year of assessment	Balance at 1 Oct 2015 GH¢'000	Tax paid GH¢'000	Charge to profit & loss GH¢'000	Balances at 30 Sep 2016 GH¢'000
Company tax				
2012	(604)	-	-	(604)
2013	1,725	-	-	1,725
2014	3,599	-	-	3,599
2015	379	-	-	379
2016	-	-	2,564	2,564
	5,099	-	2,564	7,663
National reconstruction levy				
2004-2006	3	-	-	3
	5,102	-	-	7,666

15. Property, plant and equipment

2016

	Land and Buildings GH¢'000	Furniture and Equipment GH¢'000	Motor Vehicles GH¢'000	Plant and Equipment GH¢'000	Work in Progress GH¢'000	Total GH¢'000
Cost/Valuation						
At 1 October 2015	2,219,551	57,383	58,813	316,451	16,658	2,668,856
Additions	6,306	12,478	7,642	4,665	39,748	70,839
Assets written-off	(6,900)	-	-	-	-	(6,900)
Disposal	-	(383)	(2,315)	(86)	-	(2,784)
Effect of movement in foreign exchange	11,680	266	43	19,407	343	31,739
At 30 September 2016	2,230,637	69,744	64,183	340,437	56,749	2,761,750
Accumulated depreciation						
At 1 October 2015	8,119	39,721	37,597	112,348	-	197,785
Charge for the year	62,148	6,753	6,525	16,735	-	92,161
Released on disposal	-	(267)	(1,818)	(86)	-	(2,171)
Effect of movement in foreign exchange	569	97	139	5,318	-	6,123
At 30 September 2016	70,836	46,304	42,443	134,315	-	293,898
Net book value						
At 30 September 2016	2,159,801	23,440	21,740	206,122	56,749	2,467,852

	Land and Buildings GH¢'000
Comprising	
Carrying amount under cost model	450,958
Effects of movement in foreign exchange	11,111
Revaluation surplus recognised	1,697,732
At 30 September 2016	2,159,801

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

2015	Land and Buildings GH¢'000	Furniture and Equipment GH¢'000	Motor Vehicles GH¢'000	Plant and Equipment GH¢'000	Work in Progress GH¢'000	Total GH¢'000
Cost/Valuation						
At 1 October 2014	2,312,413	50,170	42,126	273,569	13,102	2,691,380
Additions	31,737	8,914	18,147	1,318	11,615	71,731
Transfer between categories	5,378	-	83	2,837	(8,298)	-
Disposals	-	(2,120)	(1,844)	(39)	-	(4,003)
Revaluation deficit	(95,506)	-	-	-	-	(95,506)
Revaluation adjustment	(59,728)	-	-	-	-	(59,728)
Effect of movement in foreign exchange	25,257	419	301	38,766	239	64,982
At 30 September 2015	2,219,551	57,383	58,813	316,451	16,658	2,668,856
Accumulated depreciation						
At 1 October 2014	3,059	34,597	29,663	83,343	-	150,662
Charge for the year	64,137	6,943	9,248	19,855	-	100,183
Released on disposal	-	(2,040)	(1,579)	(39)	-	(3,658)
Revaluation adjustment	(59,728)	-	-	-	-	(59,728)
Effect of movement in foreign exchange	651	221	265	9,189	-	10,326
At 30 September 2015	8,119	39,721	37,597	112,348	-	197,785
Net book value						
At 30 September 2015	2,211,432	17,662	21,216	204,103	16,658	2,471,071
Comprising						
Carrying amount under cost model	447,258					
Effects of movement in foreign exchange	24,606					
Revaluation surplus recognised	1,739,568					
At 30 September 2015	**2,211,432**					

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

Cocoa Processing Company Limited, one of the Group's subsidiaries, has pledged assets with a carrying value of GH¢380,348,000 (2015: GH¢388,443,000) as security for loans and overdrafts from a syndicate of banks led by Barclays Bank Ghana Limited and Prudential Bank Limited respectively.

Except for the property, plant and equipment of Cocoa Processing Company Limited, there are no restrictions to title on any of the Group's property, plant and equipment and there are no charges on any of these assets.

The Group's Land and buildings and produce sheds were independently revalued at 30 September 2015 and 30 September 2014 by Valuation and Investment Associates and Property Solutions Model. Subsequent revaluations will be done at intervals of five years. Valuations are made on the basis of the open market values, which reflect recent prices for similar properties. The revalued amounts were incorporated in the financial statements for the respective years. Revaluation differences are adjusted through revaluation reserve in shareholders' equity.

16. Investments

(a) List of subsidiaries and associates

Set out below is a list of subsidiaries and associates of the Group:

	Country of incorporation	Interest	Principal place of business
Investment in listed entity			
Cocoa Processing Company Limited	Ghana	57.73%	Ghana
Investment in unlisted entity			
Cocoa Marketing Company (Ghana) Limited	Ghana	100%	Ghana
Quality Control Company Limited	Ghana	100%	Ghana
Tema Chemicals Company Limited	Ghana	49%	Ghana

(b) Investment in associates

	2015/16 GH¢'000	2014/15 GH¢'000
Cost	36	36
Dividend received	(74)	-
Share of profit	954	-
	---------	-----
	916	36
	====	===

Tema Chemicals Company Limited

The investment in Tema Chemicals Limited represent shares, held by Ghana Cocoa Board conferring the right to exercise 49% of votes exercisable at general meetings. Tema Chemicals Limited is a company registered in Ghana in the business of formulation, repackaging and sale of Agro Chemicals. There was no change in the nature of objects of the company during the year.

(c) Investment in subsidiary

	2015/16 GH¢'000	2014/15 GH¢'000
Cost	10	10
	==	==

16. Investments (cont'd)

This represents 100% equity interest in Quality Control Company Limited, an entity incorporated in Ghana that engages in certification, inspection, grading and sealing of agricultural produce, disinfestation activities, certification of weights or agricultural produce, warehousing and warehousing practices and other incidental business. The financial information of Quality Control Company Limited has not been consolidated as it is not material to the Group financial statements.

17. Other equity investments

	2015/16 GH¢'000	2014/15 GH¢'000
Equity securities - Available for sale		
At 1 October	6,007	31,825
Net change in fair value	314	2,116)
Disposal	-	(23,702)
At 30 September	6,321	6,007

18. Other financial assets

Held to maturity financial assets		
Fixed deposits	404,894	576,919

19. Inventories

Cocoa beans	36,592	137,120
Other consumables and inputs	341,951	174,170
Processed cocoa products	10,408	13,453
	388,951	324,743

20. Trade and other receivables

Current		
Trade receivables	210,322	318,521
Amounts due from related parties	1,312,031	1,120,454
Other receivables	288,310	329,911
Prepayments	105,531	116,946
Loans receivable	12,269	3,674
	1,928,463	1,889,506
Non-current		
Loans receivable	41,758	20,826

21. Cash and cash equivalent

	2015/16 GH¢'000	2014/15 GH¢'000
Bank balances	201,078	314,580
Cash in hand	307	219
Fixed deposits	24,194	110,998
Cash and cash equivalent per statement of financial position	225,579	425,797
Bank overdrafts	(5,065)	(4,853)
Cash and cash equivalent per cash flow statement	220,514	420,944

22. Loans and borrowings

	2015/16 GH¢'000	2014/15 GH¢'000
Current		
Secured bank loans	375,489	14,581
Unsecured bills payable	-	1,267,181
	375,489	1,281,762
Non-current		
Secured bank loans	2,890,271	2,062,202

Terms and debt repayment schedule

	Currency	Year of Maturity	2016 Face Value GH¢'000	2016 Carrying amount GH¢'000	2015 Face Value GH¢'000	2015 Carrying Amount GH¢'000
Secured bank loan (a)	GH¢	2023	1,999,404	1,999,404	1,999,404	1,999,404
Secured bank loan (b)	US$	2019	1,186,180	1,186,180	-	-
Secured bank loan (c)	US$	2020	43,216	43,216	41,586	41,586
Secured bank loan (d)	US$	2020	36,960	36,960	35,793	35,793
Unsecured bills payable (e)	GH¢	2016	-	-	1,267,181	1,267,181
			3,265,760	3,265,760	3,343,964	3,343,964

a. This relates to a Bank of Ghana facility dated 18 September 2013 covering the conversion of GH¢1,999,404,000 worth of 182 day treasury bills into a ten (10) year credit facility. This facility has a tenure of ten (10) years and attracts interest at 6% per annum on the outstanding principal balance. Repayment of the loan plus interest is to be made in accordance with predefined repayment schedule. This facility is secured by the COCOBOD's bank accounts held with Bank of Ghana and any other bank accounts, both local and foreign.

b. (i) This relates to US$300,000,000 loan facility signed on 15 January 2016 by a syndicate of international banks. The first draw-down on the loan was 29 January 2016. The facility has a tenure of three (3) years and attracts interest of LIBOR plus 3.5% on a quarterly basis. The loan is secured by cocoa sales contract.

(ii) Ghana Cocoa Board, in collaboration with a consortium of over twenty five (25) international banks signed a syndicated loan agreement on 21 September 2016 for an amount of US$1,800,000,000 to finance the purchase of cocoa beans for the 2015/16 crop year. The first tranche of the loan was disbursed on 04 October 2016. This loan was secured against receivables from future sales contracts.

c. This is the outstanding balance of Cocoa Processing Company Limited's US$22,000,000 loan facility made available by a syndicate of banks led by Barclays Bank of Ghana Limited for the expansion of production capacity. The facility had an initial tenure of 5 years from February 2005 and attracted interest at LIBOR plus 3.32%. Subsequently, the maturity date was revised to March 2020 and the interest rate has been revised to the aggregate of the prevailing 6 month USD LIBOR plus a margin of 9.19%. The facility is secured by an assignment of export contracts and receivables amounting to a maximum of eighty percent (80%) of all receivables and by fixed and floating charges over the assets of the company stamped to cover the overall exposure as well as debentures over the debt service reserve account of the company.

d. This is the outstanding balance of Cocoa Processing Company Limited's €22,000,000 loan facility made available by a syndicate of banks led by Barclays Bank of Ghana Limited for the expansion of production capacity from 25,000 metric tonnes to 65,000 metric tonnes. The facility was initially

22. Loans and borrowings (cont'd)

denominated and repayable in Euros over 5 years in equal instalments after one year moratorium. Interest on the facility was charged at EURIBOR plus 2.5%. In 2013 the facility was converted to US$ with a revised maturity of March 2020 and the interest rate has been revised to the prevailing 6 month USD LIBOR plus 9.19%. The facility is secured by fixed and floating charges over the assets of the company.

e. This relates to 4 lots of short term borrowings from Bank of Ghana in the form of treasury (cocoa) bills at varying rates of between 26% and 29% per annum and is repayable within six (6) months. The loan has been fully repaid.

23. Trade and other payables

	2015/16 GH¢'000	2014/15 GH¢'000
Trade payables	41,760	9,733
Other taxes and social security	6,127	9,421
Other payables	224,013	166,502
Accruals	336,077	447,315
Cocoa roads trust fund	290,562	-
	898,539	632,971

24. Deferred income

	2015/16 GH¢'000	2014/15 GH¢'000
Current		
Customer advances	132,668	434,732

25. Employee benefits

Pension plans

Apart from the legally required social security scheme, the company contributes to the following post-employment defined benefit plans.

(a) Ghana Cocoa Board Pension scheme- Plan A

This pension scheme entitles retired employees to receive annual pension payments. Members retire at the age of 60 and are entitled to receive annual payments, based on a proportion of their final salary until their death.

(b) Long-service awards - Plan B

Long service awards accrue to employees based on graduated periods of uninterrupted service. These awards accrue over the service life of employees. Employees leaving the service of the company after ten (10) years through retirement (both voluntary and compulsory) or resignation become eligible for their current entitlement at the time of retirement or resignation based on their length of service.

(c) Post-retirement medical benefit - Plan C

This defined benefit scheme entitles:

i. retired employees who have served a minimum of twelve (12) years to free medical care for themselves, one registered spouse and two children up to 18 years (or 22 years, if still in school).

ii. retrenched employees who have continuously served a minimum of fifteen (15) years and have attained the compulsory retiring age to free medical care for themselves, one registered spouse and two children up to 18 years (or 22 years, if still in school).

25. Employee benefits (cont'd)

These defined benefit plans expose the company to actuarial risks, such as longevity risk, interest rate risk and market (investment risk).

Movement in defined benefit liability

The following table shows a reconciliation of the opening and closing balances of the net defined benefit liability and its components.

End of service benefit

	2015/16 GH¢'000	2014/15 GH¢'000
At 1 October	63,000	24,556
Included in profit and loss		
Current service costs	2,402	1,444
Interest cost	15,251	4,735
	17,653	6,179
Included in other comprehensive income		
Re-measurements		
Actuarial gains	(102)	42,672
Other		
Benefits paid	(6,770)	(5,411)
Exchange adjustments	290	(4,996)
At 30 September	74,071	63,000
Represented by;		
Net defined benefit liability – Plan A	15,166	13,163
Net defined benefit liability – Plan B	16,210	13,567
Net defined benefit liability – Plan C	42,695	36,270
	74,071	63,000

The expense has been recognised in the following line items in profit or loss:

Administrative expenses	2,402	1,444
Finance costs	15,251	4,735
	17,653	6,179

The principal actuarial assumptions at the year-end were as follows:

	2015/16 %	2014/15 %
Discount rate	24	26
Future salary increases	15	17

Sensitivity analysis

Possible changes at the reporting date to the relevant actuarial assumptions is not likely to have a material effect on the defined benefit obligation at the year end.

25. Employee benefits (cont'd)

Defined contribution plans

The Group operates the following defined contribution pension plans.

(i) Social Security

Under a national defined benefit pension scheme, the Group contributes 13% of employees' basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pensions. The Group's obligation is limited to the relevant contributions, which are settled on due dates. The pension liabilities and obligations, rest with SSNIT.

(ii) Provident Fund

The Group operates a provident fund scheme for staff under which the Group contributes 7% of each staff's basic salary to the scheme. Obligations under the plan are limited to the relevant contributions and these are settled on due dates to the fund manager.

(iii) End of Service Benefit

The Group operates a contributory 'End-of-Service benefit' scheme for staff under which the Group contributes 12.5% of each staff's basic salary. Obligations under the plan are limited to the relevant contributions which are settled on due dates to the fund manager.

The total expense relating to these plans in the current year was as follows:

	2015/16 GH¢'000	2014/15 GH¢'000
Defined contribution expense recognised in the year	105,003	85,941
	========	=======

26. Provisions

	Stabilisation fund GH¢'000	Farmers' social security fund GH¢'000	Farmers' welfare fund GH¢'000	Other provisions GH¢'000	Total GH¢'000
At 1 October 2015	72,812	28,898	27,733	3,696	133,139
Provisions made during the year	84,942	-	-	-	84,942
	-------------	------------	-----------	----------	------------
At 30 September 2016	157,754	28,898	27,733	3,696	218,081
	=======	======	======	=====	======

Stabilisation fund

Ghana Cocoa Board is mandated by the Producer Price Review Committee (PPRC), a quasi-regulatory body, to establish a stabilisation fund to be used to avoid significant fluctuations in the producer price of cocoa in Ghana. The funds are set aside from profit at the directive of the PPRC.

Farmers' social security fund

Ghana Cocoa Board is required under section 26 of the Ghana Cocoa Board Act 1984 (PNDCL Law 81), as amended to establish a contributory insurance scheme for cocoa, coffee and sheanuts farmers within the framework of the Social Security Fund. The balance at the year-end represents funds set aside from profit in prior periods to meet the requirement of section 26 of the establishing Act.

There was no transfers during the year because the company did not make a profit.

26. Provisions (cont'd)

Farmers' welfare fund

Ghana Cocoa Board is required under section 27 of the Ghana Cocoa Board Act 1984 (PNDL Law 81), as amended to establish a farmers' welfare fund into which a sum of not more than 10 percent of the net profit of the Group shall be transferred each year. The fund is intended to be used for:

(a) development projects in any cocoa, coffee or sheanuts producing area; and

(b) the provision of other farmers' benefits such as low interest-bearing farmers' welfare loans, farmers' refresher courses, scholarship scheme for farmer's wards, and for other purposes aimed at enhancing the welfare of cocoa, coffee and sheanuts farmers.

There was no transfers during the year because the company did not make a profit.

27. Capital and reserves

Capital contribution

The capital contribution comprise of Ghana Government's contribution towards the set up fund for Ghana Cocoa Board during its establishment.

Fair value reserve

The fair value reserve includes the cumulative net change in the fair value of available-for-sale financial assets until the investment is derecognised or impaired.

Revaluation reserve

Where property, plant and equipment is revalued, the cumulative increase in the fair value of the property at the date of revaluation in excess of its carrying amount is included in the revaluation reserve.

Translation reserve

Translation reserve comprises all foreign currency differences arising from the translation of the financial statement of foreign operations.

Other reserve

Other reserve comprises the cumulative actuarial gains or losses recognised in relation to the Group's defined benefit scheme.

Other comprehensive income

20115/16	Translation Reserve GH¢'000	Fair Value Reserve GH¢'000	Revaluation Reserve GH¢'000	Other Reserves GH¢'000	Retained Earnings GH¢'000	Parent Equity GH¢'000	Non-Controlling Interest GH¢'000	Total Comprehensive Income GH¢'000
Other comprehensive income								
Foreign exchange translation differences – foreign operations	(6,285)	-	-	-	-	(6,285)	(4,280)	(10,565)
Related tax on actuarial gains	-	-	-	(27)	-	(27)	-	(27)
Change in fair value of assets classified as available-for-sale	-	314	-	-	-	314	-	314
Changes in estimate – deferred tax on Revaluation surplus	-	-	(2,090)	-	-	(2,090)	-	(2,090)
Actuarial gains and losses on defined benefit pension plans	-	-	-	102	-	102	-	102
Total other comprehensive income	(6,285)	314	(2,090)	75	-	(7,986)	(4,280)	(12,266)
2014/15								
Other comprehensive income								
Foreign exchange translation differences – foreign operations	(7,263)	-	-	-	-	(7,263)	(5,285)	(12,548)
Effect of foreign exchange on revaluation surplus realised	-	-	-	-	4,141	4,141	1,905	6,046
Change in fair value of assets classified as available-for-sale	-	(2,116)	-	-	-	(2,116)	-	(2,116)
Changes in fair value of available for sale financial assets recycled to profit and loss	-	(16,511)	-	-	-	(16,511)	-	(16,511)
Actuarial gains and losses on defined benefit pension plans	-	-	-	(42,431)	-	(42,431)	(241)	(42,672)
Revaluation of property, plant and equipment	-	-	(95,506)	-		(95,506)	-	(95,506)
Total other comprehensive income	(7,263)	(18,627)	(95,506)	(42,431)	4,141	(159,686)	(3,621)	(163,307)

28. Financial instruments

(a) Fair values of financial instruments

Investments in equity securities

The fair value of available-for-sale financial assets is determined by reference to their quoted bid price at the reporting date.

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rates of interest at the reporting date.

Trade and other payables

The fair value of trade and other payables is estimated as the present value of future cash flows, discounted at the market rates of interest at the reporting date.

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Loans and borrowings

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rates of interest at the reporting date.

Property, plant and equipment

An external, independent valuation Company, having appropriate recognised professional qualifications and recent experience in the location and category of property, plant and equipment being valued, values the Company's property, plant and equipment. The fair values are based on market values, being the estimated amount for which an item of property, plant and equipment could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount 2015/16 GH¢'000	Fair value 2015/16 GH¢'000	Carrying amount 2014/15 GH¢'000	Fair value 2014/15 GH¢'000
Available-for-sale financial assets				
Other investments	6,321	6,321	6,007	6,007
Held to maturity financial assets				
Other financial assets	404,894	404,894	576,919	576,919

28. Financial instruments (cont'd)

a) Fair values of financial instruments (cont'd)

	Carrying amount 2015/16 GH¢'000	Fair value 2015/16 GH¢'000	Carrying amount 2014/15 GH¢'000	Fair value 2014/15 GH¢'000
Loans and receivables				
Cash and cash equivalents	225,579	225,579	425,797	425,797
Trade and other receivables	1,970,221	1,970,221	1,910,332	1,910,332
	-----------------	-----------------	-----------------	-----------------
Total loans and receivables	2,195,800	2,195,800	2,336,129	2,336,129
	-----------------	-----------------	-----------------	-----------------
Total financial assets	2,607,015	2,607,015	2,919,055	2,919,055
	========	========	========	========
Financial liabilities not measured at fair value				
Bank overdrafts	5,065	5,065	4,853	4,853
Loans and borrowings	3,265,760	3,265,760	3,343,964	3,343,964
Trade and other payables	898,539	898,539	632,971	632,971
	-----------------	-----------------	-----------------	-----------------
Total financial liabilities not measured at fair value	4,169,364	4,169,364	3,981,788	3,981,788
	========	========	========	========

A number of the Group accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities

When measuring fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the following inputs used in the valuation techniques:

2015/16

	Level 1 GH¢'000	Level 2 GH¢'000	Level 3 GH¢'000	Total GH¢'000
Available-for-sale financial assets				
Other investments	6,321	-	-	6,321
	=====	==	==	=====

2014/15

	Level 1 GH¢'000	Level 2 GH¢'000	Level 3 GH¢'000	Total GH¢'000
Available-for-sale financial assets				
Other investments	6,007	-	-	6,007
	=====	==	==	=====

(a) Level 1: quoted prices (adjusted) in active markets for identical assets or liabilities.

(b) Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

(c) Level 3: inputs for assets and liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

28. Financial instruments (cont'd)

(b) Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

(i) Risk management framework

The Group's board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse risks faced by the Group, to set appropriate limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through training and established management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the Group.

The Group's Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(ii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and related parties, other financial assets and cash and cash equivalents held with financial institution counterparties.

Exposure to credit risk

The maximum exposure to credit risk at the reporting date by class of financial instrument was as follows:

	2015/16 GH¢'000	2014/15 GH¢'000
Other financial assets	404,894	576,919
Cash and cash equivalents	225,579	425,797
Trade receivables	210,322	318,521
Loan receivables	54,027	24,500
Amount due from related parties	1,312,031	1,120,454
	2,206,853	2,466,191

Trade receivables and loan receivables

The Group's exposure to credit risk is influenced by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk of the geographical area in which each customer operates. The concentration of credit risk for trade receivables at the reporting date by geographic region was:

28. Financial instruments (cont'd)

(b) Financial risk management (cont'd)

(ii) Credit risk (cont'd)

	2015/16 GH¢'000	2014/15 GH¢'000
Local trade receivables (including amounts owed by related parties and loan receivables)	1,564,267	1,282,928
Foreign trade receivables	12,113	180,547
	1,576,380	1,463,475

Credit quality of trade receivables, amounts due from related parties and loan receivables and impairment losses.

The aging of trade receivables, amounts due from related parties and loans receivables at the reporting date was as follows:

	Gross 2015/16 GH¢'000	Impairment 2015/16 GH¢'000	Gross 2014/15 GH¢'000	Impairment 2014/15 GH¢'000
Neither past due nor impaired	1,112,652		1,184,049	-
Past due 0-30 days	18,684		109,504	-
Past due 31-120 days	34,652		46,468	-
Individually impaired	768,164	(357,692)	542,598	(419,144)
	1,934,072	(357,692)	1,882,619	(419,144)

Management believes that the unimpaired amounts that are past due by more than 30 days but less than 120 days are still collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit worthiness.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2015/16 GH¢'000	2014/15 GH¢'000
At 1 October	(419,144)	(226,275)
Impairment loss recovered/ (recognised)	61,452	(192,869)
At 30 September	(357,692)	(419,144)

The allowance account for trade receivables and other receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at which point the amounts considered irrecoverable are written off against trade receivables directly.

Cash and cash equivalent and other financial assets

The Group held cash and cash equivalents of GH¢225,579,000 (2015: GH¢425,797,000) and other financial assets of GH¢404,894,000 (2015: GH¢576,919,000) at the reporting date. These balances are held with banks and financial institution counterparties, which are assessed as having a relatively good credit rating.

28. Financial instruments (cont'd)

(b) Financial risk management (cont'd)

(iii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group's approach to managing liquidity is to hold cash and cash equivalents and maintain undrawn committed facilities at a level sufficient to ensure the Group has available funds to meet its liabilities as they become due.

The following are the contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

2015/16	**Carrying amounts GH¢'000**	**Contractual cashflows GH¢'000**	**1 year or less GH¢'000**	**1 to 2 years GH¢'000**	**2 to 5 years GH¢'000**	**5 years and over GH¢'000**
Non-derivative financial liabilities						
Secured bank loans (GH¢)	1,999,404	2,514,250	129,961	294,912	1,569,532	519,845
Secured bank loans (US$)	1,186,180	1,248,141	487,102	611,866	149,173	-
Secured bank loans (US$)	80,176	144,445	50,245	18,840	75,360	-
Bank overdraft	5,065	5,065	5,065	-	-	-
Trade and other payables	898,539	898,539	898,539	-	-	-
	4,169,364	4,810,440	1,570,912	925,618	1,794,065	519,845

2014/16	**Carrying amounts GH¢'000**	**Contractual cashflows GH¢'000**	**1 year or less GH¢'000**	**1 to 2 years GH¢'000**	**2 to 5 years GH¢'000**	**5 years and over GH¢'000**
Non-derivative financial liabilities						
Secured bank loans (GH¢)	1,999,404	2,524,24	201,011	425,468	1,128,353	769,415
Secured bank loans (US$)	77,379	144,322	29,823	22,900	91,599	-
Unsecured bill payables	1,267,181	1,439,691	1,439,691	-	-	-
Bank overdraft	4,853	4,853	4,853	-	-	-
Trade and other payables	632,971	632,971	632,971	-	-	-
	3,981,788	4,746,084	2,308,349	448,368	1,219,952	769,415

(iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.

Market risk - Foreign currency risk

The Group's exposure to foreign currency risk is as follows. This is based on the carrying amount of monetary financial instruments.

28. Financial instruments (cont'd)

Market risk - Foreign currency risk (cont'd)

2015/16	Pound Sterling	EUR	US Dollar
Cash and cash equivalents	1,170	1,526	25,013
Trade receivables	-	-	160,742
Amounts due from related parties	-	-	249,062
Loan receivables	-	-	6,576
Other financial assets	202	130	45,478
Secured bank loans	-	-	(300,000)
Net exposure	1,372	1,656	186,871

2014/15	Pound Sterling	EUR	US Dollar
Cash and cash equivalents	679	1,676	10,999
Trade receivables	-	-	190,605
Amounts due from related parties	-	-	237,567
Loan receivables	-	-	6,576
Other financial assets	200	136	35,521
Secured bank loans	-	-	(20,771)
Net exposure	879	1,812	460,497

The following significant exchange rates have been applied during the year and at the year end.

	Average		Year end	
GH¢	**2015/16**	**2014/15**	**2015/16**	**2014/15**
GBP 1	5.4494	5.6260	5.1492	5.6738
EUR 1	4.2835	4.1699	4.4532	4.1994
USD 1	3.8541	3.5672	3.9695	3.7253

A 10 percent weakening of these currencies against the Ghana Cedi at 30 September would have increased/(decrease) equity and profit or loss by the amounts shown below.

This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for the comparative period.

	Equity		Profit or loss	
	2016	**2015**	**2016**	**2015**
	GH¢'000	**GH¢'000**	**GH¢'000**	**GH¢'000**
Sterling	(706)	(499)	706	499
Euro	(737)	(761)	737	761
US Dollar	(74,178)	(171,549)	74,178	171,549

A 10 percent strengthening of the above currencies against the Ghana Cedi at 30 September would have increased/ (decrease) equity and profit or loss.

This analysis has been prepared on the basis that all other variables remain constant.

28. Financial instruments (cont'd)

Market risk - Interest rate risk

Profile

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was as follows:

	2015/16 GH¢'000	2014/15 GH¢'000
Fixed rate instruments		
Financial assets	404,894	576,919
Financial liabilities	(1,999,404)	(3,271,438)
	(1,594,510)	(2,694,519)
Variable rate instruments		
Financial liabilities	(1,266,356)	(77,379)

Sensitivity analysis

A change of 50 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant and considers the effect of financial instruments with variable interest rates, financial instrument at available for sale with fixed interest rates. The analysis is performed on the same basis for the comparative period.

	2015/16 GH¢'000	2014/15 GH¢'000
Equity		
Increase	6,332	13,859
Decrease	(6,332)	(13,859)
Profit or loss		
Increase	6,332	13,859
Decrease	(6,332)	(13,859)

Market risk - Equity price risk

The Group's exposure to equity price risk arises from its investment in equity securities which are classified as available for sale financial assets and are shown on the reporting date as other financial assets.

Sensitivity analysis

All of the Group's equity investment are listed on the Ghana Stock Exchange. For investments classified as available-for-sale, a 2 percent increase in the equity prices at the reporting date would have increased equity by the amounts shown below.

	2015/16 GH¢'000	2014/15 GH¢'000
Equity	126	121

A 2 percent increase in the equity prices at 30 September would have had an equal but opposite effect on equity. The analysis assumes that all other variables remain constant.

29. Commitments

Ghana Cocoa Board has made commitments to incur capital expenditure of GH¢267,105,680 (2015: GH¢316,679,079). These commitments are expected to be executed in 2017.

30. Contingencies

Contingent liabilities including pending law suits against the parent is estimated at GH¢194,895,000 (2015: GH¢76,604,000).

During the year a consultant, with the permission of the Ghana Revenue Authority, performed a tax audit on one of the subsidiaries (CMC) covering the period from 1 January 2009 to 31 December 2014. An issue of Value Added Tax (VAT) on commission earned from Ghana Cocoa Board was raised in the report of the consultant. This issue of VAT is in dispute and currently under discussion with the Ministry of Finance of Ghana as Ghana Cocoa Board is exempt from all forms of taxes. The estimated potential liability is GH¢ 26,478,000.

31. Related parties

The Group has related party relationship with its ultimate controlling party and subsidiaries.

Ultimate controlling party

The ultimate controlling party of Ghana Cocoa Board is the Government of Ghana.

Key management personnel compensation

Compensation paid to key management personnel (including the Directors) during the year was as follows:

	2015/16 GH¢'000	2014/15 GH¢'000
Directors' emoluments including social security costs	4,415	3,583
	======	======

Compensation paid to the Group's key management personnel include salaries, non-cash benefits and contributions to defined contribution schemes.

Other related party transactions

	2015/16 GH¢'000	2014/15 GH¢'000
Advances made in the year:		
Payments made on behalf of the Government of Ghana	44,189	88,781
Advances to the Government of Ghana (i.e. excess export duties paid in 2016)	15,084	229,902
	-------------	--------------
	59,273	318,683
	======	=======
Export duties paid to the Government of Ghana	364,937	88,649
	======	=======
Receivables outstanding:		
Government of Ghana	1,312,031	1,320,454
	========	========

All transactions with these related parties are to be settled before the end of the next reporting date. None of these balances is secured.

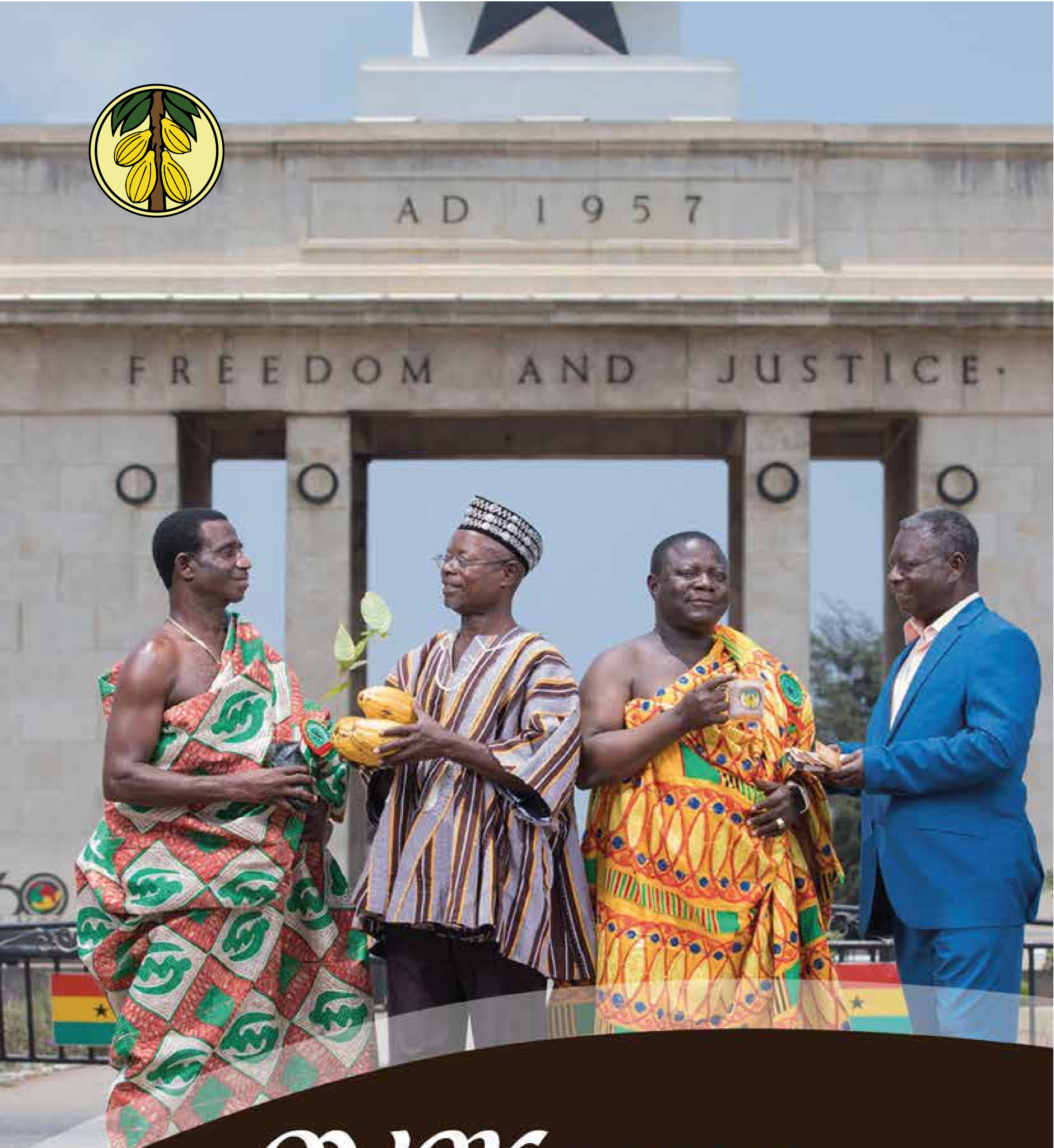
32. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern. The Group monitors capital using the ratio of adjusted net debt to equity. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises of all components of equity.

32. Capital management (cont'd)

The Group's adjusted net debt to equity at the reporting date was as follows:

	2015/16 GH¢'000	2014/15 GH¢'000
Total liabilities	4,612,669	4,633,896
Less: Cash and cash equivalents	(225,579)	(425,797)
Net debt	4,387,090	4,208,099
Total equity	852,075	1,081,019
Net debt to equity ratio	5.15	3.89


AD 1957
FREEDOM AND JUSTICE

Ghana Cocoa Board
Tel.+233-302-661752/661757/661872
Fax: +233-302-667104
E-mail: cocobod@cocobod.gh
www.cocobod.gh