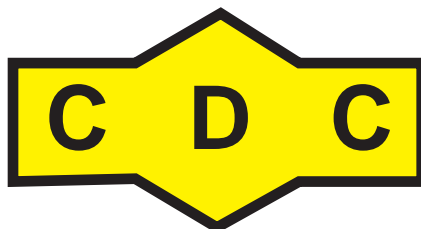


CAMEROON DEVELOPMENT CORPORATION



ANNUAL REPORT AND ACCOUNTS FOR THE YEAR 2019

HEAD OFFICE:

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BOARD MEMBERS

CHAIRMAN
PERSONALITY DESIGNATED BY
THE PRESIDENT OF THE REPUBLIC AND BOARD CHAIRMAN
H.E THE RT. HON. CHIEF JUSTICE Benjamin ITOE MUTANGA

MEMBERS

- Mr. NJIPENDI KUOTU Louis-Georges : Representative, Presidency of the Republic of Cameroon
(Up to 27th May, 2019)
- Mrs. Haddison née Betty NSUME
(From 8th July, 2019) and
Mrs. NDOH née BAKATA Bertha : Representative, Prime Minister's Office
(Up to 7th July, 2019)
- Mr. Bernard OKALIA BILAI : Governor, South West Region
- Mr. Adolphe LELE L'AFRIQUE : Governor, North West Region
- Mr. ESSISSIMA Pascal Herve : Representative, Ministry of Economy, Planning and Regional Development.
- Mrs. EYEFFA EKOMO Sylvie Marie-Louise : Representative, Ministry of Finance
- Mr. MVONDO NNA Patrick : Ministry of Agriculture and Rural Development
- Mr. BASSILEKIN III Achille : Representative, Ministry of Trade
- Mrs. GALEGA née NJIWAM ANYANGWE : Representative, Ministry of Labour and Social Security
- Mr. NGORAN Genesis BIME : Representative, Ministry of Industries, Mines and Technological Development



MANAGEMENT OF THE CORPORATION

GENERAL MANAGER
FRANKLIN NGONI NJIE

HEADS OF DEPARTMENT AS AT 31st DECEMBER, 2017

Henry IKOME BECKE	: Director, Human Resources
Vincent MANJOH FOTEH	: Financial Director
Donald EKEMA KUVE	: Group Rubber Manager
DISSOH HELL Zachée	: Group Oil Palms Manager
Christopher NGALLA	: Group Banana Manager
Polycarp AKONGNYI CHUNGONG	: Production Director
NDEKE Mary	: Manager, Inspection and Control
Stephen NGWANDO NAMIJO	: Director, Plan, Environment, Research and Quality
MBILE TAPEA Solomon	: Director, Technical Services
DR. Samuel TITA FON	: Chief Medical Officer
Charles TAH NDANG	: Manager, Information Systems



ABBREVIATIONS

1. CDC : Cameroon Development Corporation
2. DHR : Director, Human Resources
3. DPERQ : Director, Plan, Environment, Research and Quality
4. DR : Medical Doctor
5. FIN.D : Financial Director
6. FFB : Fresh Fruit Bunches
7. GOPM : Group Oil Palms Manager
8. Government : Government of The Republic of Cameroon
9. GRM : Group Rubber Manager
10. H.E. : His Excellency
11. HA : Hectare
12. HOMC : Head Office Management Controller
13. HON. : Honourable
14. ISD : Information System Department
15. MIC : Manager, Inspection and Control
16. MIS : Manager, Information Systems
17. MT : Metric Tons (1,000 Kg)
18. THE STATE : The Government of the Republic of Cameroon
19. SH : Small Holder



GENERAL OVERVIEW



INTRODUCTION

The Cameroon Development Corporation was created in 1947 as a public establishment to acquire, develop and operate extensive plantations of tropical crops, such as Rubber, Banana and Oil Palm. As at 31st December 2019, the Corporation had an overall planted area (Mature and Immature) of 35,004.7 ha as against 38,067.7ha in 2018.

The Corporation issued share capital is 35.718 billion FCFA.

The Corporation is the second largest employer after the State with a workforce of 17,998 employees.

During the year under review, production (Field and Factory) stood as follows:

CROP/PRODUCE	PRODUCTION (TONS) 2019
Rubber (Crop collection)	2,885
Rubber (Processed and packed Rubber)	2,135
Banana	0
Fresh Fruit Bunches	22,946
Palm Oil	3,824

Production (Metric Tons)

PROSPECTS

Despite the prevailing state of insecurity that hinders economic activities, it is imperative for the Corporation to rejuvenate the existing plantations through Replanting and Extension

in order to increase the production and market share of quality products of Rubber, Oil Palms and Banana.



AGRICULTURE



AGRICULTURAL DEVELOPMENT

The Corporation has an overall planted area of **38,554** hectares partitioned as follows:

Crop	Rubber	Oil Palms	Banana	Total
Mature	15,647	13,010	3,589	32,246
Immature	4,755	1,359	194	6,308
Total 30/12/16	20,695	13,945	3,897	38,537

AGRICULTURAL PRODUCTION

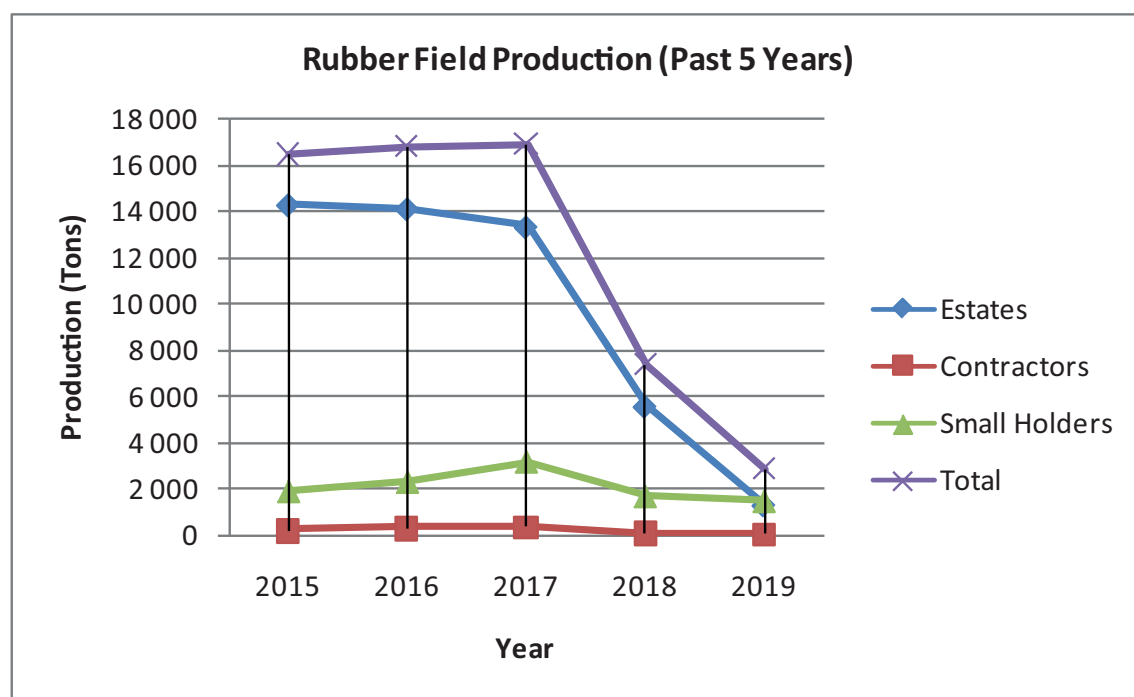
Crop production stood as stated below:

A. RUBBER

Production (in metric tons) for the past five (5) years is presented in the following table:

Field Production (Latex and Cup Lumps)

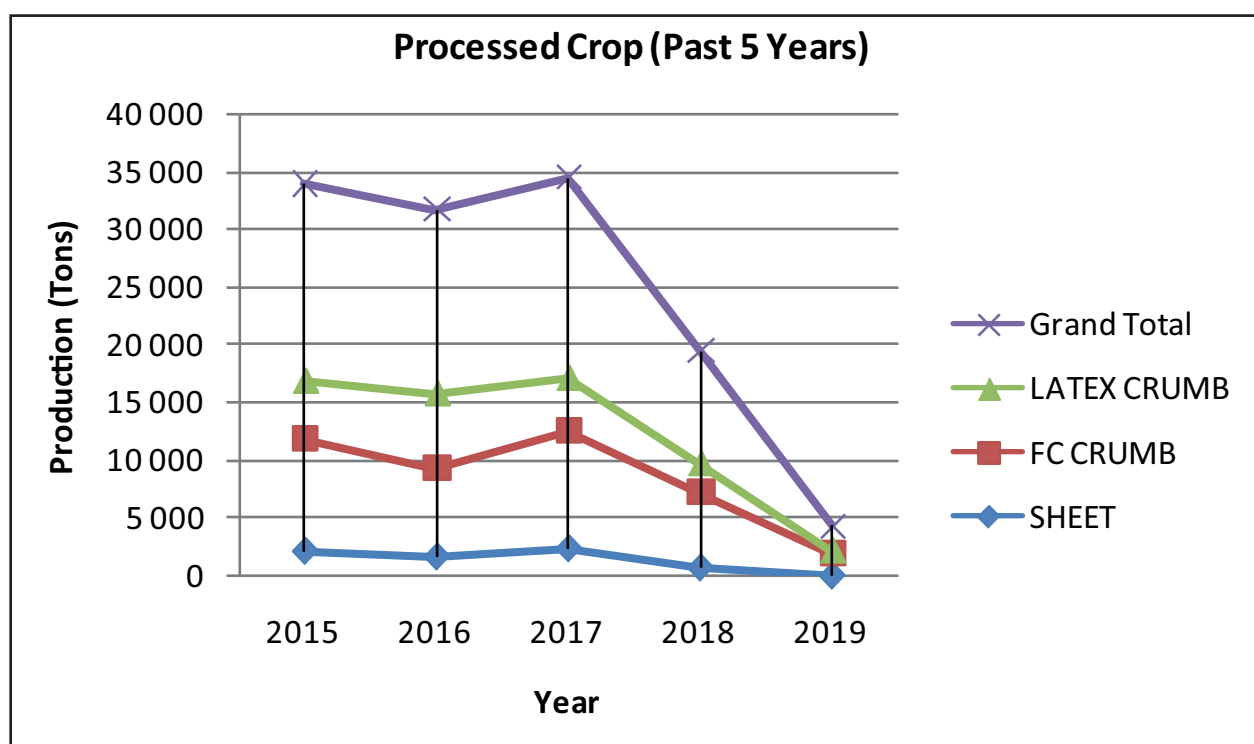
Rubber	Actual Production					Budget
	2015	2016	2017	2018	2019	2019
Estates	14,303	14,125	13,342	5,575	1,307	11,200
Contractors	247	347	363	139	96	250
Small Holders	1,911	2,314	3,189	1,694	1,482	2,150
Total	16,461	16,786	16,894	7,408	2,885	13,600



Total production from all sources stood at 2,885 tons against a budget of 13,600 tons (21.21%) achievement. Compare to 2018 financial year, there was a significant decrease in Crop Production due mainly to the socio-political crisis.

Factory Production (Processed and Packed Rubber)

Rubber Processed Crop	Actual Production					Budget
	2015	2016	2017	2018	2019	2019
SHEET	2,049	1,586	2,257	673	0	2,152
FC CRUMB	9,837	7,781	10,291	6,525	1,932	7,630
LATEX CRUMB	5,049	6,474	4,645	2,559	203	3,818
Grand Total	16,935	15,841	17,193	9,757	2,135	13,600



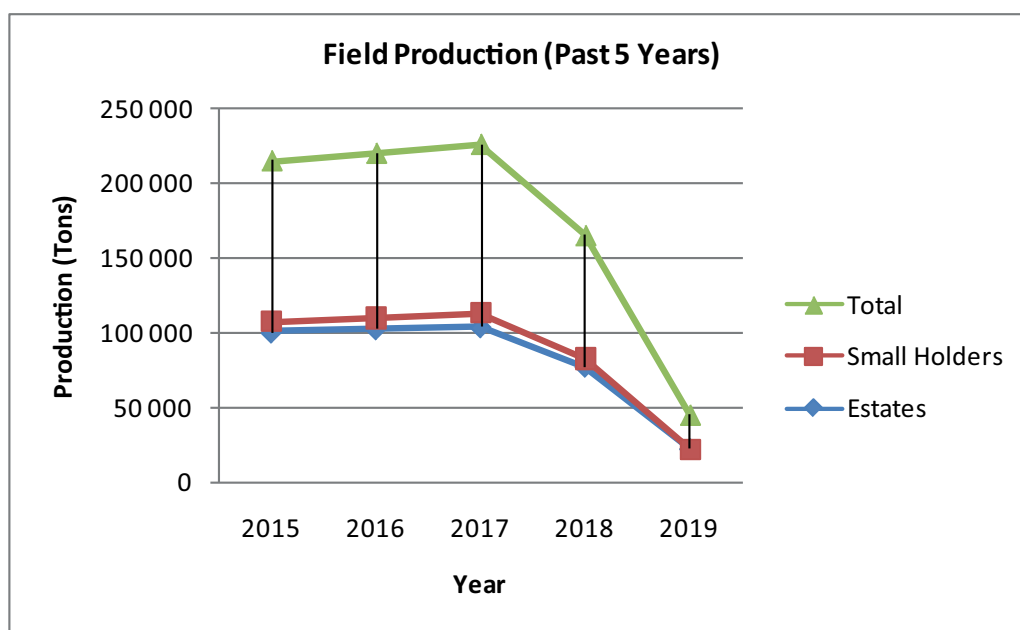
Total factory production for all grades of rubber was 2,135 tons against a budget of 13,600 tons. The year's crop produced by CDC Estates, Small Holders and Contract Rubber Tapping was far below budget by 11,465 Metric tonnes (15.69%). When compared to 2018 achievement, there was a significant decrease of 7,622 tons.

B. OIL PALMS

Production (in metric tons) for the past five (5) years is presented in the following table:

Field Production (Fresh Fruit Bunches)

FRESH FRUIT BUNCHES (FFB)	Actual Production					Budget
	2015	2016	2017	2018	2019	2019
Estates	100,244	102,452	103,780	77,322	22,275	67,347
Small Holders	7,491	7,773	9,425	5,466	671	5,088
Total FFB	107,735	110,225	113,205	82,788	22,946	72,435



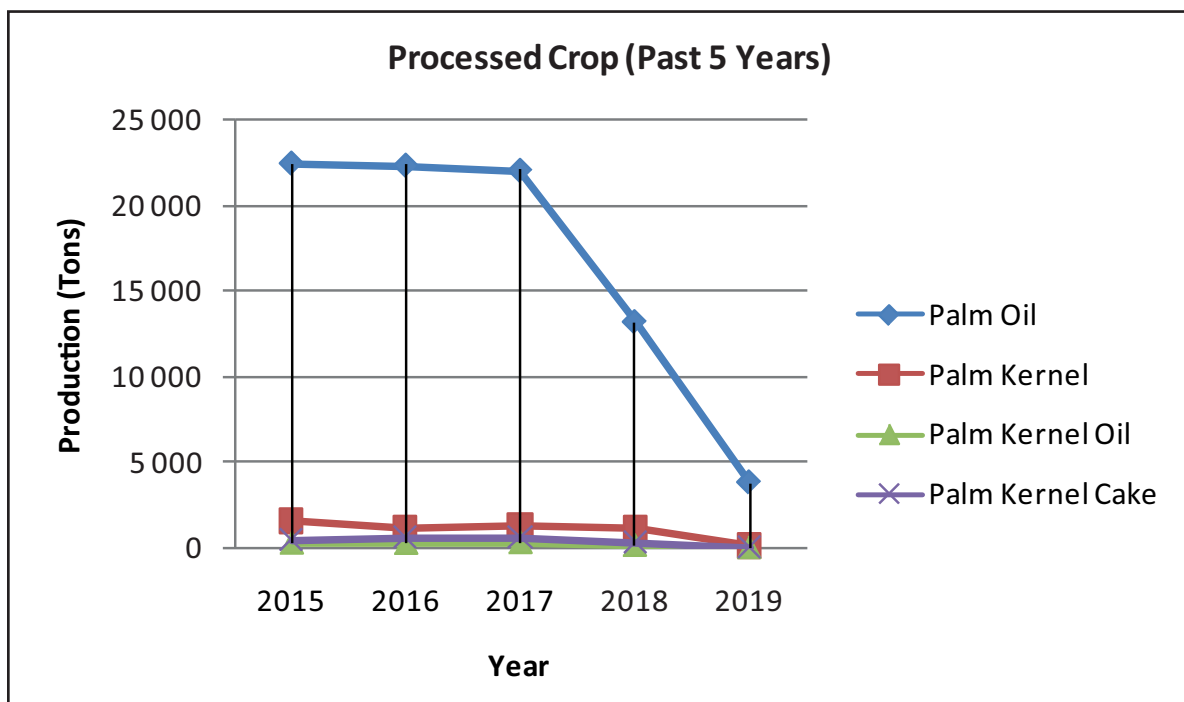
22,946 tons of FFB were harvested against a budget of 67,347 tons representing a negative variance of 49,489 tons. When compared to 2018 financial year, there is a significant decrease of 59,842 tons of FFB.

Small Holders production of 671 tons was below budget by 86.81%, leading to an overall achievement of 13.19%. Compared to 2018, there is a decrease of 4,795 tons in small holders' crop supply to CDC.

The drop in production is as a result of the Socio-Political crisis in the North and South West Regions.

Mill Production (Palm Oil Produce)

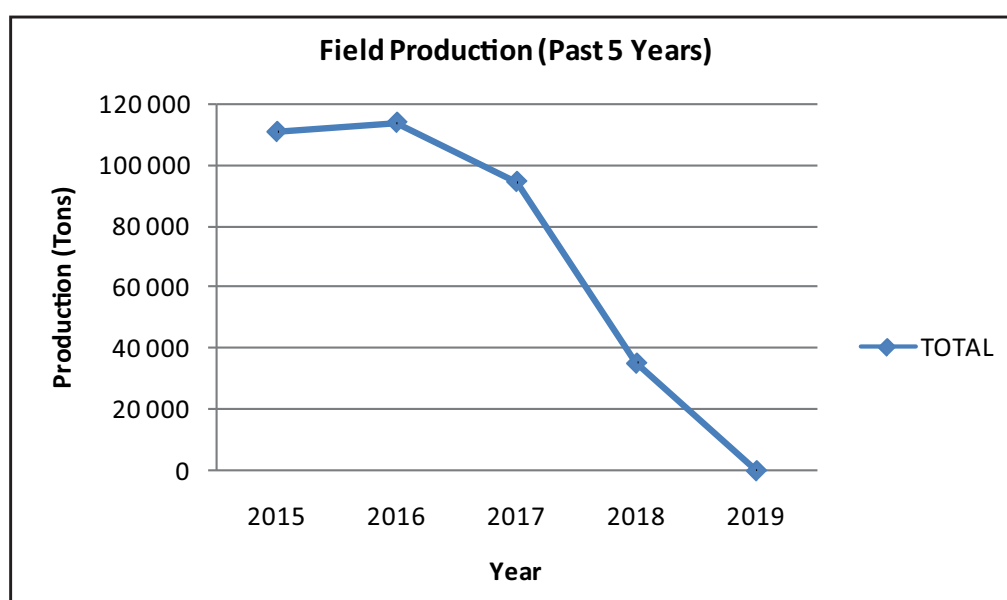
PRODUCT	Actual Production (in Tons)					Budget
	2015	2016	2017	2018	2019	2019
Palm Oil	22,496	22,375	22,073	13,210	3,824	15,660
Palm Kernel	1,579	1,178	1,242	1,104	153	1,136
Palm Kernel Oil	300	285	330	163	27	286
Palm Kernel Cake	503	573	590	294	37	476



C) BANANA

Field Production (Banana)

PRODUCT	Actual Production					Budget
	2015	2016	2017	2018	2019	2019
TOTAL	110,855	113,858	94,530	35,151	0	35,629



In 2019, Production stood at 0 tons against an estimate of 35,629 tons recording a percentage achievement of 0%. Due to the Socio-political crisis there was no production throughout the year 2019.



AUXILIARY SERVICES



A. HUMAN RESOURCES DEPARTMENT

The HRD ensured the success and continuity of the Corporation through the formulation and implementation of policies for the benefit of the Corporation. The department also ensured

efficiency in the management of human resources and provided legal services and adequate security of Corporation's property and personnel.

Personnel

a) Staff and Labour Force of CDC (As At 31/12/2018)

STAFF & LABOUR FORCE	ACTUAL
Group Rubber Department	6,062
Group Oil Palms Department	3,857
Group Banana Department	6,374
Technical Services Department	641
Medical and Health Services	376
Supplies Department	12
Production Department	12
Head Office	612
TOTAL	17,998

Internship

A total of 119 applications for Internship were received.

B. MEDICAL AND HEALTH SERVICES

During the year, the Medical and Health Services Department provided health and environmental care to CDC workers, their children under 21 years of age and to non planters using its services for a token fee.

Consultation and admission in Estates Clinics, Cottage and Mukonje Hospitals

31,682 consultations were done and a total of 5,039 patients were admitted in CDC hospitals and Clinics.

Vaccinations (BCG, Polio, Measles, Penta, VIT 'A', Yellow Fever)

The above Vaccines were administered to 2,998 children Corporation wide.

External Consultations:

Some patients requiring specific expert attention were referred to various specialist centres accordingly, (i.e Reference Hospital Douala, Yaoundé or evacuated abroad).

C. PLAN, ENVIRONMENT, RESEARCH AND QUALITY DEPARTMENT

The department set and followed up the implementation of the Corporation's ten year Strategic Development Plan.

It also initiated and monitored the realization of projects and plantation development in the Corporation.

During the year, the department provided technical assistance to existing Small Holders and sensitised more farmers to join the small holders' scheme.

- The department is comprised of four (4) services:
- Plan and Development
- Environment and Safety
- Research
- Quality

D. TECHNICAL SERVICES DEPARTMENT

The department continued to provide engineering support services to all the Crop Groups and Services of the Corporation, with emphasis on road maintenance to ease crop evacuation.

The department functioned with four services as follows: Civil/Water Works Service, Electrical and Electronics Service, Mechanical Engineering Workshop and Plant Maintenance Service.

E. INSPECTION AND CONTROL

The Inspection and Control Department independently and objectively reviewed and evaluated the Corporation's activities in order to improve the efficiency and effectiveness of her risk management, internal controls and Corporate Governance.

During the year, the department carried out Routine Audits, Special Investigations, Audit follow-ups, Field Inspection and Reception of materials Corporation wide.

INFORMATION SYSTEMS DEPARTMENT

The Department carried out periodic update of Management Application Parameter Data, Comprehensive IT Audit, Implementation of the Farm Application, upgrade and extension of Internet services and the company website. The department also acquired, configured and distributed computer equipment and accessories to end users.

HEAD OFFICE MANAGEMENT CONTROL

The Department consolidated the Corporation's 2020 annual budget, monitored the 2019 actual costs against estimates and ensured that the Corporation's objectives as defined in the budget action plan were realized.

FINANCE DEPARTMENT

The Finance Department of the Corporation managed the Financial Resources, kept all accounting records and produced the financial statements during the year.

All trial balances were consolidated at Head Office to produce the consolidated trial balance and financial statements.



COMMERCIAL ACTIVITIES



General

Commercial activities are carry out by four (4) Services/Departments namely Rubber Sales, Palm Oil Sales, Supplies Department and Banana Marketing. While the others are responsible for the sales (marketing) of respective crops, the Supplies Department has the objective of procuring and supplying goods to end users.

A. RUBBER SALES

In 2019, a total of 2,722 MT of Rubber was shipped and revenue from sales was 2.182 billion francs CFA at an average unit selling price of FCFA 801.46 F/Kg compared to 11,820 MT amounting to 9.226 billion FCFA at an average unit selling price of 780.51 FCFA in 2018 .

B. SUPPLIES DEPARTMENT

The Supplies Department has as primary function to obtain for the Corporation everything it needs to carry on its activities. The department purchased capital assets such as, plants, machinery, motor vehicles, office equipment, tools and appliances of every kind, consumables, lubricants, and more. The goods were purchased through Local Purchase Orders (LPO), through tenders and through overseas suppliers.

During the year, 145 Local Purchase Orders and 17 Overseas Orders were raised.

C. PALM OIL SALES SERVICE

The Palm Oil Sales Service offers three main products namely loose and Bottle Palm Oil, Palm Kernel Oil and Palm Kernel.

PALM OIL SALES

Loose Palm Oil (LPO)

For the period January to December 2019, 3,698 MT of Palm Oil was sold for 1.576 billion FCFA against a budget of 10,530 MT for 4.738 billion FCFA.

Bottled Palm Oil (BPO)

62.675 MT of bottled Palm Oil was sold for 48,883 million FCFA. This is against the budget of 154 MT for 117,411 million FCFA, giving a percentage achievement of 40.69% for quantity and 41.6% for value.

Palm Kernel

The total quantity of Palm Kernel sold was 19.810MT for 2.576 million FCFA against 1,027 MT for 133.510 million FCFA.

Palm Kernel Oil

The total quantity of Palm Kernel Oil sold was 24.38 MT for 14.413 million FCFA.

Palm Kernel Cake

A total of 86.880 MT of Palm Kernel Cake was sold for 3.202 million FCFA.

D. BANANA MARKETING SERVICE

During the Business Year 2019, Banana was marketed under the following brand names/ range:

- SCB, SAVANA and BOUBA 6 Fingers (Customer 's brand)
- MAKOSSA (CDC 's brand)

For sub-standard banana, the Tiko brand (CDC' s brand) is sold to the sub-regions while local banana is sold to two different syndicates namely:

- Rassemblement des Commerçants et Marchands du marchés New Deido (RACOMMAND)
- Syndicat des Vendeurs de Vivres Frais du Wouri (SYNVEVIFW)



ACCOUNTS



**BALANCE SHEET AS AT
31 DECEMBER 2019**

REF	ASSETS	Note	31/12/2019			31/12/2018
			GROSS	AMORT. & DEPREC.	NET	NET
			(FCFA)	(FCFA)	(FCFA)	(FCFA)
AD	INTANGIBLE FIXED ASSETS	3	96 391 120	95 559 273	831 847	2 502 360
AE	Development and prospecting cost				0	0
AF	Patents, licences, software and similar rights		96 391 120	95 559 273	831 847	2 502 360
AG	Commercial funds and leasehold rights				0	0
AH	Other intangible fixed assets				0	0
AI	TANGIBLE FIXED ASSET	3	256 068 379 706	170 133 902 876	85 934 476 830	92 892 575 892
AJ	Lands		9 225 000		9 225 000	9 225 000
AK	Buildings		75 443 682 677	51 597 646 455	23 846 036 222	26 126 207 639
AL	Fixtures, fittings and installations		148 418 411	142 506 146	5 912 265	8 286 350
AM	Equipment, furniture and biological assets		170 094 446 191	108 401 514 975	61 692 931 216	65 970 667 484
AN	Transportation equipment		10 109 038 477	9 992 235 300	116 803 177	489 857 815
AP	Advances and deposits paid on fixed assets	3	263 568 950		263 568 950	288 331 604
AQ	FINANCIAL FIXED ASSETS	4	174 672 695	109 284 001	65 388 694	225 231 398
AR	Equity Securities		105 420 000	100 000 000	5 420 000	8 350 000
AS	Other financial fixed assets		69 252 695	9 284 001	59 968 694	216 881 398
AZ	TOTAL FIXED ASSETS		256 339 443 521	170 338 746 150	86 000 697 371	93 120 309 650
BA	CURRENT ASSETS OOA	5			0	0
BB	STOCK AND WORK IN PROGRESS	6	10 074 714 214	2 321 179 564	7 753 534 650	8 906 271 647
BG	RECEIVABLES AND ASSIMILATED USES		11 427 432 895	2 813 833 975	8 613 598 920	10 366 646 151
BH	Suppliers' advances	17	1 531 438 020	389 217 770	1 142 220 250	2 070 007 407
BI	Customers	7	6 262 842 578	2 137 661 143	4 125 181 435	3 999 950 926
BJ	Other receivables	8	3 633 152 297	286 955 062	3 346 197 235	4 296 687 818
BK	TOTAL CURRENT ASSETS		21 502 147 109	5 135 013 539	16 367 133 570	19 272 917 798
BQ	Investmet securities	9			0	0
BR	Bills convertible to cash	10			0	0
BS	Banks, postal checks, cash and others	11	149 334 017	40 866 282	108 467 735	193 736 970
BT	TOTAL TREASURY ASSETS		149 334 017	40 866 282	108 467 735	193 736 970
BU	Exchange gains	12			0	0
BZ	GENERAL TOTAL		277 990 924 647	175 514 625 971	102 476 298 676	112 586 964 418

**BALANCE SHEET AS AT
31 DECEMBER 2019**

REF	LIABILITIES	Note	31/12/2019	31/12/2018
			NET	NET
			(FCFA)	(FCFA)
CA	Capital	13	53 503 180 084	53 503 180 084
CB	Provider, capital not called	13		
CD	Primiums linked to social capital	14		
CE	Revaluation surplus	3e		
CF	Unavailable reserve	14	2 343 949 422	2 343 949 422
CG	Free reserve	14		
CH	Retained earnings	14	-29 572 897 117	-27 870 966 519
CJ	Result for the period (profit + or loss -)		-18 641 528 929	506 666 227
CL	Investment subventions	15	6 549 231 511	7 074 212 398
CM	Regulated provisions	15		
CP	TOTAL CAPITAL AND ASSIMILATED RESOURCES		14 181 934 971	35 557 041 612
DA	Loans and diverse financial debts	16	16 618 944 420	11 420 737 197
DB	Lease debts	16		
DC	Provisions for risks and charges	16	9 830 585 088	11 012 373 005
DD	TOTAL FINANCIAL DEBTS AND ASSIMILATED RESOURCES		26 449 529 508	22 433 110 202
DF	TOTAL LONG TERM RESOURCES		40 631 464 479	57 990 151 814
DH	Short term debts OOA	5		
DI	Customers advances received	7	202 524 215	1 886 682 020
DJ	Operating suppliers	17	17 712 843 111	17 325 392 140
DK	Fiscal and social debts	18	37 075 665 295	24 917 827 105
DM	Other debts	19	5 285 073 551	4 864 910 733
DN	Provisions for short term risks	19	62 521 441	60 443 365
DP	TOTAL SHORT TERM LIABILITIES		60 338 627 613	49 055 255 363
DQ	Banks, credit discounts	20		
DR	Banks, financial establishments and treasury credits	20	1 506 206 584	5 541 557 241
DT	TOTAL TREASURY LIABILITIES		1 506 206 584	5 541 557 241
DV	Exchange losses	12		
DZ	GENERAL TOTAL		102 476 298 676	112 586 964 418



**INCOME STATEMENT AS AT
31 DECEMBER 2019**

REF	DESCRIPTION		Note	31/12/2019	31/12/2018
				NET (FCFA)	NET (FCFA)
TA	Sale of merchandise	A	+	21	
RA	Purchase of merchandise		-	22	
RB	Variation in merchandise stock		-/+	6	
XA	COMMERCIAL MARGINE (sum TA to RB)			21	
TB	Sale of manufactured products	B	+	21	3 799 976 235
TC	Works, services sold	C	+	21	-
TD	Accessory products	D	+	21	520 152 961
XB	TURNOVER (A + B + C + D)				4 320 129 196
TE	Production stocked (or destocked)		-/+	6	- 591 836 978
TF	Production capitalised			21	-
TG	Operating subvention			21	4 900 000 000
TH	Other products		+	21	849 677 002
TI	Transfer of operating expenses		+	12	1 492 827 815
RC	Purchase of raw material and related items		-	22	- 203 734 849
RD	Variation of raw materials and related items		-/+	6	- 161 228 209
RE	Other purchases		-	22	- 2 317 976 641
RF	Variation of stocks of other materials		-/+	6	23 337 708
RG	Transport		-	23	- 241 621 411
RH	External services		-	24	- 692 702 143
RI	Rates and taxes		-	25	- 382 546 254
RJ	Other expenses		-	26	- 2 193 124 403
XC	VALUE ADDED ((XB + RA + RB) + (sum TE to RJ))				4 801 200 833
RK	Personnel expenses		-	27	- 15 112 614 478
XD	GROSS OPERATING MARGIN (XC + RK)				- 10 311 413 645
TJ	Write-back of amortisations, provisions and depreciations		+	28	7 156 352 047
RL	Allowance for amortisations, provisions and depreciations		-	3C&28	- 13 747 361 962
XE	OPERATING RESULTS (XD + TJ + RL)				- 16 902 423 560
TK	Financial and assimilated revenues		+	29	-
TL	Write-back of financial provisions and depreciations		+	28	-
TM	Transfer of financial expenses		+	12	-
RM	Financial expenses and assimilated charges		-	29	- 713 317 544
RN	Allowance for financial provisions and depreciations		-	3C&28	- 1 141
XF	FINANCIAL RESULT (sum TK to RN)				- 713 318 685
XG	RESULT OF ORDINARY ACTIVITIES (XE + XF)				- 17 615 742 245
TN	Proceeds from sale of fixed assets		+	3D	31 372 672
TO	Other outside ordinary activities products		+	30	-
RO	Value of fixed assets disposed		-	3D	- 946 021 366
RP	Other outside ordinary activities expenses		-	30	-
XH	OUTSIDE ORDINARY ACTIVITIES RESULTS (sum TN to RP)				- 914 648 694
RQ	Workers participation		-	30	-
RS	Income taxes		-		- 111 137 990
XI	NET RESULTS (XG + XH + RQ + RS)				- 18 641 528 929

CASH FLOW STATEMENT

REF	DESCRIPTION	Note	31/12/2019	31/12/2018
ZA	Net cash at 1st of January (cash assets N-1 - cash liabilities N-1)	A	- 5 408 263 636	- 3 885 993 536
	CASH FLOW FROM OPERATING ACTIVITIES	FCFA		FCFA
FA	Global self financing capacity		- 11 135 869 179	- 11 963 902 353
FB	- Current assets OOA			
FC	- Variation of stock		- 1 152 736 997	3 925 990 035
FD	- Variation of receivables		- 1 753 047 231	12 203 379 701
FE	+ Variation of current liabilities		7 767 894 275	- 3 924 263 903
	Variation in operating activities (FB+FC+FD+FE)		10 673 678 503	12 205 105 833
ZB	Cash flow from operating activities (sum FA to FE)	B	- 462 190 676	241 203 480
	CASH FLOW FROM INVESTING ACTIVITIES			
FF	- Purchase of intangible fixed assets			
FG	- Purchase of tangible fixed assets		- 987 683 347	- 1 385 211 092
FH	- Purchase of non-current financial assets			
	(+/- adjustment *)		- 41 961 315	- 275 450 020
FI	+ Proceeds from sale of intangible and tangible assets		31 372 672	18 756 000
FJ	+ Proceeds from sale of non-current financial assets			
ZC	Cash flow from investing activities (sum FF to FJ)	C	- 998 271 990	- 1 641 905 112
	CASH FLOW FROM EQUITY FINANCING			
FK	+ Capital increases by new contributions			
FL	+ Investment grants received			
FM	- Capital Levies			
FN	- Dividends paid			
ZD	Cash flow from equity (sum FK to FN)	D	-	-
	CASH FROM FINANCING BY FOREIGN CAPITAL			
FO	+ Loans		12 295 021 434	1 500 000 000
FP	+ Other financial debts			1 441 659 805
FQ	- Repayments of Loans and Other financial debts		- 7 096 814 211	- 3 063 228 273
ZE	Cash flow from foreign capital (sum FO to FQ)	E	5 198 207 223	- 121 568 468
ZF	CASH FLOW FROM FINANCING ACTIVITIES (D + E)	F	5 198 207 223	- 121 568 468
ZG	VARIATION IN THE NET CASH OF THE PERIOD (B + C + F)	G	3 737 744 557	- 1 522 270 100
ZH	Net Cash at 31 December (G + A)	H	- 1 670 519 079	- 5 408 263 636

* some movements in fixed assets were adjustments not involving flow of cash

