



**BUI POWER AUTHORITY**

**FINANCIAL STATEMENTS  
31 DECEMBER 2014**

**BUI POWER AUTHORITY**

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**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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**BUI POWER AUTHORITY**

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**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**CORPORATE INFORMATION**

**GOVERNING BOARD**

Hon. J. Asiedu-Nketia	Board Chairman (appointment effective 24 January 2014)
Mr. J. Amissah Arthur	Chief Executive Officer
Mrs. Theresa Nyarko Fofie	Member
Hon. Joseph Akati Saaka	Member
Mr. Kwame Twum Boafo	Member (appointment effective 24 January 2014)
Hon. Kwasi A. Gyan-Tutu	Member (appointment effective 24 January 2014)
Dr. Kofi Nketsia Afful	Member (appointment effective 24 January 2014)

**REGISTERED OFFICE**

No. 11 Dodi Link  
Airport Residential Area  
Accra

**AUDITORS**

Ernst & Young  
Chartered Accountants  
G15, White Avenue  
Airport Residential Area  
P.O. Box KA 16009  
Airport, Accra, Ghana

**SOLICITOR**

Yeboah Lex Co. Limited  
P. O. Box Cf 2648  
Cantonments  
Accra

**BANKERS**

Zenith Bank Ghana Limited  
Ecobank Ghana Limited  
ADB Bank Limited  
GCB Bank Limited  
Exim Bank of China

## BUI POWER AUTHORITY

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### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

#### REPORT OF THE GOVERNING BOARD TO THE MEMBERS OF BUI POWER AUTHORITY

The Governing Board presents the audited financial statements of the Authority for the year ended 31 December 2014.

#### Governing Board's responsibility statement

The Governing Board of the Authority is responsible for the preparation and fair presentation of these financial statements in accordance with the Note 2 described in these financial statements, and also in the manner required by the provisions of the Bui Power Authority Act, 2007 (Act 740) Section 21, and for such internal control as the Governing Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Financial statements

The results for the year are as set out in the attached financial statements. The Authority was not in commercial operations in the year 2013. Commercial operations however started in the year 2014.

#### Nature of business

The main activities of the Authority are to plan, execute and manage the Bui Hydroelectric Project so as to augment the power supply of Ghana. The Authority shall plan, execute and manage the Bui Hydro Electric Power project which comprises.

- (a) the generation of electrical power for general industrial and domestic use, and the operation of the dam and the hydroelectric generating station in the vicinity of Bui,
- (b) the construction of a transmission system for the evacuation of the electrical power generated at the dam to the national electricity grid,
- (c) the supply of the electrical power generated at the dam to:
  - (i) a public utility licensed under the Energy Commission Act, 1997 (Act 541) responsible for the transmission or distribution of electrical power to the public,
  - (ii) the township of Bui and its environs, and
  - (iii) any other consumer in Ghana or elsewhere under an arrangement agreed on between the Government, the Authority, a consumer and the Electricity Company of Ghana or any other public utility licensed under the Energy Commission Act, 1997 (Act 541).
- (d) the provision of facilities and assistance for the use of the lake so created by the construction of the dam for multipurpose uses.

**BUI POWER AUTHORITY**

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**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**REPORT OF THE GOVERNING BOARD  
TO THE MEMBERS OF BUI POWER AUTHORITY (CONTINUED)**

**State of affairs of the Authority**


The Governing Board consider the state of affairs of the Authority to be satisfactory and have made an assessment of the Authority's ability to continue as a going concern and have no reason to believe the Authority will not be a going concern in the year ahead.

**Approval of the financial statements**

The financial statements were approved by the Governing Board on and are signed on its behalf by:

  
Director

Date: 28-9-2018

  
Director

Date: 28-9-2018



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## **INDEPENDENT AUDITORS' REPORT TO THE GOVERNING BOARD OF BUI POWER AUTHORITY**

### **Report on the financial statements**

We have audited the accompanying financial statements of Bui Power Authority set out on page 6 to 28 which comprise the balance sheet as at 31 December 2014, and the statements of income and cash flows for the year then ended, and the notes comprising a summary of significant accounting policies and other explanatory information.

The financial statements of Bui Power Authority for the year ended 31 December 2013 were audited by other independent Accountants who expressed an unmodified opinion on those statements dated 11 November 2015.

### **Responsibilities of the Governing Board for the financial statements**

The Governing Board is responsible for the preparation and fair presentation of these financial statements in accordance with the Note 2 of these financial statements and also in accordance with the provision of the Bui Power Authority Act 2007, (Act 740) Section 21 and for such internal control as the Governing Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Governing Board, as well as evaluating the overall presentation of the financial statements.

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





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### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Bui Power Authority as at 31 December 2014 and its financial performance and cash flows for the year then ended in accordance with the Note 2 of these financial statements and also the provisions in the Bui Power Act, 2007 (Act 740) Section 21.

Signed by Kwadwo Mpeani Brantuo (ICAG/P/1152)  
For and on behalf of Ernst & Young (ICAG/T/2017/126)  
Chartered Accountants  
Accra, Ghana

Date: 28 September 2018

**BUI POWER AUTHORITY**

**BALANCE SHEET  
AS AT 31 DECEMBER 2014**

Assets	Note	2014 GH¢	Restated 2013 GH¢
<b>Non-current assets</b>			
Property, plant and equipment	8	1,743,609,655	1,661,554,593
Intangible assets	9	<u>1,247,366</u>	<u>-</u>
		<b>1,744,857,021</b>	<b>1,661,554,593</b>
<b>Current assets</b>			
Inventories	10	447,231	-
Trade and other accounts receivable	11	210,958,146	89,597,122
Short term Investments	12	28,702,561	-
Cash and bank balances	13	<u>296,067,915</u>	<u>300,969,574</u>
		<b>536,175,853</b>	<b>390,566,696</b>
<b>Current liabilities</b>			
Trade and other accounts payable	14	1,003,458	1,981,164
Borrowings	15	<u>98,860,403</u>	<u>67,558,856</u>
		<b>99,863,861</b>	<b>69,540,020</b>
Net current assets		<u>436,311,992</u>	<u>321,026,676</u>
<b>TOTAL ASSETS</b>		<b>2,181,169,013</b>	<b>1,982,581,269</b>
<b>Non-current liabilities</b>			
GOG Agency Accounts	16	218,478,113	102,553,561
Long term borrowings	15	<u>945,946,600</u>	<u>665,272,353</u>
		<b>1,164,424,713</b>	<b>767,825,914</b>
<b>TOTAL NET ASSETS</b>		<b>1,016,744,300</b>	<b>1,214,755,355</b>
<b>REPRESENTED BY</b>			
Investment by the Republic of Ghana	17	878,567,315	878,567,315
Income surplus		(194,990,540)	-
Revaluation surplus	18	<u>333,167,525</u>	<u>336,188,040</u>
		<b>1,016,744,300</b>	<b>1,214,755,355</b>

The financial statements were approved by the Governing Board and signed on its behalf by:

Director

Director

Date:

28-9-2018

Date:

28-9-2018

The attached notes 1 to 21 form an integral part of these financial statements.



**BUI POWER AUTHORITY**

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**STATEMENT OF INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 GH¢	Restated 2013 GH¢
Revenue	3	180,169,932	-
Cost of sales	5	<u>(45,689,526)</u>	<u>-</u>
Gross profit		134,480,406	-
Administrative expenses	6	<u>(260,001,407)</u>	<u>-</u>
Operating loss		(125,521,001)	-
Other operating Income	4	<u>3,049,995</u>	<u>-</u>
Loss before Interest and charges		(122,471,006)	-
Interest and charges	7	<u>(72,519,534)</u>	<u>-</u>
Loss before taxation		(194,990,540)	-
Taxation		<u>-</u>	<u>-</u>
Loss for the year		<u>(194,990,540)</u>	<u>-</u>

The attached notes 1 to 21 form an integral part of these financial statements.

**BUI POWER AUTHORITY**

**STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 GHC	Restated 2013 GHC
Loss before tax		(194,990,540)	-
<b>Adjustments for:</b>			
Depreciation and amortization		33,199,556	-
Amortization of prepaid loan insurance	7	6,554,466	-
Investment income	4	(2,242,194)	-
Interest expense	7	65,061,809	-
Exchange difference	19	<u>427,619,575</u>	-
<b>Operating profit before working capital changes</b>		<b>335,202,672</b>	<b>-</b>
Increase in inventories		(447,231)	-
Increase in accounts receivable	19	(94,208,462)	(84,061,127)
Decrease in accounts payable		<u>(977,707)</u>	<u>(111,796,051)</u>
<b>Cash inflow/(outflow) from operating activities</b>		<b>239,569,273</b>	<b>(195,857,178)</b>
Interest paid		<u>(62,907,742)</u>	-
<b>Net Cash outflow from operating activities</b>		<b><u>176,661,531</u></b>	<b><u>(195,857,178)</u></b>
<b>Cash flows from investing activities</b>			
Interest received	4	2,242,194	-
Purchasing of property, plant and equipment	19	(118,254,053)	(250,029,933)
Acquisition of Intangible assets	9	<u>(1,268,447)</u>	-
<b>Net cash used in investing activities</b>		<b><u>(117,280,306)</u></b>	<b><u>(250,029,933)</u></b>
<b>Cash flows from financing activities</b>			
Net (outflows)/Inflows from long term borrowing	15	(94,635,745)	640,595,229
Contribution from COCOBOD	19	64,190,422	102,553,561
Net (outflows)/Inflows from short term borrowing	15	<u>(5,135,000)</u>	-
<b>Net cash (used in)/from financing activities</b>		<b><u>(35,580,323)</u></b>	<b><u>743,148,790</u></b>
Net Increase in cash and cash equivalents		23,800,902	297,261,679
Cash and cash equivalents at the beginning of the year		<u>300,969,574</u>	<u>3,707,895</u>
Cash and cash equivalents at 31 December	19	<u>324,770,476</u>	<u>300,969,574</u>

The attached notes 1 to 21 form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2014**

**1. REPORTING ENTITY**

Bui Power Authority was established on 31 July 2007 as a 100% Government of Ghana company in accordance with the Bui Power Authority Act, 2007 (Act 740). The activities of the Company are governed by the Bui Power Authority Act, 2007 (Act 740).

The principal objectives of the Company are to plan, execute and manage the Bui hydroelectric power project. The address of the Company's registered office is No 11 Dodi Link, Airport Residential Area, Accra, Ghana.

On 11 May 2007, the Company entered into a power purchase agreement with Electricity Company of Ghana for the supply of power from the hydroelectric plant.

**2. BASIS OF ACCOUNTING**

The financial statements have been prepared in accordance with the notes below and also in a manner required by the provisions of the Bui Power Authority Act, 2007 (Act 740). These financial statements have been prepared under the historical cost convention as modified by the revaluation of property, plant and equipment.

**Functional and presentational currency**

The financial statements are presented in Ghana Cedis which is the Authority's functional currency. In 2013 the financial statements were presented in US\$. However, for 2014, the Authority has elected to present its financial statements in Ghana Cedis (GH¢).

**3. ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the prior year, unless otherwise stated.

**(a) Property, plant and equipment**

**(i) Recognition and measurement**

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- When the Company has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and capitalized borrowing costs.

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

NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2014

Any gain or loss on disposal of an item of property and equipment calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the statement of income.

(ii) Subsequent costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Depreciation is provided for on a straight-line basis at rates calculated to write off the group value of each property, plant and equipment over its estimated useful life.

The estimated useful lives for the current and comparative periods are as follows:

Dam powerhouse	25 - 100 years
Generating plant and machinery	15 - 40 years
Power distribution network	15- 25 years
Motor vehicles	2 - 5 years
Marine equipment	10 years
Office equipment	1 - 5 years
IT and communication equipment	1 - 5 years
Office furniture and fittings	1 - 5 years
Household equipment	1 - 5 years
Household fixtures and fittings	1 - 5 years
Buildings	15 - 50 years

**NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2014**

**(b) Inventories**

**Inventories are measured at the lower of cost and net realizable value**

The cost of stocks is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price less the estimated costs of completion and estimated costs necessary to make the sale. Provision is made for obsolete and slow-moving items based on management's judgement

**(c) Trade and other accounts receivable**

Trade and other accounts receivable are amounts due from Electricity Company of Ghana (ECG) for the wholesale of power in the ordinary course of business. Debtors are stated after providing for specific debts considered to be doubtful. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

**(d) Foreign exchange**

Transactions denominated in foreign currencies are translated into cedis and recorded at the rates of exchange ruling on the dates of the transactions.

Balances denominated in foreign currencies are translated into cedis at the rates of exchange ruling on the balance sheet date.

**(e) Investment by the Government of Ghana**

This represents the total investment in the Project by the Government of Ghana (GoG) and comprises advance payments made by GoG to the contractor, prepaid insurance, retention and the liabilities incurred by GoG on the construction of the dam as a result of draw-downs from the concessionary loan and buyer's credit loan with Export-Import (EXIM) Bank of China. The portion attributable to the loan agreement is recognized based on Irrevocable Notices of Drawdown that have been prepared by the Ministry of Finance and Economic Planning and forwarded to the EXIM Bank.

**(f) Intangible assets**

Software acquired by the company is stated at cost less accumulated amortization. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortization is recognized in the income statement on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life of software is four years.



NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2014

(g) Loans

Loans are recorded at the proceeds received. Interest charges are accounted for on an accruals basis and are disclosed as part of accruals to the extent of the amount remaining unpaid.

(h) Government of Ghana Agency Accounts

All the contributions made by COCOBOD as an agency to the Ministry of Finance, Government of Ghana into the Escrow account with China Exim Bank and Payment Reserve account with China Exim Bank are accounted as long term liabilities of Bui Power Authority.

(i) Cash and cash equivalents

Cash and cash equivalents includes short term investments and bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

Cash and short-term deposits in the statement of financial position comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less.

(j) Revenue

The Authority recognizes revenue when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable and the amount of revenue can be measured reliably.

The amount of revenue arising on a transaction is usually determined by an agreement between the Authority and Electricity Company of Ghana.

(k) Post balance sheet events

Events subsequent to the balance sheet date are reflected only to the extent that they relate directly to the financial statements and the effect is material.

**BUI POWER AUTHORITY****NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2014**

<b>3. Revenue</b>	<b>2014 GHC</b>	<b>2013 GHC</b>
<b>Sale of electricity or power</b>		
Electricity Company of Ghana	180,169,932	-

**Capital recovery, ancillary charges and transmission service charges**

Bui power Authority has billed GRIDCO against capital recovery charges and ancillary services charges since 2013, and GRIDCO has raised invoices on Bui Power Authority against transmission service charges since 2013.

Revenue recognized excludes the below values, which will be accounted for as contingent on agreement between both Bui Power Authority and GRIDCO.

	<b>2014 GHC</b>	<b>2013 GHC</b>
<b>Revenue to Bui Power Authority</b>		
Capital recovery charges	16,786,932	8,679,096
Ancillary service charges	6,510,633	2,289,763
<b>Payable by Bui Power Authority</b>		
Transmission service charges	3,641,742	877,451

**4. Other Income**

	<b>2014 GHC</b>	<b>2013 GHC</b>
Other Income - sale of logs	807,801	-
Interest and investment income	2,242,194	-
	<u>3,049,995</u>	<u>-</u>

**5. Cost of sales/operating costs**

	<b>2014 GHC</b>	<b>2013 GHC</b>
Staff costs	11,954,359	-
Operating and Maintenance expenses	556,690	-
Depreciation	33,178,475	-
	<u>45,689,526</u>	<u>-</u>

**BUI POWER AUTHORITY**

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**NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2014**

**6 Net loss for the year**

This is after charging the following:

	2014 GH¢	2013 GH¢
Board expenses	165,754	-
Audit fees	143,550	-
Depreciation and amortisation	33,199,556	-

**7. Interest expense and charges**

	2014 GH¢	2013 GH¢
Interest on long term loans	65,061,809	-
Interest on bank overdrafts	9,948	-
Amortization of prepaid loan insurance	6,554,466	-
Fees and charges	<u>893,311</u>	<u>-</u>
<b>Total</b>	<b><u>72,519,534</u></b>	<b><u>-</u></b>

BUI POWER AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2014

8. Property, plant and equipment

Cost	Dam Power-house GHC	Power distribution network GHC	Land & buildings GHC	Generating plant & machinery GHC	Motor vehicles GHC	Equipment GHC	Furniture & fittings GHC	Capital Work in Progress GHC	Agricultural assets GHC	Total GHC
As at 1/1/2014	680,724,603	217,360,355	465,142,611	289,431,896	369,130	192,206	266,861	7,047,271	1,019,660	1,661,554,593
Additions	33,476,925	45,180,126	1,029,698	2,848,361	5,347,316	981,416	550,641	25,756,010	63,044	115,233,537
As at 31/12/2014	714,201,528	262,540,481	466,172,309	292,280,257	5,716,446	1,173,622	817,502	32,803,281	1,082,704	1,776,788,130
<b>Depreciation</b>										
As at 1/1/2014	-	-	-	-	-	-	-	-	-	-
Charge for the year	7,927,542	9,346,164	4,734,736	10,161,741	676,718	177,653	153,921	-	-	33,178,475
As at 31/12/2014	7,927,542	9,346,164	4,734,736	10,161,741	676,718	177,653	153,921	-	-	33,178,475
<b>Net book value</b>										
As at 31/12/2014	706,273,986	253,194,317	461,437,573	282,118,516	5,039,728	995,969	663,581	32,803,281	1,082,704	1,743,609,655
As at 31/12/2013	680,724,604	217,360,355	465,142,611	289,431,896	369,130	192,206	266,861	7,047,271	1,019,660	1,661,554,593

**BUI POWER AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2014**

**8. Property, plant and equipment (continued)**

**Revaluation**

In December 2013, all Authority's property, plant and equipment were professionally revalued by Accente Consulting Limited (Chartered Valuers) on the basis of their open market values resulting in a revaluation surplus of GH¢337,657,551.

The revaluation was made in US\$ and were converted into GH¢ using the closing exchange rate of US\$1 = GH¢2.09.

<b>Reconciliation for revaluation reserve</b>		
	<b>Amount (US\$)</b>	<b>Amount (GH¢)</b>
Revalued values accounted		
As per Valuation Report as at 31 December 2013	794,886,961	1,661,313,748
Adjustments for excluding the value for 3 Boats	(54,000)	(112,860)
Difference due to adoption of different exchange rate for conversion of GH¢ value of Forest Plantation into US\$	<u>169,237</u>	<u>353,705</u>
	795,002,198	1,661,554,593
Capital work in progress as per financial statements of 2013	626,203,209	1,308,764,707
Adjustments made under B (1) to B(6)	11,073,841	23,144,328
Adjustments for excluding the bank balances and cash balances included in CWIP as part of Employer's engineering and administrative costs	<u>(3,130,374)</u>	<u>(6,542,482)</u>
	634,146,676	1,325,366,553
Revaluation surplus as at 31 December 2013	160,855,522	<u>336,188,040</u>
<b>B(1) Accrual for expenses relating to 2013 not paid salary deductions payable and other accounts payable</b>		<b>Amount (GH¢)</b>
Postal and courier Services for November 2013		891
Electricity bill at Site - November 2013		2,196
Electricity bill relating to October 2013		3,333
Electricity bill at Site - December 2013		4,272
Security services bill for December 2013		4,761
Electricity bill for November 2013		5,587
Telephone bills for November and December 2013 - Vodafone		12,089
Internet leased line - August and October 2013		15,478
Airtel bills relating to April, May and June 2013		16,222
Tier 1 deduction for Dec 2013 salaries - Payable to SSNIT		45,953
Tier 2 deduction for Dec 2013 salaries - Payable to SSNIT		59,020
Welfare dues payable for Dec 2013		1,050
Compensation payable on land acquisition		340,802
Audit fee payable - 2011 to 2013		304,309
Utilities-Payable		<u>1,165,201</u>
		1,981,164



**NOTES TO THE FINANCIAL STATEMENTS**  
**31 DECEMBER 2014**

<b>B(2)</b>	<b>Balance of prepaid expenses as on 31 December 2013</b>		Amount (GH¢)
	Rent for Project Office		(47,250)
	Legal fees relating to January 2013		(2,000)
	Premier Health Insurance - Jan-Mar 2014		(9,504)
	Premier Health Insurance - Jan-Mar 2014		(20,543)
	Group Health Insurance - Jan-Aug 2014		<u>(79,753)</u>
			(159,050)
<b>B(3)</b>	<b>Balance of advances made as on 31 December 2013</b>		Amount (GH¢)
	Supplier advance to Mechanical Lloyd Company Limited		(1,054,927)
	Advances made to employees		<u>(11,620)</u>
			(1,066,547)
<b>B(4)</b>	<b>Loans, interest and amortisation of transaction costs</b>	Amount (US\$)	Amount GH¢
	Short term loan from Ministry of Mines and Energy	-	1,500,000
	Short term loan from Ministry of Energy	-	500,000
	Bank overdraft	-	3,135,000
	Buyer's credit loan 2012 - Accrual of Interest for 22 Nov 2013 to 31 Dec 2013	294,396	615,287
	Buyer's credit loan 2007 - Accrual of Interest for 22 Nov 2013 to 31 Dec 2013	1,900,169	3,971,353
	Buyer's credit loan 2012 - Amortisation of loan Insurance	74,753	156,233
	Buyer's credit loan 2007 - Amortisation of loan Insurance	<u>5,798,810</u>	<u>12,119,512</u>
		<u>8,068,128</u>	<u>21,997,385</u>
<b>B(5)</b>	<b>Foreign exchange differences</b>		Amount (GH¢)
	Exchange difference in GCB Collection account		<u>399,481</u>
<b>B(6)</b>	<b>Omission from financial statements of 2013 and rounding difference</b>		Amount (GH¢)
	Balance of Ecobank site sub account		(8,102)
	Rounding difference		<u>(4)</u>
			(8,106)

**BUI POWER AUTHORITY****NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2014****9. Intangible asset - Software**

	2014 GH¢	2013 GH¢
Cost		
Balance as at Jan. 1	-	-
Additions during the year	<u>1,268,447</u>	-
Balance as at Dec. 31	<u>1,268,447</u>	-
Accumulated amortization		
Balance as at Jan. 1	-	-
Charge for the year	<u>21,081</u>	-
Balance as at Dec. 31	<u>21,081</u>	-
Carrying amounts as at 31 December	<u>1,247,366</u>	-

Intangible assets represents acquisition of Windows, Microsoft Office and Share point software during 2014 as well as progress payments made to Microsoft Dynamics AX 2012 ERP implementation.

**10. Inventories**

	2014 GH¢	2013 GH¢
Inventory and spare parts	<u>447,231</u>	-
	<u>447,231</u>	-

**11. Trade and other accounts receivable**

	2014 GH¢	2013 GH¢
Trade accounts receivable	183,311,435	51,093,382
Prepayments	467,159	1,213,978
Staff receivables	-	11,620
Other receivables	<u>27,179,552</u>	<u>37,278,142</u>
	<u>210,958,146</u>	<u>89,597,122</u>

Other account receivables represent amounts receivable from Sino Hydro against Supplemental Agreement No. 6.

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### NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2014

#### 12. Short term Investments

	2014 GH¢	2013 GH¢
Investments	<u>28,702,561</u>	<u>-</u>

Short term Investments are the aggregate of treasury bills amounting to GH¢18,702,561 as well as fixed deposits amounting to GH¢10,000,000 with maturity dates in the first quarter of 2015.

#### 13. Cash and cash equivalents

	2014 GH¢	2013 GH¢
Foreign currency	288,709,135	280,448,578
Local currency	7,358,617	20,520,814
Cash on hand	<u>163</u>	<u>182</u>
	<u>296,067,915</u>	<u>300,969,574</u>

Foreign currency bank balances	2014 GH¢	2013 GH¢
China Exim Escrow Account	116,576,821	82,584,011
China Exim Payment Reserve Account	30,526,194	19,969,550
China Exim Joint Account-Sino Hydro EPC	140,229,718	173,365,429
Bank balances - US\$ Accounts - Ghana	<u>1,376,402</u>	<u>4,529,588</u>
	<u>288,709,135</u>	<u>280,448,578</u>

**China Exim Escrow Account:** Bui Power Authority shall transfer all the collections of revenue from sale of electricity after deducting operating expenditure, administrative expenditure and capital expenditure incurred by the Authority, to the Escrow account maintained with the China Import and Export Bank (CEXIM).

Balances in foreign currency representing the China Exim Escrow account are US\$36,544,458 (Exchange Rate US\$1 = GH¢3.19) for 2014 and US\$39,513,881 (Exchange Rate US\$1 = GH¢2.09 for 2013).

**China Exim Payment Reserve Account:** Bui Power Authority shall maintain a payment reserve equivalent to the immediate six months debt service commitments on the Buyer's credit 2007 and 2012 loan agreement. Balances in this account represents an amount of US\$30,526,194 (Exchange Rate US\$1 = GH¢3.19) for 2014 and US\$9,554,809 (Exchange Rate US\$1 = GH¢2.09) for 2013.

**China Exim Joint Account:** Supplemental agreement no.6 entered into by Bui power authority and Sino Hydro, the EPC Contractor for construction of Bui Hydro Power Dam, has entrusted the amounts into a joint account, which will be utilized for payment of Interim Payment Certificates approved by Bui Power Authority and Ministry of Finance. An amount of US\$82,949,966 was allocated to the Joint account.

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**NOTES TO THE FINANCIAL STATEMENTS  
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During 2014, Bui Power Authority has approved Interim Payment certificates 35 to 39 amounting to US\$38,990,807 and balance as at 31 December 2014 was US\$43,959,159. The GHC equivalent of balance as at 31 December 2014 is GHC140,229,718 (Exchange Rate US\$1 = GHC3.19).

Bank balances in the US\$ Accounts represents the onshore and offshore balances with Zenith Bank Ghana Limited, Ecobank Ghana Limited and GCB Bank Limited.

**14. Trade and other accounts payable**

	2014 GHC	2013 GHC
<b>Current liabilities</b>		
Trade accounts payable	168,947	-
Sundry payables	304,156	446,824
Accruals for expenses	<u>530,355</u>	<u>1,534,340</u>
	<b>1,003,458</b>	<b>1,981,164</b>

**15. Borrowings**

	2014 GHC	2013 GHC
<b>Current portion</b>		
Long term loans payable within one year	92,119,696	57,837,216
Bank overdrafts	-	3,135,000
Loan interest and commitment charges	6,740,707	4,586,640
Short-term borrowings	<u>-</u>	<u>2,000,000</u>
	<b>98,860,403</b>	<b>67,558,856</b>
<b>Non-current portion</b>		
Amount due after one year	<u>949,169,771</u>	<u>665,272,353</u>

	Balance 01.01.2014 GHC	Repayments GHC	Unamortised loan Insurance GHC	Unrealised Forex GHC	Balance 31.12.2014 GHC
<b>Long Term Loans</b>					
China Bank Buyers Credit Loan 2007	613,427,668	(75,128,991)	(28,868,003)	319,961,965	829,392,639
China Bank Buyers Credit Loan 2012	<u>159,272,503</u>	<u>(19,506,754)</u>	<u>(14,168,134)</u>	<u>83,076,042</u>	<u>208,673,657</u>
<b>Total</b>	<b>772,700,171</b>	<b>(94,635,745)</b>	<b>(43,036,137)</b>	<b>403,038,007</b>	<b>1,038,066,296</b>

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Details of the long term loans are shown below:

Loan	Currency	Contract Amount	Interest rate (%)	Maturity date
Buyers Credit Loan 2007	US\$	293,506,061	5.94475%	21/11/2025
Buyers Credit Loan 2012	US\$	76,206,939	Libor+ 4%	21/11/2025

16. GOG Agency Accounts

	2014 GH¢	2013 GH¢
Balance at 31 December	218,478,113	102,553,561

Ghana COCOBOD has entered into a sales agreement with Genertec International Corporation for the sale of Cocoa in accordance with Article 9.6 "Cash Available for Debt Service in the Cocoa Sales Agreement (CSA)" of Amended and Restated Buyer's Credit Loan Agreement between Government of Ghana and The Export-Import Bank of China.

By the Cocoa Sales Agreement, Genertec International Corporation shall remit the sales consideration into the Escrow Account of Bui Power Authority managed with The Export-Import Bank of China.

GOG Agency Accounts represents the amounts received in US\$ into the Escrow Account from Genertec on behalf of Ghana COCOBOD and interest credited by The Export-Import Bank of China on the balances lying in the China Exim Escrow Account and China Exim Payment Reserve Account.

As at 31 December 2013 the balance in the GOG Agency Accounts represents amounts contributed by Ghana COCOBOD amounting to US\$49,068,688 (GH¢102,553,561), equal to the balances in China Exim Escrow Account and China Exim Payment Reserve Account respectively.

During 2014, receipts through Cocoa Sales from Genertec on behalf of Ghana COCOBOD were accounted for based on the exchange rates prevailing on the transaction dates. Aggregate of receipts during 2014 from Ghana COCOBOD and interest on the balances in China Exim Escrow Account and China Exim Payment Reserve Account amounted to US\$19,419,747 (GH¢64,190,422). Unrealized Forex Difference amounting to GH¢51,734,130 was included in the balance as at 31 December 2014.



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**17. Investment by the Government of Ghana**

	2014 GHC	2013 GHC
Balance at 31 December	<u>878,567,315</u>	<u>878,567,315</u>

This represents the total investment in the project by the Government of Ghana (GoG) and comprises advance payments made by GoG to the contractor, prepaid insurance, retention and the liability incurred by GoG on the construction of the dam as a result of draw-downs from the concessionary loan and buyer's credit loan with Export-Import (EXIM) Bank of China. The portion attributable to the loan agreement is recognized based on Irrevocable Notices of drawdown that have been prepared by the Ministry of Finance and Economic Planning and forwarded to the EXIM Bank.

**18. Revaluation surplus**

	2014 GHC	2013 GHC
Balance at 31 December	<u>333,167,525</u>	<u>336,188,040</u>

Movements in the revaluation reserve during 2014 represents the reversal of Work in Progress valued on account of incomplete housing units as at 31-December-2013. Actual values of Work in Progress in relation to incomplete housing units were accounted for during 2014.

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NOTES TO THE FINANCIAL STATEMENTS  
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19. Notes to cashflows

19.(i) Cash and cash equivalents	2014 GH¢	2013 GH¢
Cash and bank balances	296,067,915	300,969,574
Short term investments	<u>28,702,561</u>	-
	<u>324,770,476</u>	<u>300,969,574</u>
19.(ii) Exchange difference	2014 GH¢	2013 GH¢
Unrealized exchange difference on Buyer's Credit Loan 2007	319,961,964	-
Unrealized exchange difference on Buyer's Credit Loan 2012	83,076,042	-
Unrealized exchange difference on GOG Agency Accounts	51,734,130	-
Unrealized exchange difference on trade accounts receivable	<u>(27,152,561)</u>	-
	<u>427,619,575</u>	-
Unrealized foreign exchange difference on cash and cash equivalents	<u>(118,719,552)</u>	-
Unrealized exchange difference - Administrative expenses	<u>308,900,023</u>	-
19.(iii) Changes in accounts receivable	2014 GH¢	2013 GH¢
Movements during 2014	121,361,023	84,061,127
Unrealized foreign exchange rate difference on trade accounts receivable	<u>(27,152,561)</u>	-
	<u>94,208,462</u>	<u>84,061,127</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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<b>19.(iv) Purchasing of property, plant and equipment</b>	<b>2014</b>	<b>2013</b>
	<b>GHC</b>	<b>GHC</b>
Movements during 2014	115,233,537	586,217,973
Reversal of WIP valuation of houses	3,020,516	-
Revaluation reserves recognized	<u>-</u>	<u>(336,188,040)</u>
	<b><u>118,254,053</u></b>	<b><u>250,029,933</u></b>
<b>19. (v) Contribution from COCOBOD</b>	<b>2014</b>	<b>2013</b>
	<b>GHC</b>	<b>GHC</b>
Movements during 2014	115,924,552	102,553,561
Unrealized exchange difference on GoG agency accounts	<u>(51,734,130)</u>	<u>-</u>
	<b><u>64,190,422</u></b>	<b><u>102,553,561</u></b>
<b>20. Contingent assets and contingent liabilities</b>		
<b>Contingent assets</b>		
Bui Power Authority has billed GRIDCO against Capital Recovery Charges and Ancillary Services Charges.		
Recognition of these receivables are contingent on the Agreement between both Bui Power Authority and GRIDCO.		
<b>Capital recovery and ancillary charges</b>	<b>2014</b>	<b>2013</b>
	<b>GHC</b>	<b>GHC</b>
Capital recovery charges	29,415,976	7,709,014
Ancillary service charges	10,022,700	2,033,831
<b>Contingent liabilities</b>		
GRIDCO has raised invoices on Bui Power Authority against transmission service charges.		
Recognition of these payables are contingent on the Agreement between both Bui Power Authority and GRIDCO.		
<b>Transmission service charges</b>	<b>2014</b>	<b>2013</b>
	<b>GHC</b>	<b>GHC</b>
Transmission service charges	4,519,192	877,451

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**NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2014**

**21. Restatement of 2013 balance sheet**

	2013 Restated GH¢	2013 Restated US\$	2013 Audited US\$
<b>Non-current assets</b>			
Property, plant and equipment	1,65,348,662	791,142,422	-
Biological assets	1,019,660	487,876	-
Capital Work In Progress	7,047,271	3,371,900	626,203,209
Prepaid loan Insurance	-	-	<u>29,601,123</u>
	<u>1,661,554,593</u>	<u>795,002,198</u>	<u>655,804,332</u>
<b>Current assets</b>			
Accounts receivable	51,093,381	24,446,594	42,283,025
Other receivables	38,344,691	18,346,742	-
Prepaid expenses	159,050	76,100	-
Cash and cash equivalents	<u>300,969,574</u>	<u>144,004,580</u>	<u>91,992,780</u>
	<u>390,566,696</u>	<u>186,874,016</u>	<u>134,275,805</u>
<b>Total assets</b>	<u>2,052,121,289</u>	<u>981,876,214</u>	<u>790,080,137</u>
<b>Equity</b>			
Investment by Government of Ghana	878,567,315	420,367,136	790,080,137
Retained earnings	-	-	-
Revaluation surplus	<u>336,188,040</u>	<u>160,855,522</u>	-
<b>Total equity</b>	<u>1,214,755,355</u>	<u>581,222,658</u>	<u>790,080,137</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	665,272,353	318,312,131	-
GOG-Agency Accounts	<u>102,553,561</u>	<u>49,068,688</u>	-
	<u>767,825,914</u>	<u>367,380,819</u>	-
<b>Current liabilities</b>			
Loans and borrowings current portion	67,558,856	32,324,811	-
Other accounts payable	<u>1,981,164</u>	<u>947,926</u>	-
	<u>69,540,020</u>	<u>33,272,737</u>	-
<b>Total liabilities</b>	<u>837,365,934</u>	<u>400,653,556</u>	-
<b>Total equity and liabilities</b>	<u>2,052,121,289</u>	<u>981,876,214</u>	<u>790,080,137</u>

NOTES TO THE FINANCIAL STATEMENTS  
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21. Restatement of 2013 balance sheet (continued)

- 1) Bui Power Authority has presented its financial statements for 2013 in US\$ when the functional currency was also US\$. Presentation and Functional currency was however changed to GH¢ during 2014. Major reasons for changing the currency from US\$ to GH¢ are given below
  - a) Settlement of wholesale power sales by Electricity Company of Ghana is in GH¢.
  - b) Transfers to Escrow Account for loan payments are made from Bank accounts denominated in GH¢.
  - c) Major expenditures incurred within Ghana are in GH¢.
- 2) Assets and liability balances as at 31-December-2013 was translated using the exchange rate of US\$1 = GH¢2.09
- 3) Capital Work in Progress as per the financial statements for 2013 was adjusted for accruals, pre-production revenue and pre-operative expenses. Adjusted Capital Work in Progress was compared with revalued figures and the surplus is accounted as revaluation surplus.
- 4) Reconciliations between audited and restated figures for 2013 in US\$.

(i) Cash and cash equivalents	2013 Restated US\$	2013 Audited US\$
Ghana Commercial Bank - Sales Account	8,851,675	9,042,814
China Exim Joint Account-Sino Hydro EPC	82,949,966	82,949,966
China Exim Escrow Account	39,513,881	-
China Exim Payment Reserve Account	9,554,809	-
Eco Bank - Foreign	644	-
Eco Bank - Forex	1,801,521	-
Zenith Bank - Foreign	1,991	-
Zenith Bank - Forex	363,110	-
Eco Bank - Cedi	75,062	-
Eco Bank - Cedi Site	6,063	-
Eco Bank - Cedi Site Sub	3,876	-
Zenith Bank - Cedi	651,247	-
Zenith Bank - Cedi Site	3,065	-
Ghana Commercial Bank Cedi	11,539	-
Agriculture Development Bank	216,044	-
Cash on hand Cedi	87	-
	<u>144,004,580</u>	<u>91,992,780</u>

Cash and cash equivalents includes balances from China Exim Escrow Account for GH¢82,584,011 (US\$39,513,881) and Payment Reserve Account for GH¢19,969,550 (US\$9,554,809), which were not considered in the 2013 financial statements.

GCB Bank Limited Sales Account stood at GH¢18,500,000 as at 31 December 2013 which was converted as US\$8,851,675 (Exchange Rate US\$1 = GH¢2.09) for 2013. The difference was adjusted as translation difference.

NOTES TO THE FINANCIAL STATEMENTS  
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## 5) Reconciliations between Audited and Restated figures for 2013 in US\$ (continued)

(ii) Investment by GOG	2013 US\$ Restated	2013 US\$ Audited
Investment by Government of Ghana	420,367,136	790,080,137
Loans and borrowings	342,039,692	
Loans and borrowings - Current portion	<u>27,673,309</u>	-
	<u>790,080,137</u>	<u>790,080,137</u>

Loans and borrowings and loans and borrowings - Current portion are netted off with unamortized loan insurance in 2013 restated figures. Amortisation adjusted into CWIP are excluded for the purpose of netting off as at 31 December 2013.

	2013 US\$ Restated	2013 US\$ Audited
Unamortised loan Insurance	(20,591,453)	(21,864,300)
Unamortised loan Insurance - Current portion	(3,136,107)	(7,736,823)
Adjustments to CWIP for amortization of loan insurance- Buyers credit 2007	(5,798,810)	-
Adjustments to CWIP for amortization of loan insurance- Buyers credit 2012	<u>(74,753)</u>	-
	<u>(29,601,123)</u>	<u>(29,601,123)</u>

**SUPPLEMENTARY FINANCIAL INFORMATION**

**BUI POWER AUTHORITY****NOTES TO THE FINANCIAL STATEMENTS  
31 DECEMBER 2014****SUPPLEMENTARY FINANCIAL INFORMATION**

	2014 GH¢	2013 GH¢
Rent	165,283	-
Insurance	221,349	-
Telecommunication expenses	207,111	-
Fuel-expense	387,478	-
Security	183,696	-
Travel expenditure	274,938	-
Board expenses	165,754	-
Legal expenses	77,818	-
Audit fees	143,550	-
Professional & consulting fees	475,076	-
Corporate social responsibility	112,020	-
Exchange difference	256,277,243	-
Licenses and permits	23,354	-
Utilities	96,064	-
Printing and postage	71,964	-
Maintenance	274,506	-
Advertising	81,766	-
Catering	355,338	-
Subscription	24,419	-
Programs and special events	112,321	-
Cleaning and sanitation	31,357	-
Office supplies	53,406	-
Protocol	61,200	-
Entertainment and refreshments	14,698	-
Seminars, conference and meetings	12,604	-
Recruitment expense	56,023	-
IT consumables	3,784	-
General materials - expense	16,206	-
Amortization	21,081	-
	<u>260,001,407</u>	<u>-</u>