



Bui Power Authority
Financial Statements 31 December 2020

Bui Power Authority (BPA)
For the Year Ended 31 December 2020
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Bui Power Authority (BPA)
For the Year Ended 31 December 2020

AUTHORITY GOVERNING BOARD AND CORPORATE INFORMATION

AUTHORITY GOVERNING BOARD
Amb. Afare Apradu Donkor
Mr. Fred Oware
Alhaji Abubakari Abdul-Rahman
Mrs Sylvia Marai Asare
Hon. Gabriel Osei
Dr. Adams Sulemana Achanso
Mr. Kwaku Bowiansa Abrefa
Chairman
CEO (Member)
Member
Member
Member
Member
Member
Member

REGISTERED OFFICE

No. 11 Dodi Link,
Airport Residential
Area, Accra
Ghana

SOLICITORS

Alexander Amposah ESQ
Adom Legal Consult
P. O. Box 1479
Sunyani
Brong Ahafo Region

BANKERS

Zenith Bank Ghana Limited
Ecobank Ghana Limited
adb Bank
GCB Bank
Fidelity Bank

AUDITORS

Kwame Asante & Associates
Chartered Accountants
P. O. Box 58
Trade Fair Centre
Accra

Bui Power Authority (BPA)
For the Year Ended 31 December 2020

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

The Governing Board present the audited financial statements of the Authority for the year ended December 2020.

Governing Board's responsibility statement

The Authority's Governing Board is responsible for the preparation of financial statements that give a true and fair view of Bui Power Authority, statements of financial position at 31 December 2020, and the 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 notes, in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the provision of the Bui Power Authority Act, 2007 (Act 740) section 21 as amended by Bui Power Authority Act, 2020. In addition, the Authority's Governing Board are responsible for the preparation of the report of the financial statements.

The Authority's Governing Board is also responsible for such internal controls as the Authority 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 Authority's Governing Board have made an assessment of the ability of the company to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

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

Financial statements

The financial results for the year ended 31 December 2020 is reflected in the accompanying financial statements.

Nature of business

The main activities of the Authority are to plan, execute and manage the Bui Hydroelectric Power Project so as to augment power supply of Ghana

State of affairs of the Authority


The Governing Board consider the state of affairs of the authority to be satisfactory and have no reason to believe 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 financial statements

The financial statements of the Authority as indicated above were approved by the board of Authority's Governing Board on 2020 and are signed on their behalf

Date:

DIRECTOR



Date:

DIRECTOR



KWAME ASANTE & ASSOCIATES

P. O. Box 58, Trade Fair Centre
Accra - Ghana
233-21-227776 Telephone
233-21-231460-1 Facsimile
kaaghana@gmail.com

REPORT OF THE INDEPENDENT AUDITOR

Opinion

We have audited the financial statements of Bui Power Authority, which comprise the statement of financial position balance as at December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cashflows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 7 to 35) give a true and fair view of the financial position of Bui Power Authority as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), the Bui Power Authority Act, 2007 (Act, 740) as amended by Bui Power Authority Act, 2020 to also assume the functions of the Renewable Energy Authority proposed under section 53 of the Renewable Energy Act, 2011 (Act 832) and any function assigned by the Minister responsible for Energy in the area of renewable energy. These functions were added to the original functions of BPA under section 11 of the amended Act.

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 Financial Statements section of our report. We are independent of the Authority 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.

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the year under review. These matters were considered in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our audit report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements.

KWAME ASANTE & ASSOCIATES

The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters

The Authority has not followed the International Financial Reporting Standards Six (IFRS 6) that deals with restoration of site which has been explored for power generation by the Authority.

The amount of the restoration cost per the assurance will have to be computed by an actuarist to be able to determine the future restoration cost and some be reviewed annually and also be included as a note to the financial statements.

How the matter was addressed in the audit.

Bul Power Authority is of the opinion that there will be no future decommissioning costs associated with the Bul Dam. It is believed that the Authority, being a Government owned entity will not be liable for the restoration of the land as the land is also Government owned.

We are yet to be given a letter from the government absorbing Bul Power Authority from any future cost of restoration.

Other information

The Governing Board is responsible for the other information. The other information comprises the Governing Boards' reports as required by the Bul Power Authority ACT, 2007 (Act 740) the other information does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtain 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.

Responsibility of Authority's Governing Board for the Financial Statements

The Authority's Governing Board is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) and also in the manner that required by the Bul Power authority act, 2007 (Act 740), and for such internal control as the Authority Governing Board determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the Authority's Governing Board is responsible for assessing the Authority'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 Authority's Governing Board either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

KWAME ASANTE & ASSOCIATES

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Authority Governing Board.
- Conclude on the appropriateness of the director's 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 Company'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 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 Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 Authority to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Authority audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee 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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

KWAME ASANTE & ASSOCIATES

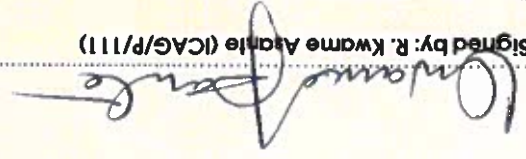
From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Companies Act 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) in our opinion, proper books of account have been kept by the Authority, so far as it appears from our examination of those books; and
 - iii) the balance sheet (statement of financial position) and profit or loss (statement of profit or loss and other comprehensive income) of the Authority is in agreement with the books of accounts.
- The engagement partner on the audit resulting in this independent auditor's report is (R. Kwame Asante).

Signed by: R. Kwame Asante (ICAG/P/111)



For and on Behalf of:

KWAME ASANTE & ASSOCIATES (ICAG/F/2020/056)
CHARTERED ACCOUNTANTS
NO 5TH CRESCENT ASYLUM DOWN
Accra

Date: 11/5/21

*Bui Power Authority (BPA)
For the Year Ended 31 December 2020*

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
Revenue	129,697	105,927
Cost of Generation	(28,353)	(29,391)
Gross Profit	101,344	76,536
Other Operating Income	1,535	1,311
Operating Expenses	(4,581)	(7,886)
Administrative Expenses	(24,087)	(12,143)
Operating Profit	74,211	57,818
Finance Cost	(19,680)	(19,971)
Profit before Tax	54,531	37,847
Tax	-	-
Profit after Tax	54,531	37,847
Other Comprehensive Income	-	-
Total Comprehensive Income for the Year	54,531	37,847

Notes

But Power Authority (BPA)
For the Year Ended 31 December 2020

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2020

	2020	2019
ASSETS		
Non-Current Assets:	US\$'000	US\$'000
Property, Plant and Equipment	825,195	802,268
Intangible Assets	25	109
Investment in Subsidiary (NPG)	204	35
Bonds	16,202	-
Total non-current assets	841,626	802,412
Current Assets		
Inventory	7,783	5,591
Trade & Other Accounts Receivables	442,295	385,260
Other Financial Assets	2,495	2,188
Restricted Cash	25,851	25,582
Cash & Bank Balance	20,143	3,508
Total Current Assets	498,567	422,129
Total Asset	1,340,193	1,224,541
Equity		
Accumulated Fund	76,514	76,514
Retained Earning	424,156	369,625
Total Equity	500,670	446,139
Non-Current Liabilities		
Loans and Borrowings	780,127	749,466
20d		
But Land Compensation (Provision)	10,000	-
24		
Deferred Income	136	273
21		
Deferred Income Grant	81	-
Total Non-Current Liabilities	790,344	749,739
Current Liabilities		
Loans and Borrowings	30,809	20,325
20d		
Trade Accounts & Other Payable	17,693	7,844
22		
Employees Benefit obligation	677	494
23		
Total Current Liabilities	49,179	28,663
Total Liabilities	839,523	778,402
Total Liabilities & Equity	1,340,193	1,224,541

Notes

AUTHORITY'S GOVERNING BOARD

AUTHORITY'S GOVERNING BOARD

**Bui Power Authority (BPA)
For the Year Ended 31 December 2020**

The accompanying notes on pages 11 to 35 form part of these financial statements and should be read in conjunction therewith.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Accumulated Fund	Retained Earnings	Total Equity
Balance at 1 January 2020	US\$'000	US\$'000	US\$'000
	76,514	369,625	446,139
Profit for the year	-	54,531	54,531
balances as at 1 Jan. 2020	76,514	369,625	446,139
Balance at 31 Dec 2020	76,514	424,156	500,670

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Accumulated Fund	Retained Earnings	Total Equity
Balance at 1 January 2019	US\$'000	US\$'000	US\$'000
	76,514	331,778	408,292
Profit for the year	-	37,847	37,847
balances as at 1 Jan. 2019	76,514	331,778	408,292
Balance at 31 Dec 2019	76,514	369,625	446,139

The accompanying notes on pages 11 to 35 form part of these financial statements and should be read in conjunction therewith.

**Bui Power Authority (BPA)
For the Year Ended 31 December 2020**

**STATEMENT OF CASHFLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

	2020	2019
	US\$'000	US\$'000
Operating activities		
Profit/(Loss) from operations	54,531	37,847
Adjustments for:		
Depreciation of Property Plant & Equipment	21,279	18,874
Amortisation Charge	84	84
Bui Land Compensation (Provision)	10,000	-
Interest Income	(767)	(601)
Interest Expense	19,680	19,971
Profit on Disposal	(46)	-
Decrease/(Increase) in Inventories	(2,192)	(2,853)
Decrease in Restricted Cash	(269)	1,693
(Increase)/Decrease in Accounts Receivables	(57,035)	(83,807)
Increase/Decrease in Accounts Payables	9,849	6,214
Increase/(Decrease) Deferred Income	(137)	(17)
Increase Deferred Grant Income	81	-
Increase in Employee benefit Obligation	183	148
Cash Generated from Operating Activities	55,241	(2,447)
Interest Received	767	601
Interest Paid	(19,680)	(19,971)
Net Cash Generated from Operating Activities	36,328	(21,817)
Investing Activities		
Purchase of Property Plant & Equipment	(44,205)	(5,809)
Purchase of Intangible Assets	-	-
Proceeds from Sale of Assets	46	-
Investment in Subsidiary	(169)	(35)
Bonds	(16,202)	-
Net Cash Outflow from Investing Activities	(60,530)	(5,844)
Financing Activities		
Loans & Borrowings	41,145	18,265
Net Cash (used in) Generating Finance Activities	41,145	18,265
Net Cash flow from Financing Activities		
Cash and cash equivalents at beginning of year	5,696	15,092
Increase in cash and cash equivalents	16,942	(9,396)
Increase / (Decrease) in cash & cash equivalents at 31 December	22,638	5,696

FOR THE YEAR ENDED 31 DECEMBER 2020

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Bui Power Authority was established by an act of parliament, Bui Power Authority Act 2007, (Act 740) and it is domiciled in Ghana. The Authority's registered office is at No 11 Dodi link, Airport Residential Area, Accra Ghana. The principal activity of the Authority is primarily involved in planning, executing and managing the Bui Hydroelectric Project. The Bui Power Authority Act 2007, (Act 740) was amended in 2020 to also assume the functions of the Renewable Energy Authority proposed under section 53 of the Renewable Energy Act, 2011 (Act 832) and any function assigned by the Minister responsible for Energy in the area of renewable energy. These functions were added to the original functions of BPA under section 11 of the amended Act.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

2.1.1 Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standard (IFRS) as issued by the International Accounting Standards Board (IASB) and in the financial statements have been prepared on a historical cost basis and represented in the United States of America Dollars and rounded to the nearest thousands except otherwise indicated.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as well as disclosures of contingent assets and liabilities at the reporting date and the reported amount of revenue and expenses during the period. However, actual outcome could differ from those estimates.

2.1.2 Basis of measurement

The financial statements have been prepared on the historical cost basis.

2.1.3 Functional and presentation currency

The financial statements are presented in United States of America Dollars (US\$) which is the Authority's functional currency. All amounts have been rounded, unless otherwise indicated.

2.1.4 Use of estimates and judgments

In preparing the financial statements, management has made judgments, estimates and assumptions that affect the application of the Authority's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue recognition

Revenue from sale of electricity is recognised when electricity is supplied to off takers. Revenue is recognised to the extent that it is probable that economic benefits will flow to the Authority and the amount of revenue can be reliably measured at a rate

approved by the Public Utility Regulatory Commission (PURC) as per the power purchase agreement. Revenue is stated at the fair value of the consideration received/receivable.

Power Supply Income: But Power Authority recognise electricity supply income from amount of revenue arising from agreement between the Authority and the off takers. Revenue is recognised upon delivery of electricity to the off taker.

3.2 Borrowing Costs

Borrowing cost consist of interest and other cost that an entity incurs in connection with the borrowing of funds. Borrowing cost directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset.

All borrowing costs in relation to construction of the dam and other civil works have been capitalised.

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

3.3 Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year.

The Authority asserts that is a Government Agency established by an Act of parliament, they are exempt from the payment of corporate taxes.

Revenue, expenses and assets are recognised net of the amount of VAT except where the value added tax incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expenses item as applicable.

The net amount of value added tax from or payable to the Ghana Revenue Authority is included as part accounts receivable or payables in the statement of financial position.

3.4 Property, Plant and Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method.

The initial cost of an assets comprises its purchases price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of any decommissioning obligation. If any and for qualifying assets, the borrowing cost. The purchase price or construction cost is the aggregate of the amount paid and the fair value of any other consideration given to acquire the asset.

The straight line method is adopted to depreciate the cost of items of property, plant and equipment less any estimated residual value of the assets over their expected useful life. But Power Authority estimates the useful life of other assets in line with their beneficial period. Where parts of an item of property, plant and equipment have different useful life and is significant to the total cost, the cost of that item is allocated on a component basis among the parts and each part is depreciated separately.

The following annual rates are used for the depreciation of property, plant and equipment:

Land Dam Power House	25-100 years
Generating Plant & Machinery	15-40 years
Power Distribution Network	15-25 years
Motor Vehicle	2-5 years
Marine Equipment	10 years
Office Equipment	1-5 years
IT & Communication Equipment	1-5 years
Office Furniture, Fixtures, & Fittings	1-5 years
Household Equipment	1-5 years
Household Fixtures & Fittings	1-5 years
Miscellaneous Equipment	3-20 years
Building	15-50 years

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

The cost of assets built by the Authority includes the cost of material and direct labour as well as any other costs directly attributable to bringing the assets to a working condition as intended by management. Once the assets are available for use, depreciation commences

Costs associated with routine servicing and maintenance of assets are expensed as incurred. Subsequent expenditure is only capitalized if it is probable that future economic benefits associated with the item will flow to the Authority.

The carrying values of property and equipment are reviewed for indications of impairment annually, or when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Residual values, useful life methods of depreciation for property and equipment are reviewed, and adjusted if appropriate, at each financial year end.

Intangible assets

Computer Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over 5 years.

3.5 Impairment of Non-financial assets

At each reporting date, property, plant and equipment, intangible assets, and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or any related assets) is estimated and compared with its carrying amount. If estimated recoverable amount

is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognized immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or any of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset (any of related assets) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

3.6 Financial Instruments

A Financial Instruments is any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party.

All financial instruments are classified into one of the following categories: held for trading, held-to-maturity investments, loans and receivables, available for sale financial assets or other financial liabilities.

Transaction cost on financial instruments are expensed when incurred. Purchased and sales of financial assets are accounted for at trade dates.

Financial instruments include disclosures on their liquidity risk and the inputs to value measurement, including their classifications within a hierarchy that prioritises those inputs.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expenses are not offset in the statement of profit or loss unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Authority.

De-recognition Of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount is recognised in profit or loss.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the statement of financial position) when:
The rights to receive cash flows from the asset have expired.

Or

it has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:

4.2 the Authority has transferred substantially all the risks and rewards of the asset, or

(b) the Authority has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Authority continues to recognise the transferred asset to the extent of the Authority's continuing involvement. In that case, the Authority also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Authority has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Authority could be required to repay.

Financial assets (excluding derivatives)

Classification

The appropriate classification of a financial asset is determined on acquisition of the financial asset and is based on:

whether or not the contractual terms of the financial asset give rise to contractual cash flows that are solely payments of principal and interest; and

The objective of the business model in which the financial asset is held or a portfolio level that best reflects the way the business is managed.

Financial assets are not reclassified subsequent to their initial recognition unless the authority changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Authority may irrevocably designate a financial asset on initial recognition that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. The Authority may also irrevocably elect on initial recognition of an equity investment that is not held for trading to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

The Authority did not designate any financial assets at fair value through profit or loss and has not elected to present equity investments at fair value through other comprehensive income.

Financial assets are classified into the following categories:

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
it is held within a business model whose objective is to hold assets to collect contractual cash flows. Fair value through other comprehensive income. A financial asset is measured at fair value through other comprehensive income if it meets both of the following conditions and is not designated as at fair value through profit or loss:

its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets

Fair value through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss.

Measurement initial recognition

Financial assets are initially measured at fair value on the date of commitment to purchase (trade date). The transaction price is generally the best indicator of fair value. If a contract with a customer has a significant financing component, the related financial asset is initially measured at the transaction price excluding the time value of money.

Where the fair value of a financial asset is different to the transaction price, a day-one gain or loss may arise. If the fair value has been determined based on market-observable data the whole day-one gain or loss is recognised immediately in profit or loss. If the fair value has not been based on market-observable data the day-one gain or loss is deferred in the statement of financial position and amortised over the term of the instrument in profit or loss.

Any directly attributable transaction costs are included in the initial measurement of financial assets except for financial assets at fair value through profit or loss where directly attributable transaction costs are recognised in profit or loss.

After initial recognition

Amortised cost (previously loans and receivables) financial assets at amortised cost are measured at amortised cost after initial recognition using the effective interest rate method less any accumulated impairment losses. Interest income, foreign exchange gains and losses and impairments are recognised in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Fair value through other comprehensive income (previously available-for-sale)

Financial assets at fair value through other comprehensive income are measured at fair value after initial recognition. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairments are recognised in profit or loss.

Other net gains and losses are recognised in other comprehensive income.

The loss allowance for financial assets at fair value through other comprehensive income is recognised in profit or loss. Impairment Current year (in terms of IFRS 9) Loss allowances are recognised for expected credit losses on financial assets measured at amortised cost or fair value through other comprehensive income. Loss allowances are calculated using the general or simplified approach.

The general approach requires impairment to be measured using a 12-month or lifetime expected credit loss. The lifetime expected credit loss method will be used if, after initial recognition, there is a significant increase in the credit risk of a financial asset or it becomes credit-impaired. The simplified approach requires impairment to be measured using a lifetime expected credit loss. The simplified approach is applied to trade and other accounts receivable.

The Authority recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Authority expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade accounts receivable and contract assets, the Authority applies a simplified approach in calculating ECLs. Therefore, the Authority does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Authority has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

3.7 Employee Benefits – Social Security & Provident Funds

The Authority contributes to the national pension fund (defined contribution) governed by the Social Security & National Insurance Trust Fund law on behalf of employees. All employer contributions are charged to the income statement as incurred and are included under staff costs.

A provision is recognised for end of service benefit entitlements of management. This is accrued for each completed year of service. An expense is recognised and a corresponding provision accrued each reporting year end.

Provision has been made for end of service benefits of the Chief executive officer of the Authority as well as the Governing Board's members of the Authority. This has been calculated using the simplified projected unit credit method as stipulated by IAS 19 Employee Benefit on other Long term employee benefit.

3.8 Inventories

Bui Power Authority's inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all cost necessary to make the sale.

3.9 Trade Receivables

Trade receivables are recorded at their original amount less provision for impairment. In accordance with the provision of IFRS 9, Bui Power Authority provide for 1% of the previous year's aged receivables balances which are more than 360 days past due.

Adjustments to the policy may be made due to specific or exceptional circumstances when collection is no longer considered probable. The carrying amount of the receivable is reduced through the use of a provision account and movements in the provision are recognized in the income statement within cost of sales. When a provision is provided trade receivable is uncollectable, it is written off against the provision.

3.10 Cash and Cash Equivalents

Cash comprises cash in hand and demand deposits. Cash equivalents are short-term highly liquid investments with an original maturity of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. In the statement of cash flows, cash and cash equivalents are shown net of short-term overdrafts which are repayable on demand and form an integral part of the Authority's cash management.

Restricted Cash Flows

Amount held in the Bul Power Authority's accounts with China Export and Import Bank (CEXIM) are not considered to be a part of the Authority's cash and cash equivalents balance. Rather, they are considered separately due to their maturity and nature of restriction.

Available-for-Sale Financial Assets

For available-for-sale financial investments, the Authority assesses at each balance sheet date whether there is objective evidence that an investment or Company of investments is impaired.

In the case of equity investments classified as available-for-sale, objective evidence would include significant or prolonged decline in the fair value of the investment below its cost. Where there is evidence of impairment, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the income statement) is removed from equity and recognized in income statement. Impairment losses on equity investments are not reversed through the same income statement. Increases in fair value after impairment are recognized directly in equity.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortized cost. Interest continues to be accrued at the original effective interest rate on the reduced carrying amount of the asset and is recorded as part of interest and similar income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in the income statement, the impairment loss is reversed through the income statement.

Financial Liabilities

Financial liabilities are measured at amortized cost using the effective interest rate method. A financial liability is derecognized when the obligation under the liability expires, is discharged or cancelled.

3.11 Trade Payables

Trade payables are non-interest-bearing and are stated at their nominal value.

Borrowing costs

Borrowing costs attributable to the acquisition or construction of property, plant and equipment or in respect of software projects that necessarily take a substantial period of time to prepare for their intended use, or sale, are capitalized as part of the asset cost. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Provisions

Provisions are recognized when the Authority has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Authority expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain the expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

Contingent liabilities and contingent assets are not recognized in the financial statements but are disclosed. Contingent liabilities are initially measured at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognized and the amount initially recognized less cumulative amortisation recognized.

4. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Authority's accounting policies, which are described in note 2, the Authority Governing Board are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

4.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4.2 Useful life of property, plant and equipment

Bui Power Authority reviews for impairment, the estimated useful life of property, plant and equipment at the end of each reporting period. During the current year, the Authority Governing Board determined that the useful life of certain items of equipment should be shortened, due to developments in technology.

4.3 Foreign exchange transactions

The financial statement are presented in United States of America Dollars, which is also the functional currency of the Authority, unless otherwise indicated, all amount are presented to the nearest US dollar.

Transactions and Balances

Transactions in foreign currency are initially recorded by the Authority at their respective functional currency spot rate at the date the transaction first qualifies for recognition.

Monetary assets' and liabilities denomination in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date. Differences arising on settlement or transition of monetary items are recognised in the statement of profit or loss

**Bui Power Authority (BPA)
For the Year Ended 31 December 2020**

Revenue

Bui Power Authority sells electricity generated by its hydroelectric plant to the Electricity Company of Ghana (ECG). Per the power purchase agreement between the Ministry of Energy, (on behalf of Bui Power Authority) and the Electricity Company of Ghana, power is sold to ECG using prices as determined by the Public Utility Regulatory Commission (PURC).

	2020	2019
Revenue From Sale Of Electricity	129,697	105,927
Revenue From Sale Of Electricity	1,266,575	1,034,375
Generated Power Kilowatt Hour in Thousands	US\$'000	

	2020	2019
Direct Labour Cost	3,635	3,070
Direct Consumables Expenses	5,052	9,112
Direct Operational & Maintenance	23	15
Depreciation Charges (COG)	19,643	17,194
Cost of Generation	US\$'000	US\$'000
	28,353	29,391

	2020	2019
Rent Income	320	391
Exchange Difference	53	-
BPA Children's Garden/Nursery	2	7
Interest on Accounts	767	601
Forestry	-	7
Gain on Asset Disposal	46	-
Grant	4	-
Other Income	343	305
Other Operating Income	US\$'000	US\$'000
	1,535	1,311

Income from sale of lumber resulted from sale of tree in the catchment area upon clearing of the land for the purposes of constructing the dam. BPA Children's garden and nursery on the other hand, relate to income earned from BPA Nursery School at the Bui Dam Site. Interest on accounts refers to interest accruing from fixed deposit and bank accounts held with financial institutions.

**Bui Power Authority (BPA)
For the Year Ended 31 December 2020**

	2020	2019
8. Operating Expenses	US\$'000	US\$'000
Repairs & Maintenance-General	726	151
Corporate Meetings	22	25
Casual Labour	48	50
Printing, Stationery-Expenses	55	62
IT Equipment Spare & Consumables	141	190
Vehicle Maintenance	214	244
Repairs & Maintenance-Plant Equipment	6	850
IT Support & Maintenance	13	106
General Materials	1,445	5,542
Building Maintenance Materials	566	7
Freight, Penalty, Demurrage & Others	253	8
Regulatory & Supervisory Coast	634	190
Project Affected People	334	336
Auto Equipment Spare	113	98
Oil and Lubricant	11	27
4,581	7,886	
9. Administrative Expenses	US\$'000	US\$'000
Audit Fees	21	16
Bank Charges	244	49
Board Expenses	128	179
Communications	97	105
Depreciation & Amortisation - Indirect	1,383	1,764
Environmental Expenses	6	1
Cleaning & Sanitation	99	-
Courier & Postal Services	1	-
Fuel	325	304
Impairment Provision	552	843
Insurance	967	711
Land Administration	10,000	-
Licenses & Permits	32	17
Office Expenses	32	45
Other Consumables	371	496
Personnel Expenses - Indirect	8,425	5,901
Public Relation & Marketing	66	21
Professional Fees	89	129
Rent & Rates	0	1
Training & Development	230	98
Travel & Transportation	63	282
Unrealised Exchange Difference	41	697
Utilities	62	86
Security	130	-
Legal Fees	5	13
Subscriptions	69	22
90	22	
Note		

**Bui Power Authority (BPA)
For the Year Ended 31 December 2020**

Administrative Expenses Continued

	2020	2019
Recruitment Expenses	5	10
Programs & Special Events	203	15
Corporate Social Responsibility (CSR)	419	107
Seminars, Workshops & Conferences	22	166
Rent Withholding Tax Expenses	-	65
	24,087	12,143

Rent Withholding Tax Expenses represent a nonrefundable final tax expenses held on rent income. Professional fee are largely made up of IT and engineering services. Land administration expenses are provision made to be used for the payment of land compensation at the Bui Generating Power Station.

9a. Personnel Expenses

	2020	2019
Included in Cost of Generation	US\$'000	US\$'000
Salaries & Wages	3,635	3,070
Included in Administrative Expenses		
Salaries & Wages	3,611	2,697
Allowances	2,760	1,684
Long term Employee Benefit	201	175
SSNIT and Provident Fund Con't	1,024	877
Bonuses to Staff	639	444
Other Staff Cost	190	24
	8,425	5,901

Total Personnel Expenses

	12,060	8,971
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9b. Depreciation & Amortisation

	2020	2019
Included in Cost of Generation:	US\$'000	US\$'000
Depreciation Charges	19,643	17,194
Included in Administrative Expenses:		
Depreciation Charges	1,636	1,680
Total Depreciation Charged	21,279	18,874
Total Amortisation Charged	84	84
Total Depreciation & Amortisation Charged	21,363	18,958

**Bui Power Authority (BPA)
For the Year Ended 31 December 2020**

10. Finance Cost

Interest on Borrowings (Effective

	2020	2019
US\$'000	19,680	19,971
US\$'000	19,680	19,971

11. The Authority is exempt from corporation taxes but not withholding taxes.

The Authority asserts that, as a Government agency established by an Act of Parliament, they are exempt from the payment of corporate taxes. Neither income tax expenses nor deferred taxes has been assessed for the reporting years.

Bui Power Authority (BPA)
For the Year Ended 31 December 2020

12a. Property Plant & Equipment

Cost / Valuation	Dams, Powerhouse & Civil works	Transmission Networks	Land Buildings, Roads, Civil Works	Generation plant & Machinery	Motor Vehicles	IT & Communication equipment	Residential Equipment, Furniture & Fittings	CWIP Projects	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance 01/01/20	340,205	118,485	258,673	142,213	4,353	1,165	4,131	33,608	902,833
Additions	-	-	-	-	76	134	239	43,756	44,205
Transfer (CWP)	-	10,126	4,050	85	-	4,499	-	(18,760)	-
Disposal	-	-	-	-	(337)	-	-	-	(337)
Balance at 31/12/20	340,205	128,611	262,723	142,298	4,092	5,798	4,370	58,604	946,701
Accumulated Depreciation									
Balance 01/01/20	22,280	27,520	15,666	28,182	3,067	885	2,965	-	100,565
Charge for the Year	3,950	6,497	3,369	5,007	680	820	955	-	21,278
Disposal	-	-	-	-	(337)	-	-	-	(337)
Balance at 31/12/20	26,230	34,017	19,035	33,189	3,338	1,705	3,920	-	121,506
NBV At 31/12/20	313,975	94,594	243,688	109,109	754	4,093	450	58,604	825,195

*Bui Power Authority (BPA)
For the Year Ended 31 December 2020*

12b. Property Plant & Equipment

Cost / Valuation	Dams, Powerhouse & Civil works	Transmission Networks	Land Buildings, Roads, Civil Works	Generation plant & Machinery	Motor Vehicles	IT & Communication equipment	Residential Equipment, Furniture & Fittings	CWIP Projects	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance 01/01/19	340,205	118,485	258,673	142,213	3,506	1,019	3,979	28,944	897,024
Additions	-	-	-	-	847	146	152	4,664	5,809
Balance at 31/12/19	340,205	118,485	258,673	142,213	4,353	1,165	4,131	33,608	902,833
Accumulated Depreciation									
Balance 01/01/19	18,331	22,642	12,560	23,180	2,319	627	2,032	-	81,691
Charge for the Year	3,949	4,878	3,106	5,002	748	258	933	-	18,874
Balance at 31/12/19	22,280	27,520	15,666	28,182	3,067	885	2,965	-	100,565
NBV At 31/12/19	317,925	90,965	243,007	114,031	1,286	280	1,166	33,608	802,268

13. Intangible Assets

	2020	2019
Computer Software:		
Cost	466	466
As at 1 January	-	-
Additions	-	-
Write Off	-	-
As at 31 December	466	466
As at 1 January	357	273
Charge for the year	84	84
As at 31 December	441	357
Total Intangible Asset	25	109

Intangible assets comprise software purchased for recording and keeping of inter organizational communications

14. Inventories

	2020	2019
Spare Parts and Tools (Consumables)	6,376	3,779
Stationary	162	120
Safety Material	257	174
Other Inventory	988	1,518
US\$'000	7,783	5,591

There have been no write offs of inventory in the period under review. (2020: nil)

15. Trade & Other Accounts Receivable

	2020	2019
Trade Receivable	437,662	383,017
Other Receivables	4,311	2,119
Prepayment	322	124
US\$'000	442,295	385,260

The average credit period on sales of electricity generated is 60 days. No interest is charged on trade receivables for the first 360 days from the date of the invoice. Thereafter, no interest is charged on the outstanding balance. The Authority has recognised an allowance for impairment.

Allowances for impairment are recognised against trade receivables between 360 days and 540 days based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position

16. Other Financial Asset

	2020	2019
Fixed Deposit	US\$'000 2,495	US\$'000 2,188
	2,495	2,188

Treasury bills are held for 182 days of maturity. Fixed deposits held by Bui Power Authority are in the form of call accounts, hence they are considered as cash equivalents as they are highly liquid and are being held for cash management purposes.

17. Restricted Cash Flows

	2020	2019
CEXIM Escrow Accounts	US\$'000 25,851	US\$'000 25,582
	25,851	25,582

These represent accounts held with the China Export Import (CEXIM) specifically for the repayment of loan facilities and the administration of fund received draw down.

18a. Cash & Bank Balances

	2020	2019
Cash Balance	US\$'000 2	US\$'000 1
Bank Balance	20,141	3,507
	20,143	3,508

These amounts are payable on demand and do not attract any interest

18b. Cash & Cash Equivalent

	2020	2019
Cash Balance	2	1
Bank Balance	20,141	3,507
Fixed Deposit	2,495	2,188
	22,638	5,696

*Bui Power Authority (BPA)
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19. Accumulated Fund			
	Investment from GOG	76,514	76,514
		US\$'000	2020
		76,514	76,514
		US\$'000	2019
		76,514	76,514

20. Loans & Borrowings			
	Government on Lent facilities	383,478	379,820
	Buyers Credit Facilities	151,358	180,188
	Agency Accounts (GOG)	276,100	209,783
		US\$'000	2020
		810,936	769,791
		US\$'000	2019
		379,820	379,820

20a. Government on Lent facilities			
	Concessional Loans	304,895	301,237
	Preferential Buyers Credit	78,583	78,583
		US\$'000	2020
		383,478	379,820
		US\$'000	2019
		301,237	301,237

Concessional loan and preferential buyer's credit facilities engaged in 2008 and 2012 respectively by the government of Ghana and the Chinese Government for the construction and operation of the Bui Hydroelectric power Project have been lent to the Authority.

Currently, there is an on lending agreement between the Ministry of finance and the Bui Power Authority.

20b. Buyers Credit Facilities			
	Buyers Credit Facilities	151,358	180,188
		US\$'000	2020
		151,358	180,188
		US\$'000	2019
		180,188	180,188

Buyer's credit facilities were granted by the Chinese Export Import bank in 2007 and 2012, the loan facilities were in US\$ and amounted to US\$293,506,062 and US\$76,206,939 in 2007 and 2012 respectively.

20c. Agency Accounts of (GOG)

Note

	2020	2019
Government of Ghana Agency Accounts	276,100	209,783
US\$'000		
	276,100	209,783

This represents amounts received from the Ministry of Finance for loan repayments. The Agency account also include contributions by Ghana COCOBOD as part of a cocoa sales agreement intended to assist in the loan repayment through the sale of cocoa beans to Genetic International Corporation, a Chinese produce buying Company.

20d. Interest Bearing Loans & Borrowings Note

	2020	2019
Non-Current Portion	780,127	749,466
Current Portion	30,809	20,325
US\$'000		
	810,936	769,791

20e. Interest Bearing Loans & Borrowings

	2020	2019	Interest Rate	Maturity
Buyers Credit Facility	US\$'000	US\$'000	5.9445%	21/11/2025
Buyers Credit Facility	143,051	119,757		21/11/2025
Buyers Credit Facility	37,137	31,601	LIBOR+4%	21/11/2025
Concessional loan	304,895	301,237	2.7%	15/07/2037
Concessional Buyers Credit facility	78,583	78,583	2.7%	15/07/2037
Government of Ghana Agency Accounts Facilities	276,100	209,783		
Total Non-Current Loans & Borrowing	810,936	769,791		
Other loans & Borrowings	-	-		
Interest Payable	1,314	1,308		
On Demand	-	-		
On Demand	1,314	1,308		

Interest payable is interest due on Buyers Credit Facilities. The 2007 Buyers credit attracts interest at 5.94475%. The 2012 Buyers credit Facility also attract an interest rate of LIBOR+4%

21a. Deferred Income

	2020	2019
Deferred Income	136	273
	US\$'000	US\$'000
	136	273

Note

This represents unearned income or advance payments Bui Power Authority receives from Meteo, Saiwest, Phillips, & Asher for renting out office floor space.

21b. Deferred Grant / Donor Partner

	2020	2019
Deferred Grant	81	-
	US\$'000	US\$'000
	81	-

Note

22. Trade & Other Accounts Payable

	2020	2019
Trade Accounts Payable	16,809	6,371
Accrued Expenses	92	440
Payroll Liabilities	514	761
Other Accounts Payables	224	202
Withholding Accounts Payable	54	70
	US\$'000	US\$'000
	17,693	7,844

Payroll liabilities are made up of Tier 1 and Tier 2 pension payables, credit Union and Welfare dues and other employee accounts payable.

23. Employee Benefit Obligation

	2020	2019
As at January	494	346
Current Service Cost	183	148
Exchange Difference	-	-
Payment	-	-
	US\$'000	US\$'000
	677	494

Employee benefit obligation relates to Bui Power Authority's award of end of service benefit to directors and chief Executive Officer of the Authority. Directors are entitled to two (2) months of their basic salary for each completed year, upon the end of their service to the Authority. This increases to 4 months of their basic salary from the fifth (5) completed year of service. The Chief Executive Officer is, however entitled to four (4) months of his basic salary for each completed year of service.

Net benefit expenses recognised in the statement of profit or loss in relation to other long term employee benefit are as follows:

Net Benefit Expenses Recognised in Profit Or Loss

	2020	2019
Current Service Cost	183	148
Exchange Difference	-	-
	183	148

24. Financial Risk Management Objectives and Policies

The Authority is exposed to various risk in relations to financial instruments. The main types of risk are market risk, credit risk and liquidity risk

The Authority's risk management is managed by the Finance Director, in close cooperation with the Governing Board, and focuses on actively securing the Authority's short to medium-term cash flows by minimizing the exposure to volatile financial markets. Short-term financial investments are managed to generate lasting returns.

The most significant financial risk to which the Authority is exposed are described below.

Market Risk Analysis

The Authority is expected to

The Authority is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk which result from both its operating and investing activities.

Interest Rate Sensitivity

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Authority's exposure to the risk of changes in market interest rates relates primarily to loans and borrowings obligations with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Authority's profit before tax is affected through the impact on floating rate borrowings, as follows:

	2020	2019
Increase/Decrease in basis points	+100	-100
	-100	+100
	-100	-100
	+100	+100
Effect on profit before tax	US\$'000	US\$'000
	+	-
	+9,346	-9,346

**Bui Power Authority (BPA)
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The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Authority's exposure to the risk of changes in foreign exchange rates relates primarily to the Authority's operating activities (when expenditure is denominated in a different currency from the Authority's functional currency).

	2020	2019
Changes in US\$ rates	+	-
Effect on profit before tax	US\$'000 2020	US\$'000 2020
	+ 8.4	- 8.4

Trade Accounts Receivable

Credit risk is the risk that counterparty fails to discharge an obligation to the Authority. The Authority's main exposure for credit risk to Electricity Company of Ghana, the Authority's single customer. The Authority has no significant concentration of credit risk, since Government of Ghana has planned to avail loans for settling the outstanding accounts receivable of ECG. Set out below is the information about the credit risk exposure on the Authority's trade accounts receivable and contract assets using a loss rate.

25. Credit Risk Analysis

	31 December 2020	31 December 2020
Expected Credit Loss Rate	1%	1%
Gross carrying Amount	US\$'000 442,083	US\$'000 386,886
Life Time Expected Credit Loss	4,421	3,869

IFRS 9 Expected Credit Loss as at 31 January 2020

Change for the Year

Life time Expected credit Loss as at 31 December 2020

31 December 2020	US\$'000 3,869
31 December 2020	US\$'000 3,869
	552
	4,421

26. Liquidity Risk Analysis

The Authority's objective is to maintain a balance between continuity of funding and flexibility through the use of loans from the Chinese Government and other accounts payable. The table below summarises the maturity profile of the Authority's financial liabilities based on contractual undiscounted payments (including interest payments):

Year ending 31 December 2020	On Demand	Less than 3 Months	3-12 Months	1-5 Years	5 Years	Total	Interest-bearing loans and borrowings			Trade and other Accounts Payable				
							US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Year ending 31 December 2020	5,902	10,907	10,907	809,622	809,622	16,809	5,902	10,907	809,622	809,622	16,809	5,902	10,907	809,622
Year ending 31 December 2019	5,902	10,907	10,907	828,040	828,040	7,688	5,902	10,907	828,040	828,040	7,688	5,902	10,907	835,728

27. Related Party Disclosures

Bui Power Authority was established by an Act of Parliament, Bui Power Authority Act, 2007(Act 740). Bui Power Authority is solely a government-controlled entity.

Related Party Transactions

The following pertains to transactions carried out with related parties for the years 2020. Government of Ghana invested US\$76,514,075 into the set up and operations of Bui Power Authority at the inception of the Authority.

A Cocoa Sales Agreement was undertaken to assist in loan repayment through the sale of cocoa beans to Genetec International Corporation, a Chinese produce buying company. This agreement is partnered by the Ghana COCOBOD. Amounts contributed so far as detailed below:

Agency Accounts - (GOG)

2020	2019
276,100	209,783
US\$'000	US\$'000
276,100	209,783
276,100	209,783

Government on lent concessional loan and preferential buyers credit facilities to Bui Power Authority. These facilities were thus moved from equity where they had been previously recognized to liabilities. Repayment of these facilities will begin on 15 July 2023 after a seven (7) year moratorium.

Transaction with Electricity Company of Ghana (ECG). All kilowatt power generated by the company was sold to the Electricity Company of Ghana.

Key Management Staff

2020	2019
US\$'000	US\$'000
677	625
-	494
-	126
677	1,245
US\$'000	US\$'000
677	1,245

Short-term Benefit
Post-employment Benefit
Other Allowance During the Year

28. Fair Value Measurement

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: unobservable inputs for the asset or liability.

The carrying amount of the Authority's financial instrument approximates their fair values.

29. Post-Reporting Date Events

Subsequent to the balance sheet date,

The Authority is constructing BPA Height Office building II at a cost of US\$19,922,825. The construction is being done by Amandi Investment Limited.

Bui Power Authority went into an agreement with Meinergy Technology Limited for the construction of 40MVP Hydro Solar PV Hybrid Project at Bui Generating Station (Bui) totalling US\$36,930,000.00. 27.

30. Decommissioning liability

Bui Power Authority is of the opinion that there will be no future decommissioning costs associated with the Bui Dam. It is believed that the Authority, being a Government owned entity will not be liable for the restoration of the land as the land is also Government owned.

31. Commitments

The Authority has made an advance payment of US\$1,992,282.50 to Amandi Investments Limited being 10% advance payment towards the construction of BPA Height Office building II.

The total contract sum for the construction of Bui Power Authority Height office building II is US\$19,922,825.

Bui Power Authority has made an advance payment of US\$5,685,036.05 to Meinergy Technology Limited towards the construction of 40MVP Hydro Solar PV Hybrid Project at Bui Generating Station which commenced in April 2019 is expected to be operational in 2020.

32. Contingent Assets and Liabilities

The Bui Power Authority is currently in arbitration with Ghana Grid Company Limited (GRIDCO) at the Public Utility and Regulatory Commission over the issue of transmission line charges dispute, which may result in either a liability or an asset by the Authority.