



2023 Corporate Annual Report



2023 CORPORATE **ANNUAL REPORT**

A low-angle photograph of a modern multi-story building with a mix of brick and glass facades. The building is identified by a large sign as 'BPA HEIGHTS'. The image is partially overlaid with green geometric shapes. Two vertical green bars separate the contact information into two columns.

ADDRESS

BPA Heights, 11 Dodi Link,
Airport Residential Area

HOURS

Mon - Fri 8:00AM to 4:30PM
Weekends closed

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WEBSITE

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INSTAGRAM

[@buipower](https://www.instagram.com/buipower)

FACEBOOK

[@buipower](https://www.facebook.com/buipower)

TWITTER

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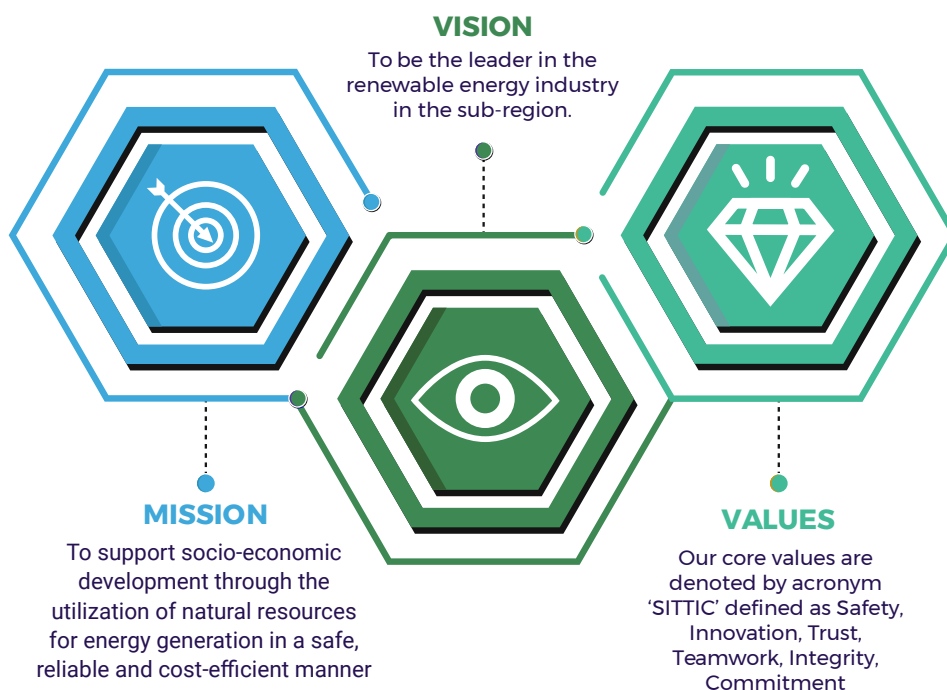
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RUNNING THE AUTHORITY ON SOUND COMMERCIAL LINES



BPA'S MANDATE

The Bui Power Authority Act, 2007 (Act 740) charged BPA with the development of a hydroelectric power project on the Black Volta River at Bui and any other potential hydroelectric power sites on the Black Volta River and for related matters.

Our mandate was amended by the Bui Power Authority Amendment Act 2020, (Act 1046) to include development of renewable energy and any other clean energy alternatives in the country and provide for related matters.

BPA OPERATIONS FOOTPRINTS

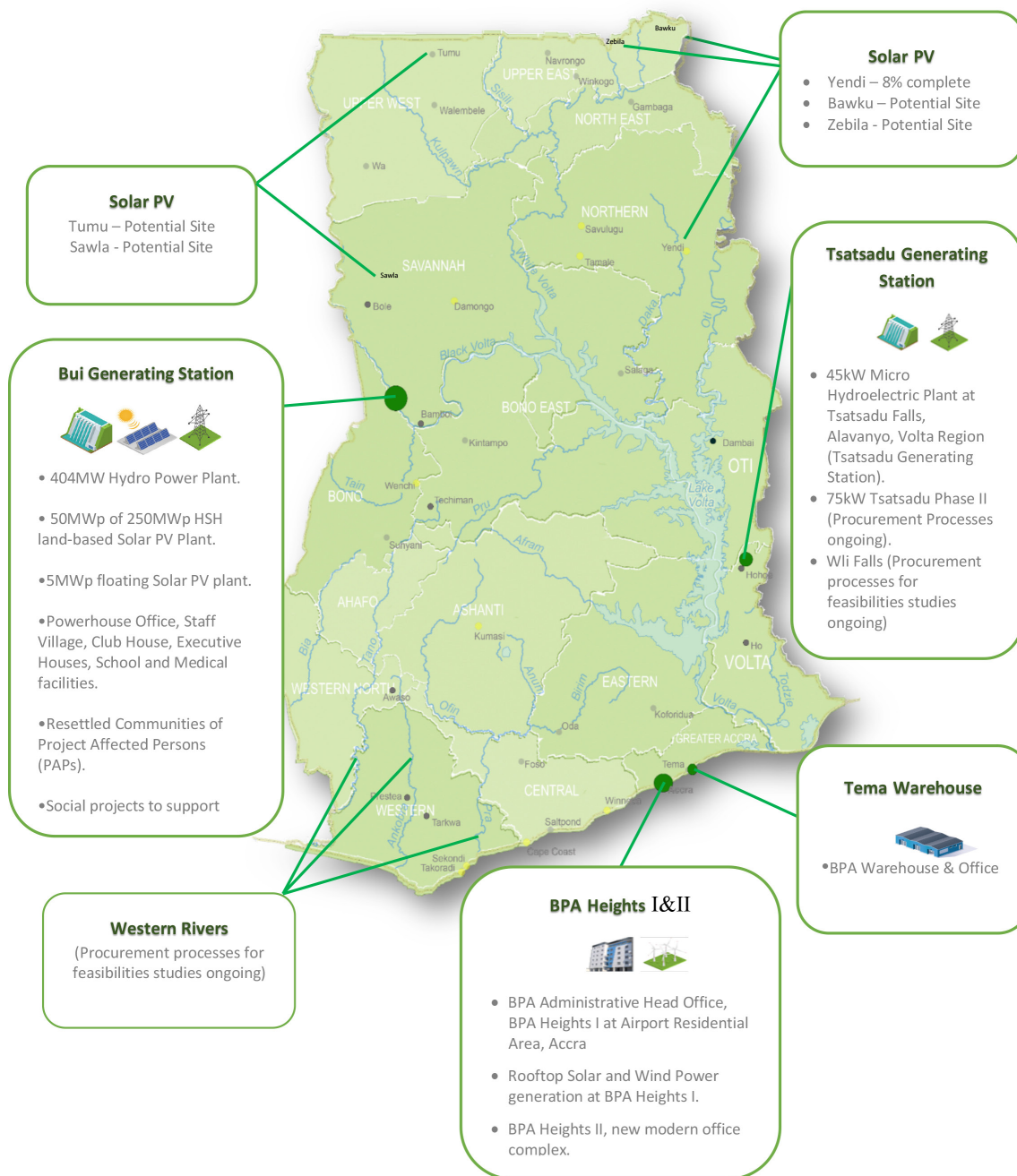


Figure 1: BPA Operations Footprints

ORGANIZATION STRUCTURE

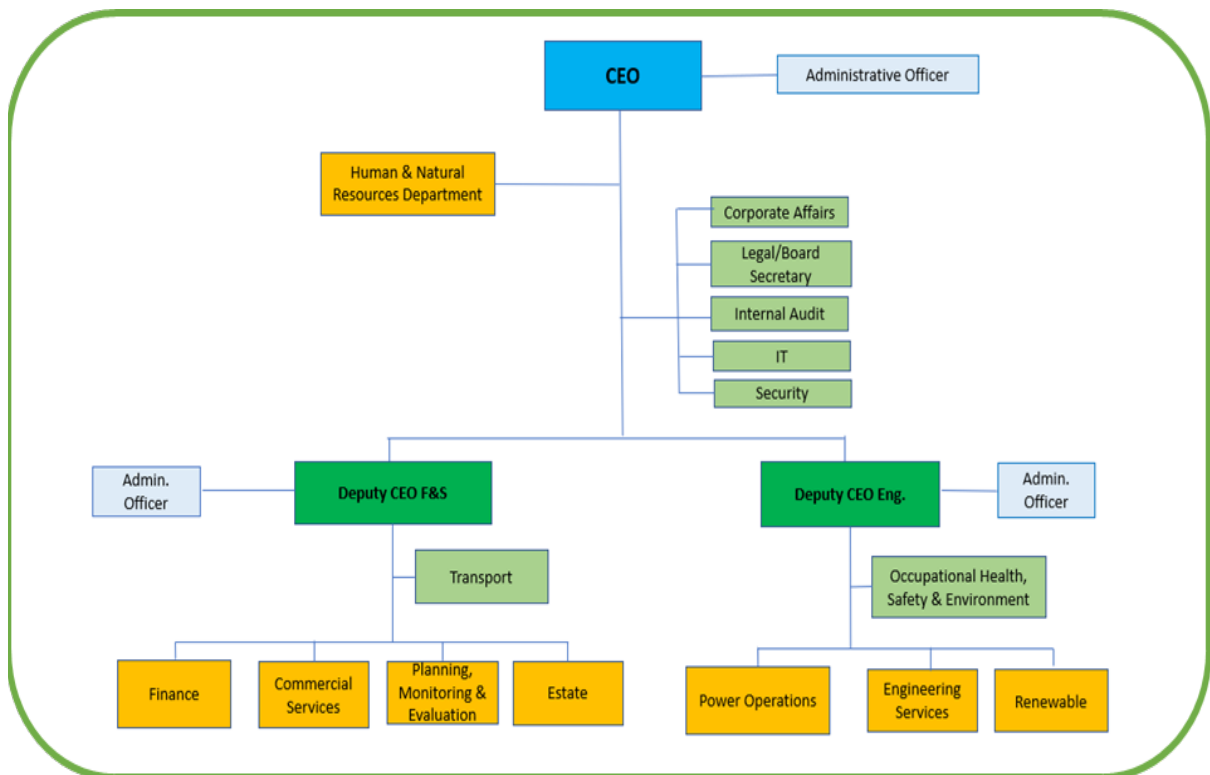


Figure 2: BPA Organizational Structure

2023 EXCELLENCE AWARDS AND ACCOLADES

Ghana-West Africa Business Excellence Awards

Energy Company of the Year (Power)

Ghana Energy Awards

The Clean Initiative award of the year

Renewable Infrastructure Project of the year

The Green Chief Trailblazer Award – Mr. Wisdom Ahiataku Togobo

The Think Energy SDGs Awards

CEO of the year

Solar Quarter Awards

CEO of the year 2023 – Hon. Samuel Kofi Ahiave Dzamesi

Solar Company of the year

Solar Project of the year.

HESS Awards

Sustainability and Operational Excellence Award

The Leading Company in Fire Safety and Security Management Practices

The HESS Team of the Year for 2023.

The HESS Company of the Year 2023.

The HESS Personality of the Year 2023 award: Mr. Chrisentus B. Kuunifaa

The HESS Leadership in Sustainability and Environmental Stewardship Award:

Hon. Samuel Kofi Dzamesi, Chief Executive Officer (CEO).

National Governance and Business Leadership Award

Top 20 Influential HR Business Leaders in Ghana – Madam Mary Nyarko

HR Team of the year (Renewable Energy)

Internal Audit awards

Best Audit Unit (State-Owned Enterprise) – Bui Power Authority



KEY FACTS

2007

ESTABLISHED

INSTALLED CAPACITY

**404MW Hydro
+
55MWp Solar**

492

EMPLOYEES

2023 GENERATION

1516GWh

USD 157M

REVENUE

BGS FEATURES

Main Dam

- Roller Compacted Concrete (RCC) – Gravity Dam – $1 \times 10^6 \text{m}^3$
- Crest Length – 429.5m
- Dam Crest Elevation – 185masl
- Maximum Dam Height – 108m
- Dam Crest Width – 7m

Spillways

- 5 Gates
- Designed for 1 in a 10,000 year flood of $10,450 \text{m}^3/\text{s}$
- Weir Crest Elevation – 166.5masl

Transmission Lines

- 161KVA Transmission Lines to Switchyard
- 18km Bui-Techiman Line
- 18km Bui-Sawla Line
- 67.5km Bui-Kintampo Line
- 137.6km Bui-Sunyani Line

Reservoir

- Full Supply Level (FSL) – 183masl
- Reservoir Area at FSL – 444km^2
- Storage Volume at FSL – $12.57 \times 10^9 \text{m}^3$
- Minimum Operating Level – 168masl
- Active Storage – $7.72 \times 10^9 \text{m}^3$

Generating Units (Hydro)

- 3x133MW Francis Turbines/Generators of 148.15MVA at 0.9pf each
- Guaranteed Peak Efficiency > 94%
- Net Avg. Long Term Energy Generation – 969GWh/Yr

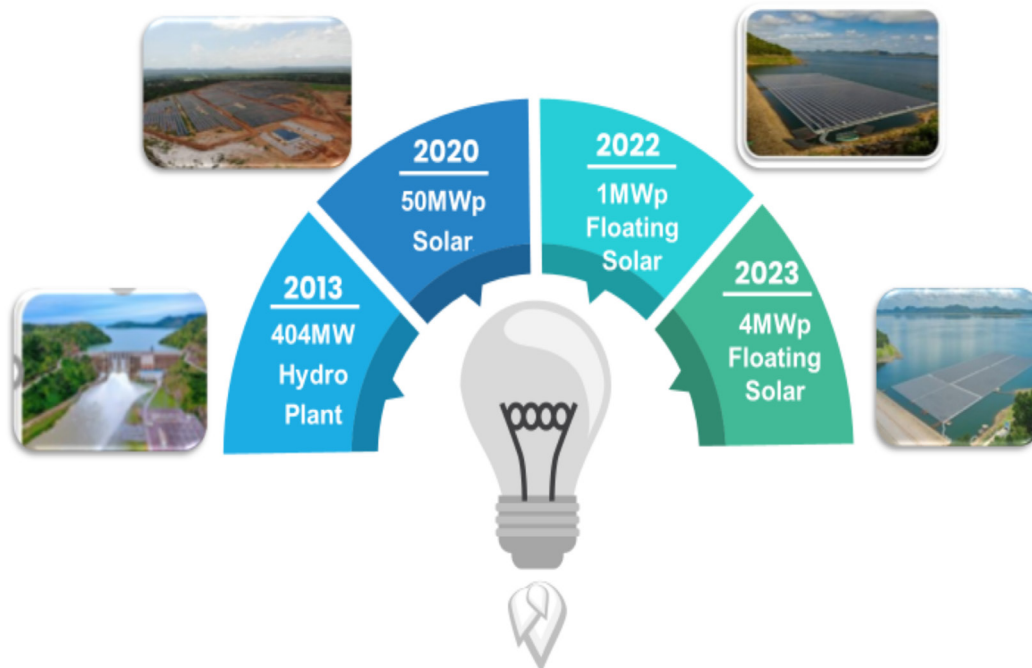
Switchyard

- Switchyard Capacity – 500MVA
- Breaker and Half Configuration
- Sawla Bay – 50MVA
- Kintampo Bay – 200MVA
- Techiman Bay – 150MVA
- Sunyani Bay – 100MVA

Installed Capacity

- Hydro – 404MW
- Solar PV – 55MWp
- Micro Hydro – 45kW

EVOLUTION OF BPA GENERATION PORTFOLIO



ANNUAL ENERGY GENERATION (HYDRO + SOLAR)

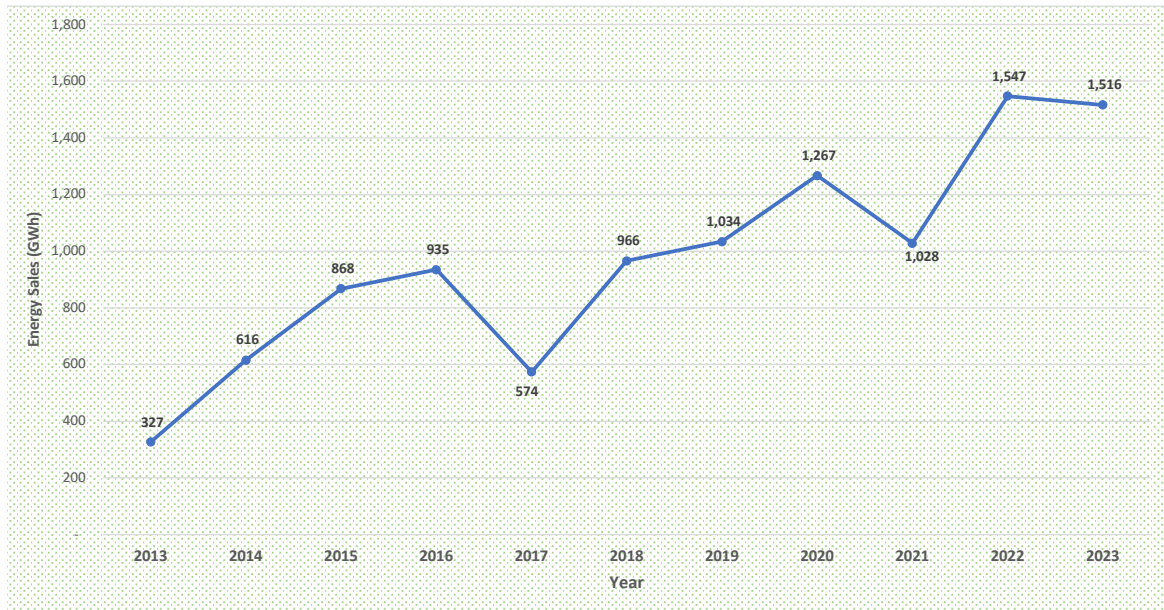


Figure 3: Annual Energy Sales - Hydro & Solar

ANNUAL ENERGY SALES AND RECEIPTS

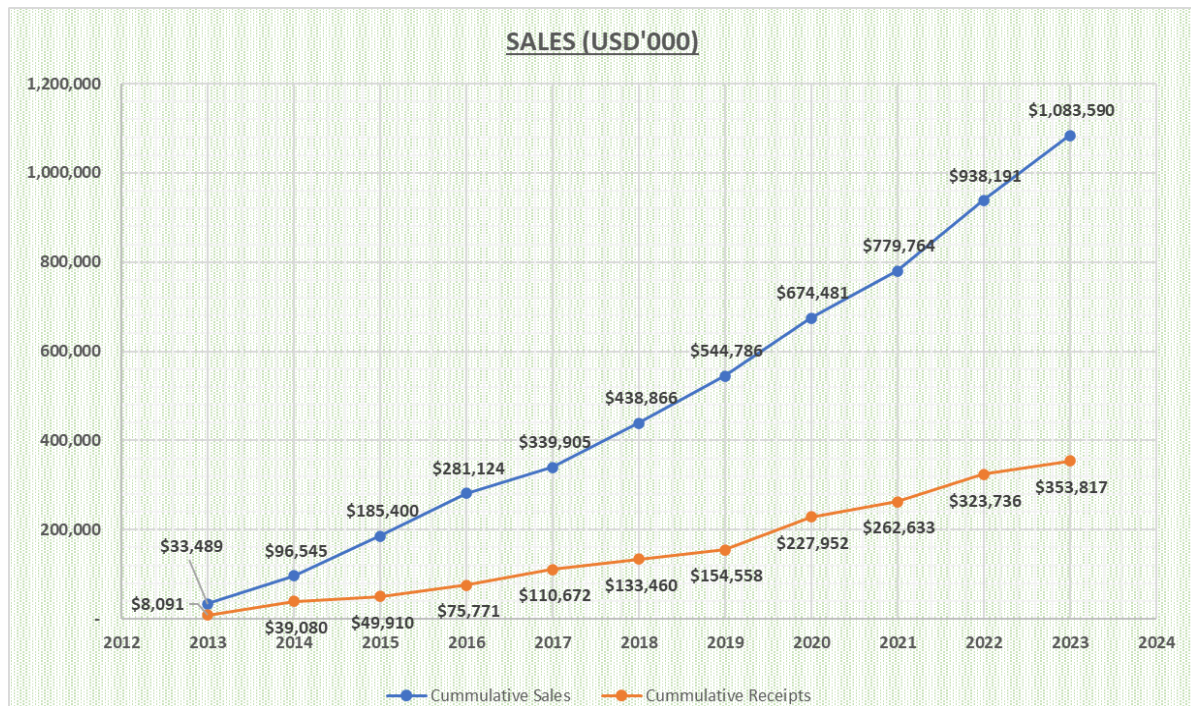


Figure 4: Annual Energy Sales

FINANCIAL HIGHLIGHTS

Table 1: Financial Indicators

| FINANCIAL INDICATORS | | | | | | | | |
|--|-----------|---------|---------|---------|---------|---------|---------|---------|
| | Units | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| Total Installed Capacity, Hydro | MW | 404 | 404 | 404 | 404 | 404 | 404 | 404 |
| Total Installed Capacity, Solar PV | MWp | 55 | 51 | 50 | - | - | - | - |
| Gearing Ratio | Times | 1.25 | 1.35 | 1.49 | 1.62 | 1.73 | 1.84 | 1.96 |
| Current Asset Ratio | Times | 2.90 | 13.65 | 7.83 | 10.14 | 14.73 | 10.57 | 5.39 |
| Return on Average Equity | % | 11.5% | 16.0% | 10.0% | 16.0% | 14.0% | 18.0% | 9.0% |
| Return on Average Total Assets | % | 5% | 6% | 4% | 6% | 5% | 6% | 3% |
| Gross Earning (Power Sale) | US\$M | 157 | 159 | 110 | 130 | 106 | 99 | 59 |
| Return on Capital Employed | % | 5.8% | 6% | 4% | 6% | 5% | 6% | 3% |
| Operating & General Expenses/Sales Revenue | % | 21.0% | 24% | 28% | 22% | 19% | 11% | 15% |
| BPA's Electricity Generation | GWh | 1,519 | 1,551 | 1,041 | 1,270 | 1,044 | 973 | 582 |
| Energy Sales | GWh | 1,516 | 1,547 | 1,028 | 1,267 | 1,034 | 966 | 574 |
| Staff Strength | Employees | 492 | 399 | 357 | 303 | 262 | 179 | 165 |
| Labour Productivity | GWh/Emp | 3.08 | 3.88 | 2.88 | 4.18 | 3.95 | 5.40 | 3.48 |
| Energy Sales/Employee | USD/Emp | 319,106 | 398,001 | 308,937 | 428,044 | 404,303 | 552,858 | 356,246 |

Table 2: Financial Statements Summary

| BPA FINANCIAL STATEMENTS SUMMARY | | | | | | | |
|----------------------------------|----------|----------|----------|----------|----------|----------|----------|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Total Revenues | 157,105 | 158,802 | 110,290 | 129,697 | 105,927 | 98,962 | 58,781 |
| Cost of Sales | (34,680) | (34,738) | (29,427) | (28,353) | (29,389) | (19,253) | (18,863) |
| Gross Profit | 122,425 | 124,064 | 80,863 | 101,345 | 76,538 | 79,708 | 39,917 |
| Other income | 2,228 | 3,343 | 4,455 | 1,536 | 1,311 | 1,745 | 769 |
| General & Operating Expenses | (33,645) | (36,383) | (30,772) | (28,669) | (20,031) | (11,111) | (8,871) |
| Operating profit | 91,008 | 91,024 | 54,547 | 74,211 | 57,818 | 70,343 | 31,816 |
| Finance cost | (10,364) | (11,806) | (14,326) | (19,680) | (19,971) | (20,456) | (21,751) |
| Profit for the year | 80,644 | 79,218 | 40,220 | 54,531 | 37,847 | 49,812 | 10,033 |
| Property, Plant & Equipment | 865,997 | 869,449 | 880,464 | 825,195 | 802,267 | 815,333 | 830,486 |
| Current Assets | 165,096 | 141,155 | 543,953 | 498,565 | 422,130 | 346,559 | 240,172 |
| Current Liabilities | 57,073 | 47,418 | 69,505 | 49,179 | 28,665 | 32,786 | 44,543 |
| Retained Earnings | 624,238 | 543,594 | 464,376 | 424,155 | 369,624 | 331,777 | 284,226 |
| Long Term Loans | 876,885 | 836,463 | 805,344 | 810,936 | 769,790 | 751,526 | 708,504 |

ENERGY GENERATION

Electricity Supply to National Interconnected Transmission System (NITS)

Energy generation at the BGS in 2023 was 1519GWh with station service consumption and losses of 3GWh bringing the net Energy Supply of 1516GWh to NITS. Solar PV Plant accounted for 4.3% of annual total and 0.17GWh (0.01%) from the Tsatsadu Micro Hydro Plant.

Table 3: Monthly Energy Generation from BPA Sources for 2023

| | Monthly Electricity Generation (GWh) | | | |
|--------------|--------------------------------------|--------------|----------------|-----------------|
| Month | Bui Hydro | Bui Solar PV | Tsatsadu Hydro | Total |
| Jan-23 | 156.56 | 7.13 | 0.000 | 163.69 |
| Feb-23 | 145.75 | 6.43 | - | 152.18 |
| Mar-23 | 148.69 | 7.46 | - | 156.15 |
| Apr-23 | 141.19 | 7.29 | - | 148.48 |
| May-23 | 63.52 | 7.04 | 0.008 | 70.56 |
| Jun-23 | 40.70 | 4.15 | 0.022 | 44.87 |
| Jul-23 | 45.96 | 0.00 | 0.025 | 45.98 |
| Aug-23 | 75.92 | 0.00 | 0.026 | 75.94 |
| Sep-23 | 150.30 | 4.34 | 0.023 | 154.66 |
| Oct-23 | 188.12 | 6.68 | 0.017 | 194.81 |
| Nov-23 | 143.10 | 7.43 | 0.021 | 150.55 |
| Dec-23 | 153.82 | 7.53 | 0.026 | 161.37 |
| Total | 1,453.63 | 65.48 | 0.168 | 1,519.28 |

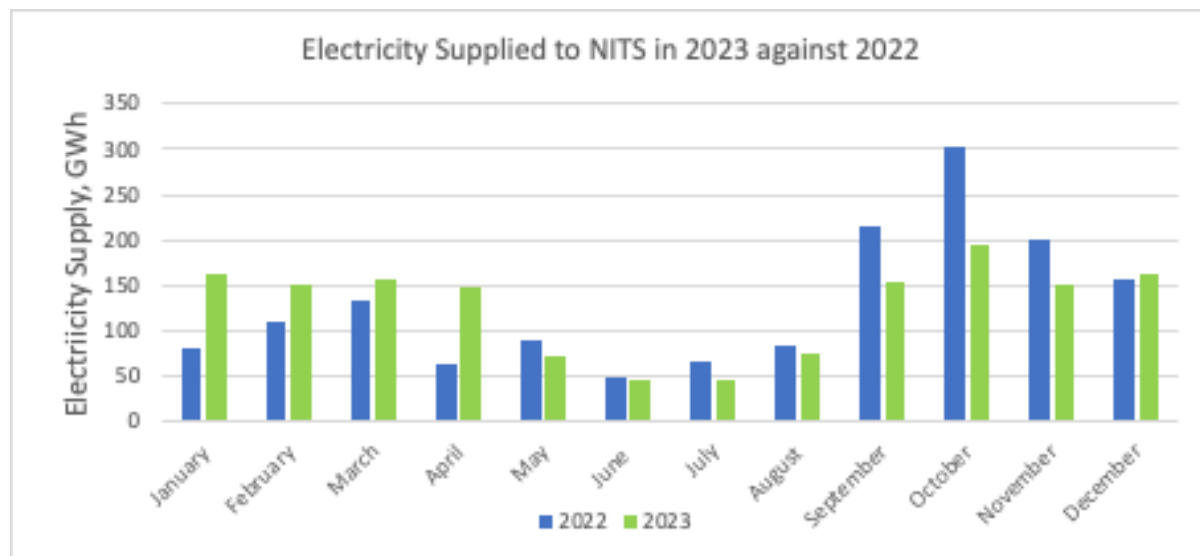


Figure 5: Monthly Electricity Supplied to NITS in 2023 against 2022

- In 2023, the Solar PV Plant generated a total of 66GWh of energy, falling short of the annual target of 80GWh by 17.5% and the 2022 generation of 77GWh by 14.3%.
- This decrease in generation was mainly due to a forced outage on the Transformer #7 (54T7) at the Switchyard.
- The Bui Solar PV installed capacity increased to 55MWp following the commissioning of 4MWp in September, 2023.
- The peak power output from the Solar PV Plant was 48MW.

ANNUAL HYDROLOGY REPORT

The 2023 year-start elevation of the Bui Reservoir was 179.45masl. Based on the year-start elevation and Energy Generation Plan for 2023, the Reservoir was projected to bottom-off at elevation 168.99masl, peak at elevation 179.93masl with year-end elevation of 178.46masl. However, the Reservoir bottomed-off at elevation 168.25masl, peaked at elevation 179.69 masl and ended the year at elevation 176.41masl.

The variations between the projected and actual were attributable to higher than projected inflows for the 2023 season.

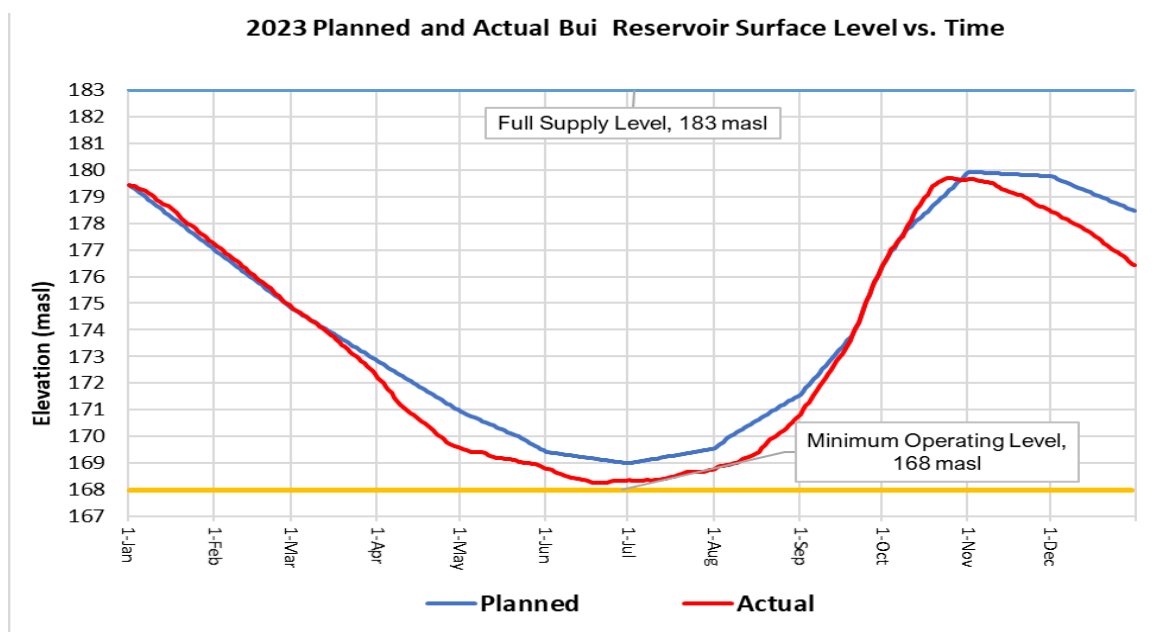


Figure 6: 2023 Planned and Actual Bui Reservoir Surface Level vs. Time

Performance Statistics for Bui Hydro Generating Units

The Bui Main Hydro Plant and Turbinette recorded peak loads of 397MW and 3.9MW respectively, while the Bui Solar PV Plant recorded a peak load of 48MW. There was no Synchronous Condenser Operation (SCO) at the Bui Generating Station for the period.

Plant availability for the hydro units were 87.2% and 92.3% for the Main Plant and Turbinette respectively. The consolidated unplanned outage rate for the Main Plant was 0.4%. This was below the annual target of 2%.



Figure 7: The BGS generator floor showing the three main hydro generating Units (i.e., Unit 1, Unit 2 and Unit 3)

PERFORMANCE OF DAM CIVIL INFRASTRUCTURE

The analysis of data collected from Dam instruments indicated a satisfactory performance by the Dam, Powerhouse, and appurtenant structures.

The 2023 Low Water Level and High Water Level Inspection was conducted between July 3 – 24, 2023 and November 27 – 29, 2023. The essence of the periodic visual and sounding inspection exercise was to assess the safety of the Dams and Auxiliaries by identifying early triggers to avert the possibility of catastrophic failures. The exercise was carried out in compliance with best Industry Dam Safety practices.

Level “A” Maintenance on Unit 2 (54G2)

The Authority undertook Level ‘A’ Maintenance on one of the 133MW Generating Units (Unit #2) at the Bui Generating Station. The Level ‘A’ Maintenance involved a complete overhaul of the electromechanical components of the Unit based on recommendation of the Original Equipment Manufacturers (OEMs).

The effect of the maintenance was manifested in improvement of operation parameters on the Unit cooling system, vibration and runout, the wicket gate control system, and the excitation system.



Figure 8: Drilling thread holes on the repaired bottom ring surface



Figure 9: Lifting of the Generator Rotor from the Unit Assembly



Figure 10: Polishing of the Turbine Runner Blades.



Figure 11: Visual Inspection and Cleaning of Generator Stator



Figure 12: Engineers conducting Maintenance Works at the BGS

RENEWABLE ENERGY DEVELOPMENTS

250MWp HYDRO SOLAR HYBRID PROJECT

The 250MWp Solar PV Plant which is intended to be hybridized with Bui Hydro Plant forms part of BPA's effort to explore the Synergy between Hydro and Solar PV Plants for ultimate power generation.

Phase 1 of the Project, which comprised of 50MWp land based solar and 1MWp floating solar plants within the Bui enclave was completed in 2020 and 2022 respectively. The plants were operated and maintained to optimize performance, reduce maintenance costs, and maximize efficiency.



A 4MWp floating Solar PV plant was commissioned during the year 2023 as part of Phase 2 of the 250MWp Hydro-Solar-Hybrid (HSH) project. An additional 100MWp Solar PV plant being developed at the BGS under an Engineering, Procurement, Construction and Financing (EPC+F) contract was at 39% completion at the end of the year 2023. Installation of a 30MWh battery storage system for intermittency mitigation was also 96% complete.



SOLAR PV DEVELOPMENT IN THE 5 NORTHERN REGIONS

In line with the drive to harness the vast solar radiation resource in the Northern regions of the country, BPA in collaboration with GRIDCo assessed the expansion works required at existing GRIDCo substations in close proximity to the selected sites to enable the injection of the energy from the Solar PV Plants onto the National Interconnected Transmission System (NITS).

BPA commenced acquisition arrangements for identified lands adjacent to GRIDCo substations. Six (6) sites have been earmarked for the development of solar PV plants with capacities ranging from 10MWp - 100MWp. The sites identified are in Bawku, Yendi, Tumu, Sawla, Buipe and Zebila.

50MWp Solar PV (Yendi)

Bui Power Authority entered into an Engineering, Procurement, Construction and Financing (EPC+F) agreement with First Sky Construction Limited to develop a 50MWp Solar PV facility with substation improvements at Yendi, in the Northern Region. The project was 8.0% complete at the end of the year.

DEVELOPMENT OF SMALL AND MINI-HYDRO PLANTS

Bui Power Authority recognizes the potential of small and mini-hydroelectric plants to provide reliable and sustainable electricity to remote and rural Ghana.

Small and Mini hydroelectric plants have capacity of less than 10MW. These plants, mainly run-of-the-river schemes, generate electricity using the natural flow of rivers or streams with little or no inundation making them environmentally friendly.

The development of these plants would contribute to the government's efforts to increase electricity access and reduce the reliance on fossil fuels.

Tsatsadu Generating Station Phase I & II

The Bui Power Authority, in 2019, completed the first phase of the construction of the Tsatsadu Generating Station (TGS), as part of the Ministry of Energy's Renewable Energy initiative. The TGS located on the Tsatsadu Waterfalls in the Volta Region has an installed capacity of 45kW (Phase 1). Phase II of the project (75kW) will commence in 2024.

Wli Mini-Hydro Project

The Authority is in the process of initiating feasibility studies to ascertain the potential for run-of-the-river hydroelectric power development on the Wli Falls located at Afegame in the Volta Region.

HYDROELECTRIC DEVELOPMENT

Bui Power Authority is facilitating the developing of other hydroelectric dams in Ghana to support the country's energy needs and promote sustainable development. The Authority recognizes the potential of hydroelectric power to provide clean and reliable electricity and believes that the development of new hydroelectric dams would have significant economic and social benefits.

Development Of Western Rivers

The Ministry of Energy, has tasked BPA to explore the possibility of the development of hydroelectric power plants on the Pra, Tano and Ankobra rivers in the Western Region of Ghana. The preferred consultant will assist the Authority to complete Feasibility Studies on the Western Rivers by adopting run-of-the-river schemes. The expectation is that the run-of-the-river scheme will lead to limited environmental & social impact.

Hemang Hydroelectric Project

The Ministry of Energy appointed Bui Power Authority as the Employer's Representative for the Hemang Hydroelectric Project to leverage the experience and expertise of BPA's engineers following the successful implementation of the Bui Hydroelectric Project.

The Government of Ghana represented by the Ministry of Energy entered an Engineering Procurement and Construction/Turnkey Contract with China Water and Electric Corporation (CWE) in October 2014 to develop a 60MW Hydroelectric Project Located at the lower reaches of the Pra River, 18km from the estuary of the Gulf of Guinea.

The project was developed to the level 1 Design Drawings. The contractor has been instructed to review the design of the dam structure to a run-of-the-river plant to reduce the environmental impact. No progress was made during the year towards the commencement of the project.

SUSTAINABLE HYDROGEN PRODUCTION

In line with BPA's energy sustainability initiatives and the National Energy Transition Framework, the Bui Power Authority initiated processes to explore the opportunities available for the creation of a hydrogen production hub using energy from its Hydroelectric and Solar PV plants.

According to a study by Department of Energy and Environmental Management, Europa-Universität Flensburg, Flensburg, Germany, It is estimated that 85% of Ghana's land area is available for green hydrogen projects, with capacities of approximately 14,196.21 mt from Solar PV and 10,123.36 mt from wind energy per year.

Consequently, BPA developed a concept note for the generation of energy from Hydrogen sources and detailed some of its staff for training organized by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, to acquire enhanced knowledge across various sectors, including green hydrogen production, applications, economics, legal and regulatory frameworks, and market ramp-up. Furthermore, BPA collaborated with the German embassy WASCAL and the Institute of Energy and Climate Research Forschungszentrum Jülich (FZJ) for the demonstration of the Green Hydrogen plant at BGS.

RESEARCH AND COLLABORATIONS

BPA collaborated with the Ministry of Energy to develop the National Energy Transition Plan.

The Authority engaged Academia by participating in the University of Energy and Natural Resources (UENR) Inaugural Energy and Natural Resources Research Conference 2023. BPA made contributions towards the structuring of UENR's new MSc in Renewable Energy Engineering two-year curriculum and, participated in UENR's International Accreditation meeting with ASIIN Accreditation Agency from Germany.

Memoranda of Understanding (MOU) were executed with three German institutions for various programmes to enhance staff capacity in renewable energy research and development.

OTHER INFRASTRUCTURE

BPA commenced infrastructure projects within the Bui Generating Station to the continued safety of human and operational assets whilst preserving the structural integrity of the Dam.

A key infrastructure development undertaken during the period was the Rockfall Protection and Slope Stabilization Project.

After 13 years of exposure to human activities, some of the protection measures of the Bui Gorge Abutment have been compromised and therefore required remedial works. The project is being undertaken by Messrs Global Afrisino Limited and was about 89% complete by end of 2023.

2023 HIGHLIGHTS IN PICTURES



Figure 13: The CEO, Hon. Samuel Kofi Ahiave Dzamesi with some staff during his working visit at BGS



Figure 14: The CEO on the Chess Board with Kwesi Ohene-Bamfo at the 2023 Energy Games

Figure 15: BPA Volleyball team in a match at the 2023 Energy Games





Figure 16: The CEO and Bono Regional Minister interacting with security personnel during a working visit to BGS and Dokokyina



Figure 17: 2023 Cancer Awareness Month in BPA



Figure 18: CEO inspects Galleries and other projects during working visit to BGS



Figure 19: Hon. Samuel Kofi Ahiave Dzamesi inspects progress works on Floating Solar at BGS



Figure 20: Battery storage for solar operations

CEO'S STATEMENT

Forging Ahead as Sub-Regional Renewable Energy Leaders



As we reflect on the strides we have made in the past year, it is with great pride and pleasure that share our accomplishments and aspirations.

With the support of the Board of Directors and the executive management as well as the entire staff, we witnessed a remarkable growth and achievements. From increasing our footprints in renewable energy capacity to pioneering innovative solutions, good Corporate Governance, enhanced operations and improved Revenues, each milestone has brought us closer to our vision of becoming the sub-regional leader in renewable energy generation.

Our dedication to sustainability and cutting-edge technology has not only driven our success but also solidified our commitment to a greener, more sustainable future.

Our Focus

Our dedicated team, working relentlessly with passion and resilience have been our focus and the driving force behind our achievements. Together, we have overcome obstacles and exceeded expectations, demonstrating what is possible when we unite in pursuit of a common vision of becoming the Leaders in Renewable Energy Industry in the Sub-Region.

Our commitment to investing in our employees go beyond just professional development opportunities - we also prioritize employee well-being and work-life balance. This holistic approach to employee satisfaction is what sets us apart as an employer of choice in the industry.

By prioritizing ethical practices and accountability, we strive to build trust and maintain strong relationships with all parties involved in our operations. This, not only strengthens our reputation but also contributes to the overall success and sustainability of our business.

Bui Power Authority is committed to upholding these values as a demonstration of our commitment to creating long-term value for our Shareholder, Staff, and the communities we serve.

Operations and Financial Performance

Our supply of 1,516GWh of energy onto the National Interconnected Transmission System (NITS) for the year was 2% lower than that of the preceding year, which still remains our all-time-high of 1,547GWh. This translated into a Total Revenue of USD157.1m which was lower than the previous year's Revenue

of USD158.8m representing a decrease of 1.0%. However, stringent cost containment over the period impacted positively on Net Profit, resulting in an increase of 1.8% from USD79.2m in 2022 to USD80.6m in 2023.

The successful completion of scheduled maintenance tasks during the period demonstrates our commitment to ensuring the efficient and safe operation of our facilities. A major maintenance task undertaken was the Level 'A' Maintenance on one of the 133MW Generating Units (Unit 2) at the Bui Generating Station. We ensured capacity building by actively involving our team in the maintenance works to acquaint them with the necessary experience and self-sufficiency. Thus, BPA is able to continuously improve our operations and maintenance practices for future projects.

Development of Infrastructure

To safeguard the Dam and its long-term sustainability, BPA prioritizes protection of all infrastructure within the Bui Generating Station. These assets ensure the continued efficiency and reliability of operations whilst preserving the structural integrity of the Dam. The Rockfall protection project was designed to improve abutment protection and ensure assets are shielded from loose rocks falling from higher elevations. This project was 89% complete as of end of 2023.

BPA is committed to the development of Solar PV in the Northern regions of Ghana and has commenced the construction of a 50MWp Solar PV facility with substation improvements in Yendi.

This project was at about 8% completion stage by end of year. Efforts are underway to acquire lands around sub-stations in Bawku, Sawla, Tumu, Buiepe and Zebila for similar projects. These developments form part of BPA's renewable energy initiative and aims at increasing variable renewable energy in Ghana's Energy mix.

Procurement of consultant for feasibility studies for run-of-the-river hydro schemes on the three Western Rivers (Pra, Ankobra and Tano) and small/mini hydro scheme on the Wli Falls was also commenced in the year. This study will provide the needed consideration for possible future developments.

Climate Change Initiatives

Environmental sustainability remains at the forefront of our CSR efforts. Through investments in renewable energy projects and carbon offset programs, we are reducing our carbon footprint and mitigating the impacts of climate change. Additionally, our conservation initiatives have preserved precious ecosystems and biodiversity, ensuring a healthy planet for future generations.

Our premier initiative addressing climate change, the Forest Resource Enhancement Program (FREP), is dedicated to fostering the responsible use of forest resources and reforestation efforts in the Black Volta Basin and other parts of the acquired lands. This program is pivotal for both mitigating climate impacts and adapting to them.

Throughout the year, we engaged in various forestry management techniques within our current plantations, employing Project Affected Persons (PAPs) as contractors for these tasks. Additionally, we implemented these forestry management practices across 1,423 acres of newly established plantations to safeguard our investments.

A pilot project for planting *Leucaena leucocephala* in other areas was successful and this will be replicated in other degraded lands. A total of 11,813 trees were planted to mark the 2023 Ghana Green Day.

Community Relations and Corporate Social Responsibility

At BPA, we recognize that our mandate extend beyond profit margins and increasing shareholder value. We are committed to providing for the critical needs in the communities we serve, enrich lives and foster sustainable and impactful development.

In 2023, we continued our Corporate Social Responsibility, guided by our core values and through strategic partnerships and impactful initiatives, we made significant contributions in education, sanitation & health, sports and social/cultural support.

We fully funded the construction of a Health Directorate for the Ghana Health Service at Banda Ahenkro which boasts of offices for the Health Director, Human Resource and General Administration, Principal Nursing officer, Finance office, cold room, public health and health promotion, disease control office, health information and nutrition, and a conference hall.

In another development, a donation of hospital equipment and supplies were made to the Jama Hospital. This included ultrasound diagnostic system machine, thermometers, side bed desks, disinfectants, and bleach amongst others.

The Authority constructed 8No. mechanized boreholes in the two resettlement communities and provided the Project Affected Persons (PAPs) with mosquito nets.

In education, BPA renovated a six-unit classroom block and assisted various other educational institutions in support of initiatives in several communities. From scholarships to needy but brilliant students to educational infrastructure development, we remain steadfast in our commitment to nurturing the next generation of leaders.

Furthermore, efforts to unearth and support football talents within the Bui enclave entered its second phase which saw the display of enormous football talent from players from the 16 resettlement and host communities that participated. Five talented players were shortlisted to undergo further training and development at the John Paintsil Football Academy in Accra.

Security

Galamsey activities continue to be a menace. During the year, BPA security guards, with the assistance of the Ghana Armed Forces, conducted a swoop between Bamboi and Buipe to apprehend and expel illegal miners.

A Forward Operating Base for the Ghana Armed Forces which will augment security within the Bui enclave is under construction and was 90% complete by year-end.

Risk Awareness

As an Authority, we are confronted with external and internal factors which present uncertainties in the pursuit of our Corporate Goals. The main objective of our Risk Management is to ensure sustainable business growth through value creation and protection, improving performance, encouraging innovation, and supporting the achievement of our objectives.

Risk management is therefore fundamental to our operations and remains every employee's business.

2024 Outlook

As we embark on our journey into 2024, we are filled with a sense of excitement and anticipation for the opportunities that lay ahead. Building upon the foundation of our past successes, we set our sights on new horizons, driven by a commitment to excellence, innovation, and sustainability.

We look forward to intensifying our efforts to expand our renewable energy portfolio, harnessing the power of wind, solar, and other sustainable sources to meet the growing demand for clean energy. We will continue our pursuit of leadership in the renewable energy industry within our sub-region guided by our vision to be at the forefront of the transition to clean energy.

In the midst of the opportunities that lay ahead, we recognize that daunting challenges may arise. Economic uncertainties, foreign exchange insecurities, inflation, mounting receivables, and geopolitical developments may present obstacles along the way. However, we are confident in our ability to adapt and thrive in the face of adversity, drawing upon our resilience, agility, and strategic foresight to overcome any challenges that may arise.

Let us resolve to work together to make 2024 another great success!

EXECUTIVE MANAGEMENT



*Figure 21: Hon. Samuel Kofi Ahiave Dzamesi
Chief Executive Officer*



*Figure 22: Dr. George TETTEY
Deputy CEO, Finance and Services*



*Figure 23: Mr. Emmanuel TANDOH
Deputy CEO, Engineering, Operations and Technical*



*Figure 24: Ing. Samuel NIMAKO-BOATENG
Director, Power Operations*



*Figure 25: Ing. Kwaku Sarpong AKOSA
Director, Engineering Services*



*Figure 26: Mr. Wisdom Ahiataku TOGOBO
Director, Renewable Energy*



*Figure 27: Mrs. Jemima FAYAH
Director Finance*



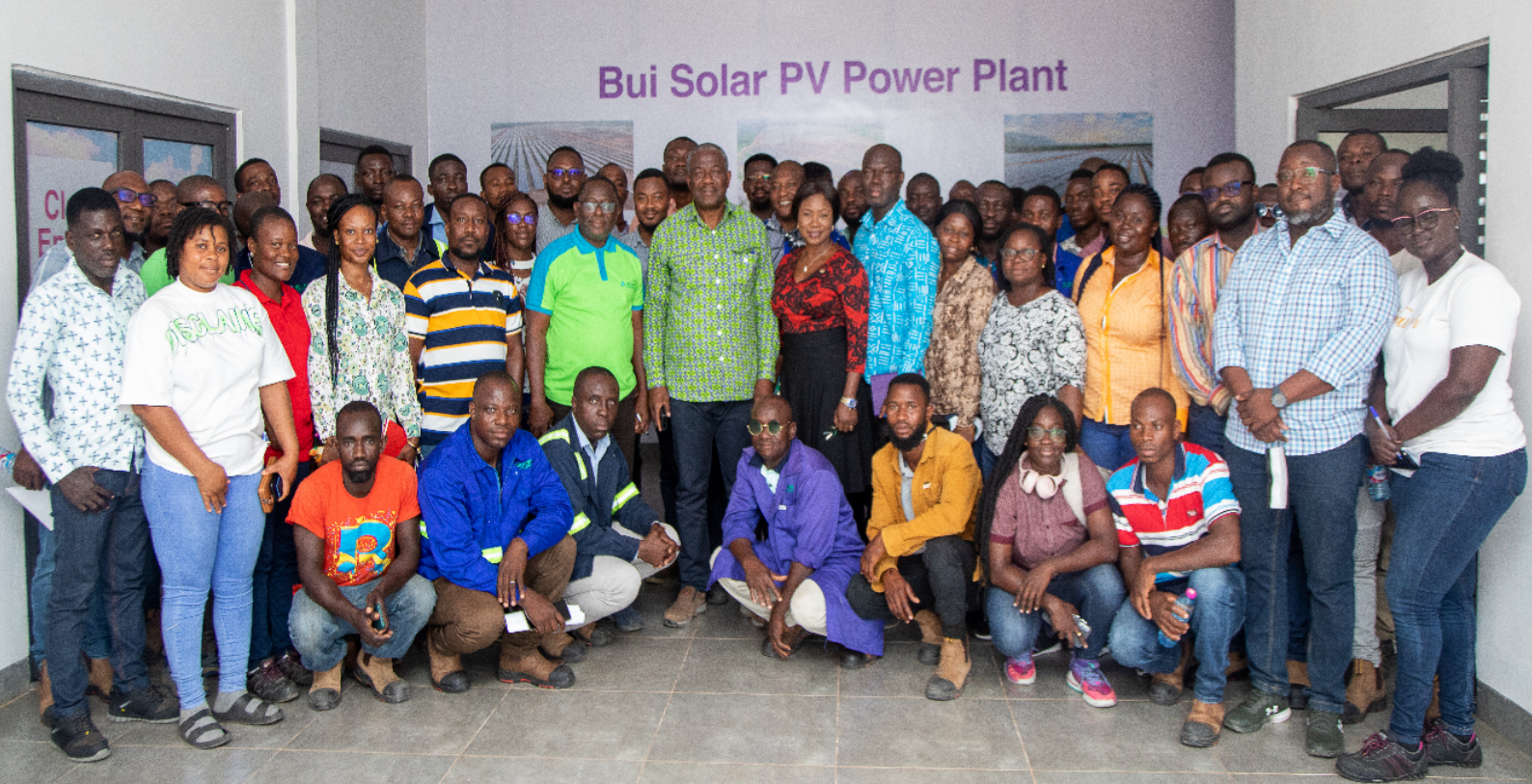
*Figure 28: Mr. Pascal KANBONNABAH
Director, Commercial Services*



*Figure 29: Mr. Maxwell Wumbilla SALIFU
Director Estate*



*Figure 30: Brig.Gen. (RTD). Martin OWUSU-ABABIO
Security Coordinator*



OUR PEOPLE: THE HEART OF OUR SUCCESS

Our continuous investment in our people to build future-ready skills, provide them with distinguished experience and reinforce our all-encompassing and innovative culture. This involves entrenching our refined approach to performance, reward and recognition, that enables greater focus on motivation, teamwork, and innovation. It also increases re-skilling and upskilling opportunities towards future roles that are aligned with the Authority’s strategy and individuals’ aspirations.

GENDER BALANCE

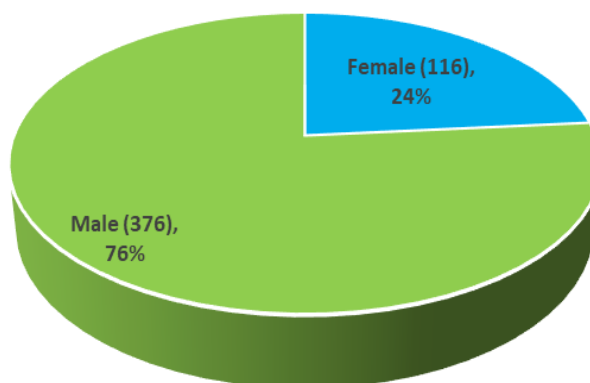


Figure 31: BPA Gender Ratio

Furthermore, our focus on welfare improves individual resilience, output, and performance, as well as strengthening leadership capabilities through a modernized development offering.

The Authority treats all prospective employees fairly and equally, regardless of gender, family status, race, nationality, ethnicity or religious beliefs, age, physical disability, etc. Our Gender ratio is at 24% and this is targeted to improve in the ensuing year.

The Authority maintains business premises planned with a view to guaranteeing the safety and healthy working conditions of staff. A total of 96No. two-bedroom flats are under construction at the Bui Generating Station to provide accommodation for staff. This was 41.5% complete by end of 2023. A Multi-Purpose Office Complex at the BGS is also under construction and was 92.2% complete at year-end.



Figure 32: BPA observes Traditional Day during 2023 Ghana Month

CLIMATE CHANGE INITIATIVES

The BPA Forest Resource Enhancement Program



The BPA Forest Resource Enhancement Program (FREP) is a program undertaken to promote sustainable utilization of the forest resources and afforestation in the Black Volta Basin and other parts of the acquired lands (EI 158) as well as the Tsatsadu Generating Station for both climate change mitigation and adaptation.

Project Affected Persons (PAPs) Contractors carried out silvicultural practices on the 1423 acres of existing plantations.

A total of 26 indigenous economic tree species have been identified and tagged within the BGS enclave for conservation and protection. Planting of new trees species like *Leucaena leucocephala*

were successfully piloted on identified degraded lands.

FREP has played a significant role in our quest to improve climatic conditions within the Black Volta Basin. It has helped in the protection of the Bui Reservoir against soil erosion, siltation, sedimentation, nitrogen, and phosphate loading. These efforts will help prolong the life span of the Reservoir and ensure sustainable hydropower generation at the Bui Generating Station.



2023 Ghana Green Day Celebration

Bui Power Authority (BPA) celebrated Green Ghana Day with a tree-planting exercise at the Bui Generating Station. The event was attended by the CEO and staff of BPA, members of the Ghana Armed Forces, the Ghana National Fire Service, the Ghana Police Service, BPA Green Academy pupils, BPA hospital staff, and PAPs contractors. A total of 11,813 trees were planted, made up of 5,000 Mahogany, 2,500 Gmelina, 1750 Cassia, 63 Bamboo and 2,500 Teak trees.

The trees planted were maintained under BPA's Forest Resource Enhancement Program (FREP).



Figure 33: Green Ghana Day at the BGS 2023



Figure 34: Maintenance of an Existing Plantation by the PAPs



Figure 35: Tagging of Indigenous Economic Tree Species at the BGS



Figure 36: Sowing of *Leucaena leucocephala* seeds at an identified degraded land

INFORMATION AND COMMUNICATIONS TECHNOLOGY

Information and Communication Technology (ICT) stands as a bedrock of innovation, productivity and efficiency, driving transformative changes across industries in the rapidly evolving landscape of the 21st century. BPA's commitment to leveraging cutting-edge technology solutions underscores our dedication to maintaining a competitive edge and enhancing operational excellence.

In 2023, BPA initiated a Data Centre project to protect the Authority's information and data by consolidating all network and communications equipment in a secure, modern, and smart Data Centre environment. This infrastructure, which provides backup and data replication services to all locations, comes with independent multiple redundancies for power, HVAC, fire suppression, remote monitoring and management capability.



Figure 37: On-going works inside the BPA Heights 1 Data Centre



Figure 38: Tour of BGS Outdoor SmartMod Data Centre by the CEO



The Authority also commenced the implementation of a Computerized Maintenance Management System (CMMS) to enhance plant maintenance activities, analysis and reporting.

CCTV Project

BPA rolled out CCTV project to enhance video surveillance at all BPA work locations. The system, equipped with Artificial Intelligence (AI) technology, central monitoring and real-time alerts. This system will be integrated into the private BGS eLTE communications system.

Cybersecurity

The current prevalence of cyber threats has called for a holistic review of technologies, strategies and policies to protect and secure BPA's Operational Technology (OT) and Corporate Information Technology (IT) infrastructure. BPA registered with the Cyber Security Authority (CSA) as a Critical IT Infrastructure (CII) owner and conducted a self-assessment with a roadmap for the deployment of tools, implementation of services and training of staff to protect the environment against cyber threats.

The Ministry of Energy also commenced arrangements for the setting up a Computer Emergency Response Team (CERT) to respond promptly to cyber threats in the Energy Sector. In line with the foregoing, a comprehensive cyber security survey which involved physical site inspections and system testing was conducted on BPA's IT and OT infrastructure. The primary objective of the exercise was to provide insights into BPA's cybersecurity posture and to propose steps to enhance same in preparation towards the full deployment of the CERT project. The cybersecurity enhancement proposals have been earmarked for implementation in the year 2024.

COMMERCIAL SERVICES

BPA engaged a number of bulk consumers in a bid to build a portfolio of power offtakers to diversify our sources of revenue and attract investment into the Bui enclave. Discussions were held with some mining and manufacturing consumers, as well as trade associations.

The Authority has initiated processes towards the acquisition of an electricity export license to enable BPA fully explore the offtake opportunities within the West African Sub-Region.

BPA also developed a framework for our participation in the electricity marketing and sales industry in response to current and evolving demands.

A spatial plan is being developed as the blue-print for engaging potential investors towards the development of the Bui enclave. Currently there are two strategic investors who have initiated sugarcane and cashew processing projects in the enclave.

The Bui Sugar Factory expanded the sugar plantation in preparation for the establishment of the factory. As at the end of the year 2023, about 600 hectares of sugarcane had been cultivated. Additional hectares of sugarcane are under cultivation as feedstock for the factory.

The construction of the Bui Cashew Factory (Bui Cash U Limited) has also been completed. Testing and commissioning works are being carried out. The project is expected to be fully commissioned within the first quarter of 2024.



Figure 39: The CEO and Bono Regional Minister at the Sugarcane plantation

TRANSPORT MANAGEMENT

Safe, timely, and cost-effective transportation solutions were provided to support operations and the achievement of our corporate objectives during the year under review.

Our fleet of vehicles were maintained to ensure optimal performance for transporting personnel and goods to and from our operational sites across the country. Driver welfare was prioritized to guarantee an incident-free transportation during the year.

Our drivers were regularly trained to uphold high safety standards and efficiency. Refresher courses on defensive driving techniques and good driver practices, highlighting the need for safety and security consciousness at all times were organized for our driving team. Our fleet numbering 102 embarked on 697 trips across our operational sites as well as localized trips and consumed 540 thousand litres of fuel in the year.



Figure 40: Drivers in practical Training



Figure 41: Some Drivers in a pose after training

Safe Lake Transportation

BPA embarked on an exercise to systematically identify and remove submerged tree stumps to safeguard the Bui reservoir and ensure it remains safe and accessible for all users.

About 400 tree stumps at the Jama Nsuoano side of the lake have been removed. However, the project was suspended as a result of financial (liquidity) constraints.

NUCLEAR POWER GHANA



Figure 42: Group photograph of the EDF (Prospective Vendor/Strategic Partner) Engagement

The Government of Ghana (GoG) recognizes the need for clean, reliable, and affordable baseload power for sustainable economic and industrial development. Nuclear power is considered the preferred baseload option that will facilitate good management of Ghana's energy resources for wealth creation. Since 2015, Ghana has been rigorously developing the necessary critical national infrastructure for nuclear power essentially to have a sustainable nuclear energy programme that is expected to add to Ghana's power generation mix by 2030 and last the full operational life cycle of over 80 years.

Nuclear Power Ghana (NPG) was therefore established as the Owner-Operator Organization of Ghana's first nuclear power plant responsible for project development, implementation, operations and Maintenance through the plant's life cycle. NPG is registered as a Limited Liability Company in July 2019, with the Volta River Authority (VRA), Bui Power Authority (BPA) and Ghana Atomic Energy Agency (GAEC) as its shareholders.

During the year under review, NPG screened and evaluated the Finance, Technical, and Training, Human Capacity development and Operation & Maintenance (THCD-O&M) following the receipt of Request for Further Information (RFFI) submissions from the short-listed vendor countries i.e. South Korea, France, Russia, USA, and China in line with set of criteria for the selection of a Vendor/Strategic Partner.

Consequently, delegates from France, Russia, USA, and China were hosted in-person by NPG as part of the engagement process to clarify outstanding issues and embarked on site visit to the preferred site in the Western Region. The engagement process carried out so far, has afforded the GoG adequate information on the financial, technical and THCD-O&M requirements to aid in the next steps towards the selection of Vendor/Strategic Partner for Ghana's first nuclear power project.

Furthermore, as part of preliminary site studies NPG conducted an Airborne and Geophysical survey at

the preferred and backup sites, to establish Geodetic Control Network, conduct Aeromagnetic Survey and Light Detection and Ranging (LiDAR) and/or Photogrammetry survey. The studies were required to gather data on the subsurface geology, topography, and elevation of the sites as part of preliminary studies leading to detailed site characterization activities and commencement of processes for acquisition of the preferred sites.

As Ghana's nuclear programme progresses, it has become necessary to establish NPG as a statutory body through a legislative instrument. As a result, a draft bill is being developed under the supervision of the MoEn in collaboration with the Ministry of Justice and the Attorney Generals Department. The proposed bill underscores the commitment of the Government to harness nuclear energy for sustainable development.

Recognising the essential role of stakeholder support for the nuclear power project, NPG organised community engagements and stakeholder management activities to obtain the needed social license of local communities, industries, and the general public. Due to this, NPG have diligently pursued a proactive approach to fostering open channels of communication and collaboration with all stakeholder groups. Eight (8) communities each around the preferred and backup sites, including community leaders, interest groups, schools and general populace were engaged.



Figure 43: Group photograph of NPG Officials, Chiefs & Opinion leaders during an Engagement

CORPORATE GOVERNANCE

List of Board members as at December 31, 2023

| NAME | Designation |
|---------------------------------|-------------|
| Hon. Kwasi Ameyaw-Cheremeh | Chairman |
| Hon. Salifu Sa-eed | Member |
| Nana Ama Tima Boakye | Member |
| Hon. Paul Twum- Barima | Member |
| Dr. Mrs. Rebecca Acquah-Arhin | Member |
| Mr. Kwame Appia Kyei | Member |
| Hon. Samuel Kofi Ahiave Dzamesi | Member/CEO |

The Bui Power Authority is a State-Owned Enterprise (SOE) fully owned by the Government of Ghana. It was established in 2007 by the Bui Power Authority Act, 2007 (Act 740) to plan, execute and manage the Bui Hydroelectric Project on the Black Volta River at Bui and any other potential hydroelectric power sites on the Black Volta River and for related matters. In the year 2020, the Authority's Act was amended to include renewable energy and other clean energy alternatives with the passage of the Bui Power Authority Amendment Act, 2020 (Act 1046).

Board of Directors

The Authority is governed by a seven-member Board of Directors consisting of six non-executive members and the Chief Executive Officer of the Authority. The members of the Board are drawn from different professional backgrounds to help with the governance of the Authority. Their diversity, independence and skills facilitate good discourse and performance of the Authority.



Figure 44: BPA Board Members tour of the BGS after Board Meeting



Hon. Kwasi Ameyaw CHEREMEH
CHAIRMAN, BOARD OF DIRECTORS

Hon Kwasi Ameyaw-Cheremeh is a Ghanaian politician and the Honourable Member of Parliament for the Sunyani East Constituency in the 5th, 6th, 7th and 8th Parliament of the 4th Republic of Ghana. He currently serves on the Constitutional, Legal and Parliamentary Affairs Committee, Local Government and Rural Development Committee, Judiciary Committee and Standing Orders Committees.

Hon Kwasi Ameyaw-Cheremeh has an extensive academic background, holding an MPhil from the University of Ghana, Legon (2005-2008), an

MPA (2002-2004), a BL from Ghana School of Law (1993-1995), and an LL B from the University of Ghana, Legon (1990-1993).

Additionally, he has completed several other courses, including Special Legislative Seminar and Advanced Legislative Drafting at the International Law Institute, Washington DC, and Financial Risk Management from the Knowledge Tree International Institute LLC, Canada.

Apart from being a lawyer and a Member of Parliament, he has served in multiple capacities such as a part-time Lecturer in Constitutional and Administrative Law at the University of Ghana between 2005 and 2016. He was also the General Secretary of the National Association of Local Authorities of Ghana between 2002 and 2008.

In Parliament, he has held significant positions including Majority Chief Whip (2017-2021) and Ranking Member of the Select Committee on Local Government and Rural Development between 2013 and 2017.

His exemplary service extends to international platforms as well, where he has been a member and leader of Ghana's delegation to the ECOWAS Parliament since 2017. He has been a member of the Ghana Bar Association since 1995.

Hon Kwasi Ameyaw-Cheremeh's multifaceted career highlights his dedication to law, governance, and public administration.



Hon. Samuel Kofi DZAMESI
DIRECTOR & CHIEF EXECUTIVE OFFICER

Hon. Samuel Kofi Ahiave Dzamesi is a Ghanaian Engineer and Politician. He had his secondary education at St. Martins Secondary School in Nsawam from 1971 to 1977 for his O-level certificate, and at the Accra Academy from 1978 to 1980 for his A-level certificate. He holds a Bachelor of Science degree in Engineering from the Kwame Nkrumah University of Science and Technology, Kumasi and a Diploma in Marketing. In 2001 he was appointed Deputy Volta Regional Minister by H.E President John Agyekum Kufuor and was later appointed as the substantive Regional Minister for the Volta Region.

Hon. Samuel Kofi Ahiave Dzamesi served as Minister for Chieftaincy and Religious Affairs during the first term of His Excellency the President, Nana Addo Dankwa Akufo-Addo. As Minister for Chieftaincy and Religious Affairs, he engaged feuding factions in various chieftaincy disputes in the country to find lasting solutions for peace including the Dagbon chieftaincy conflict. He also set up committees to strategize and facilitate yearly pilgrimages from Ghana to Israel and other Holy sites in the Christian world.

Hon. Samuel Kofi Ahiave Dzamesi was appointed by H.E. the President and confirmed by the Bui Power Authority Board of Directors as Chief Executive Officer on September 3rd, 2021.



Hon. Salifu SAEED
DIRECTOR

Hon Salifu Saeed is one of the young and dynamic personalities in Northern Region. He is a trained and practicing Development Professional. Hon. Salifu Saeed has a Master's in Development Management from GIMPA and first Degree in Integrated Development Studies from the University for Development Studies. He recently obtained a certificate in Conflict Management and Prevention from Kofi Annan International Centre for Peace Building. He has also received certificates of participations in different relevant development courses relevant to his professional development and career as a politician.

Hon. Saeed has over twenty years of development experience in both direct implementation and managerial positions in different development-oriented organizations all in Northern region.

Hon Salifu Saeed has always been a committed and trusted member of the New Patriotic Party in the Northern region serving in different capacity from opposition times into government and then out of government. He served as the District Chief Executive for Nantumba North District from 2005 to 2008 where he presided over the security of the traditional area so successfully. In 2017, when the New Patriotic Party came back to power, Hon Salifu Sa-eed was appointed as the Northern regional Minister and he served from 2017 to 2021.

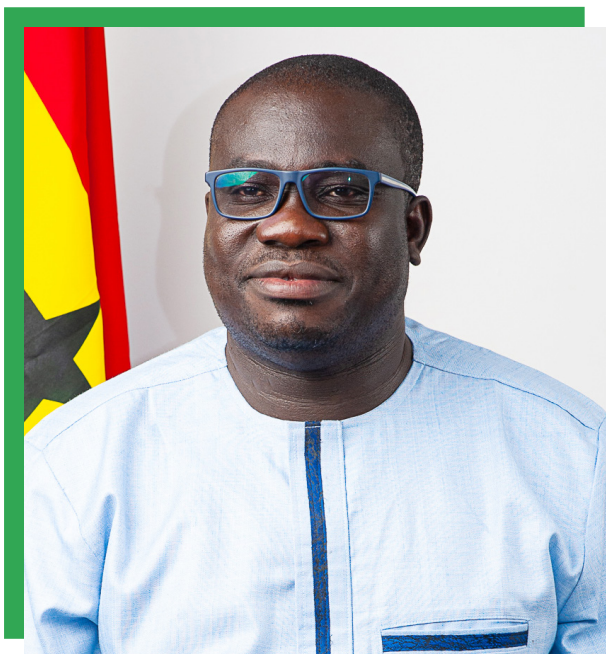
His works as development worker, businessman and politician has led him to have external exposure to countries like UK, USA, Kenya, Uganda, Ivory Coast, Burkina Faso and South Africa.



Nana Ama Tima BOAKYE
DIRECTOR

Nana Ama Tima Boakye is the Deputy Chief Executive Officer for the Petroleum Hub Development Corporation in charge of Operations and Technical. She is the former Deputy National Coordinator for the Free SHS Secretariat.

She is an expert in governance policy and a skilled supply chain manager. Nana Ama Tima Boakye holds a BSc in Engineering from the KNUST and an executive certificate in leadership from the Harvard Kennedy School. She also holds a masters in Leadership and Governance from the University of Ghana Business School.



Hon. Paul TWUM-BARIMA
DIRECTOR

Hon. Paul is a Ghanaian Politician and the Honourable Member of Parliament for Dormaa East Constituency in the 8th Parliament of the 4th Republic. He currently serves on the Special Budget, Poverty Reduction Strategy and the Foreign Affairs Committees of Parliament.

He holds a Bachelors' Degree in Sociology and Information Studies from the University of Ghana, Legon, a master's degree in Corporate Communications and Public Affairs from the Robert Gordon University in Scotland, a Certificate in Oil, Gas and Petroleum

Management from the Ghana Institute of Management and Public Administration (GIMPA) and also a Bachelor of Laws (LLB) from the University of London, UK.

Before becoming Member of Parliament, Hon. Paul worked with organisations such as Savannah Accelerated Development Authority (SADA) as the Development Communications Coordinator, Eni Ghana, British High Commission and ZEN Petroleum as the Corporate Affairs and Sustainability Manager.

He is a professional with in-depth knowledge in the energy sector and corporate communications. He also serves as a Board member of the Ghana Publishing Company.



Dr. Mrs. Rebecca Acquaaah-ARHIN
DIRECTOR

Dr. (Mrs) Rebecca Acquaaah-Arhin is a Medical Doctor by profession and a fellow of the West African College of Surgeons and Ghana College of Physicians and Surgeons. She holds an MBA in Entrepreneurship, several Leadership and Management Certifications including from University of California, Berkeley (USA) and Yorke University (Canada) as well as Counselling from the Professional Institute of Counselling and Psychology, Ghana.

She is presently a Senior Lecturer, Head of Department at the Family Health Medical School, Consultant Obstetrician Gynaecologist and Medical Coordinator at the Family Health University College Hospital. She is the Chairperson of the Ethical Review Board of the Ensign College of Public Health/ University of Utah.

Dr. (Mrs) Acquaaah-Arhin was previously a Consultant Obstetrician Gynaecologist, Hospital Superintendent, Medical Director of Health Services and member of management of the Volta River Authority (VRA). She was the Managing Director and Board Member of the Volta River Authority Health Services Limited. She successfully managed several facilities across the length and breadth of the country. This enabled her to be well versed in VRA operations. She also worked with the Korle-Bu Teaching Hospital, Holy Trinity Medical Center and C&J Medical Center.

She served as a faculty member and trainer for the Ghana College of Physicians and Surgeons, Consultant for Ghana Health Services, Eastern Region, Vice Presidents of Ghana Association of Quasi Health Institutions and Society of Gynaecologists and Obstetricians of Ghana. She was also a Member of Akosombo Town Management for over ten years and served on various VRA and national committees.



Mr. Kwame Appia KYEI
DIRECTOR

Nana Kwame Appia Kyei, also known as Nana Akyena Kwagyan Nuama V, is the Chief of Essuwin in the Ashanti Region and a senior member of the Kumasi Traditional Council. He holds an MBA degree in Corporate Finance from the City University Business School, London an MSc degree in Applied Geophysics from the University of Birmingham, UK and a BSc degree in Mining Engineering from Camborne School of Mines, UK.

He is a former member of the Technical Sub-committee of the Ghana National Energy Board, an Executive Director of GNPC and a

former member of the Governing Board of the West Africa Pipeline Authority. He has over 40 years of experience in international oil and gas exploration and production with Phillips Petroleum Corp, GNPC, Atlantic Richfield Corp, BP and Tullow Ghana Limited where he was the Director of Exploration and Field Development and a member of Tullow Plc's Global Exploration Leadership Team.

He is currently the Director of Commercial and New Venture at Kosmos Energy Ghana.



Franklin Nana ADDAI
Board Secretary

Franklin Nana Addai is the head of the Legal and Board Secretariat of the Bui Power Authority (BPA). He has been with BPA for more than 10 years and worked with units such as HR, Estate, Transport and the Power Operations Department.

Mr. Addai is a trained Corporate Lawyer with relevant experience in Energy Law, Construction Law, Nuclear law, and litigation. He holds a BA in Political Science and Psychology from the University of Ghana and a diploma in Nuclear Law from the University of Montpellier. He also holds an MBA from the KNUST, BL from the Ghana School of Law and an LLB from the University of London.

In 2018, the Board of Nuclear Power Ghana Limited (NPG), a subsidiary of BPA, appointed him as the Company Secretary for NPG.

He is a member of the Ghana Bar Association and the Coordinator for the legal team of the Ghana Nuclear Power Programme Organisation (GNPPO) of the Ministry of Energy.

BOARD COMMITTEES

The BPA Board of Directors discharge its responsibilities through regular quarterly board meetings as well as its committees. The following are the committees that assist the Board to perform its functions:

- **Technical/Engineering Committee**

The committee has the mandate to advise the Board on Technical issues including projects, IT, plant operations and related matters.

- **The Finance Committee**

The committee has the mandate to assist the Board in providing strategic direction to the Authority on matters of financial discipline and compliance, budget, procurement and related matters.

- **Audit Committee**

The committee has the mandate to assist the Board in safeguarding the Authority's assets, maintaining proper financial records, risk management and maintaining effective systems of internal control in the Authority.

- **Resource and Environmental Committee**

The committee has the mandate to advise the Board on matters relating to the environment and the usage of the acquired land and related matters.

- **General Service Committee**

The committee has the mandate to advise the Board on matters that are non-technical or non-engineering which includes legal, security and allied matters.

Key Management Oversight

The Board works closely with management to determine the Authority's corporate strategy and policies including the establishment of risk tolerance, establishing internal controls over financial reporting, and assessing the organization's risks and mitigation strategies. The Board monitors the performance of management through management reports and key performance indicators tailored to achieve the objectives of the Authority.

Corporate Culture and Value

The Authority has established a corporate culture and values that promote safety, innovation, trust, teamwork, integrity, and commitment("SITTIC"). Training programs continue to be organized in these areas to entrench these values at all levels of the Authority's governance architecture.

Code of conduct

As part of the Authority's corporate governance practice, the Board adhered to its code of conduct which defines the personal conduct of the members.

Board Evaluation

At the end of 2023, the Board carried out an internal evaluation of its performance and the State Interest and Governance Authority (SIGA) also carried out a self-evaluation of the Board members for the period January – December 2023.

BOARD CHAIRMAN'S STATEMENT



It gives me great pleasure to share with you, on behalf of the Board of Directors, the performance of Bui Power Authority (BPA) for the year 2023. The past year posed significant challenges for many organizations; BPA included.

Nevertheless, through unwavering determination and resilience, we managed to achieve notable progress despite the obstacles brought about by the global economic downturn.

Allow me to outline some of the key initiatives that were carried out during the review period.

Operational Performance

The performance of the Authority's Generating facilities in 2023 was overall remarkable. The total energy produced from BPA's generating

sources in that year amounted to 1515.62GWh from all its generating sources. The Authority had initially planned to generate 1211.80GWh for the year but surpassed it by 25%.

The Reservoir's surface elevation concluded the year at 176.41masl, marking a decrease of 3.09masl from its initial elevation of 179.50masl at the beginning of the year.

Maintenance

Keeping with its strong maintenance culture, the Authority completed 96% of the 2023 annual maintenance plan. The Annual Maintenance of Units 1 & 3 was deferred due to the Level A Maintenance of Unit 2 and the need to keep the units in service due to system contingency. However quarterly maintenance was carried out in place of the deferred annual maintenance for Unit 1. Quarterly maintenance on Units 54G2, 54G3, 54G4 and Tsatsadu Generating Station (TGS) were successfully carried out. The Authority also carried out corrective maintenance on the 55MWp Solar plant.

Financial Performance

The total Revenue for the year was \$157.11M. This was 24.43% higher than the budgeted annual revenue of \$126.26M.

The net profit for the fiscal year 2023 amounted to \$80.64 million, surpassing the budgeted amount of \$28.37 million. This positive variance of 184.24% can be attributed to the non-incurrence of certain budgeted general and administrative costs, which were hindered by liquidity challenges. These included repairs and maintenance, seminars and conferences, regulatory and supervisory cost, professional & consultancy fees, finance costs as well as higher than expected revenue for the period. The net profit margin for the year as a whole stood at 51.33%, which is significantly higher than the projected ratio of 22.5%.

The Energy Sales (revenue from sales of electricity only) for the period were \$155.22M against a budget of \$124.09M, representing a positive variance of 25.1%.

Renewable Energy Development

The Authority successfully advanced its solar energy agenda in 2023 by commissioning a 4MWp Floating Solar. An additional 100MWp solar plant being developed at the BGS was at 39 % completion at the end of 2023. Installation of a 30MWh battery storage system for intermittency mitigation was also 96% complete.

The Authority completed the clearing and leveling of the solar farm area for the 50MWp Solar Project and its associated works in Yendi. The geotechnical survey field works have been concluded, and the construction of temporary access roads and culverts commenced in the course of the year.

Industrial Relations

The Authority's industrial relations were stabilized during the period due to the effective communication that existed between Management and the workers, and Management's commitment to creating a favourable working environment for the workers.

The Authority ended the year with a staff strength of 492. The total number of female staff was 116, and the representation of females at the management level was 23% exceeding the target of 20% for the year.

The Authority has made significant progress in enhancing its ongoing collaboration between management and workers. Management has consistently demonstrated its dedication to creating a favourable working environment for the employees. The Authority has consistently acknowledged our workers as our most valuable resource and will persist in implementing measures to motivate and retain the skills and expertise that we have nurtured throughout the years.

Land Administration

The Authority carried out regular monitoring and patrolling of the ecological system within the BGS to control unapproved activities on the premises. The Authority also carried out routine awareness creation and monitoring activities within the BGS environs on environmental degradation and water pollution among others.

The celebration of the 2023 Green Ghana Day witnessed the planting of 11,813 trees made up of 5,000 Mahogany, 2,500 Gmelina, 1750 Cassia, 63 Bamboo and 2,500 Teak trees at the Bui Generating Station.

Corporate Social Responsibility

The Authority proceeded with implementing its Corporate Social Responsibility (CSR) in accordance with its CSR Policy. Several classroom blocks within its operations areas were constructed and renovated.

The Authority demonstrated its support and solidarity with the Volta River Authority (VRA) and the residents of the Volta Region, where our Tsatsadu Generating Station is located during the aftermath of the dam spillage exercise. The Authority donated essential relief items to affected flood victims.

The Authority advanced its talent development programme by entering into a partnership with John Painstil Football Academy to select five players from the communities around the Bui enclave. This programme aims to help grow the talents of the selected players and help to place them in competitive leagues in the country and outside.

Awards

BPA has been honoured with three (3) accolades at the esteemed Ghana Energy Awards Ceremony in 2023, acknowledging the Authority's exceptional achievements in the Energy Sector. These awards include the Clean Initiative Award of the Year, the Renewable Energy Infrastructure Project of the Year, and the Green Chief Trailblazer Award. Director Wisdom Togobo of the Renewable Energy Department was also recognized for his significant contribution towards a more sustainable future.

At the esteemed Health Environment Safety and Security (HESS) awards the Authority won a remarkable six awards for its outstanding performance, leadership, and innovations in prioritizing the health, safety, security of employees and stakeholders, as well as environmental protection.

Challenges

The financial debt overhang brought about by the inability of the Electricity Company of Ghana (ECG) to pay for power supplied to them continues to be a key challenge for the Authority. The Authority has experienced adverse effects from this challenge such as the inability to purchase critical spare parts for the maintenance of the plant, lack of funds to execute our "Renewable Energy" mandate and the inability to prosecute our staff development programmes as planned.

To mitigate this challenge, however, the Authority has decided to explore the possibility of engaging other off-takers.

Conclusion

I wish to extend my sincere appreciation to my fellow Board members for their unwavering support and guidance. Additionally, I am grateful to the Staff and Management of the Authority for their tireless efforts and dedication in advancing the Authority's mandate.

We assure the Government of Ghana and all stakeholders that the Board will continue to provide the necessary guidance and supervision for the Authority to achieve its goals, ultimately benefiting all citizens of Ghana.

MATTERS OF SECURITY

The Bui Enclave, all BPA's operational sites and assets were generally safe and free from major incidents. BPA collaborated with major state security agencies like the Ghana Police, Ghana Armed Forces, and the Ghana National Fire Service to ensure the safety and security of BPA assets.

A few incidents and developments within the year are highlighted as follows:

Illegal Mining (Galamsey Operations)

BPA Security has succeeded in ridding the upstream section of the Bui reservoir of illegal mining operators (Galamsey). The illegal miners have moved their operations downstream of the Bui Dam. BPA is collaborating with the Ghana Armed Forces to deal with the issue.

Armed Robbery

BPA Security, the Military Task Force, and Bole & Banda Nkwanta Police Command intensified joint patrols to ensure the safety of BPA personnel and travelers.

New security gates on the three main approaches (Teselima, Banda Nkwanta, Bongase) to BGS were constructed as part of measures to secure the Bui enclave. The gates are manned jointly by the Police, Army and BPA Security personnel.

The Ministry of National Security deployed a Security Task Force at Bui to assist BPA continue its routine night and day patrols. The Navy conducted riverine patrols to stop illegal fishing and settlements and maintain the sanctity of the reservoir upstream.

Forward Operating Base (FOB)

Construction of a Forward Operating Base at Bui continued in 2023 and was 90% complete by year-end.

COMMUNITY RELATIONS AND CORPORATE SOCIAL RESPONSIBILITY

Construction of 500-seater capacity Astroturf at Bui

As part of efforts to unearth and nurture sprouting sporting talents that abound within the Bui enclave and beyond, the Authority cut sod for the construction of a 500-seater Astro turf facility at Bui.

The CEO was joined by Bono Regional Minister Hon. Justina Owusu-Banahene, Banda DCE, Hon. Emmanuel Akone, Chiefs and Opinion Leaders within the communities, and other well-meaning individuals to undertake the ceremonial sod cutting exercise. The Contractor for the Project, Wilkado Construction Limited assured stakeholders present of his commitment to delivering on the assigned mandate with dexterity whilst meeting project timelines.



Figure 45: BPA CEO and other Dignitaries present at the sod cutting ceremony



Figure 46: Ceremonial ground digging by the CEO to herald the commencement of construction

Mechanization of Boreholes for Resettlement Communities

BPA Mechanized 8No. existing boreholes to improve access to potable water in the Resettlement communities.

1No. borehole was drilled at New Dokokyina to alleviate the stress of trekking for long distances to access potable water.



Figure 47: Director Estate, Mr. Maxwell Wumbilla Salifu hands over mechanized borehole for Bui Enclave communities



Figure 48: A mechanized borehole for provision of potable water within the resettlement communities



Figure 49: The newly constructed borehole at New Dokokyina

Project Affected Persons Receive Treated Mosquito Nets

BPA commemorated the 2023 World Malaria Day, by donating about 500 treated mosquito nets and assorted medicines to households within its two resettled and neighbouring communities, including Agbelekame North and South. This gesture was aimed at controlling Malaria infection in the Bui Enclave. Further assistance was also extended to other health facilities such as the Bui CHPS Compound, Bongase, and Jama Health Centres.



Figure 50: Presentation of treated mosquito nets and assorted medical items

BPA constructs Health Directorate for Banda District

BPA financed the construction and handed over a Health Directorate building to the Ghana Health Service, Banda District, to help improve on the delivery of their administrative mandate.

The Building provides office accommodation for the Health Director, Human Resource/General Administration, Principal Nursing officer, Finance office, cold room, Public Health and health promotion, Disease Control Office, Health Information and Nutrition, and a Conference Hall.

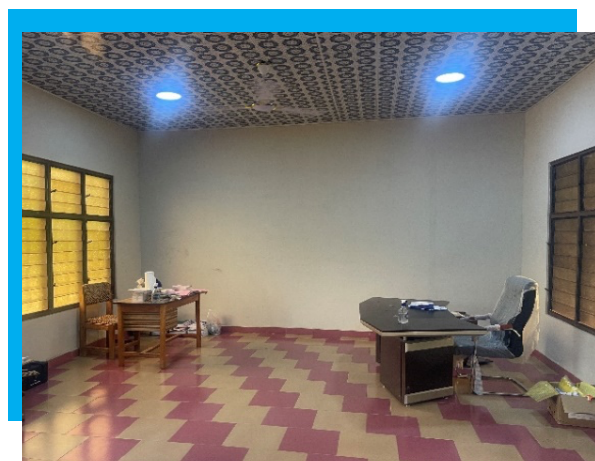


Figure 51: The Newly constructed Banda Health Directorate

Education

The Authority renovated a six-unit classroom block for the Bongase District Assembly Primary School in the Bono Region. This intervention was timely in ensuring continuity in the provision of education within the area after the roof of the facility was ripped off by a rainstorm.



Figure 52: The Renovated Bongase D/A community School



Figure 53: BPA CEO handing over the renovated school to the Banda DCE

Sixteen applicants were selected for the BPA Annual Educational Scholarship scheme. The tertiary level scholarship, covers full tuition, administrative fees, provision of a laptop computer and support for accommodation. Additionally, students also received stipend for each semester. This scheme reflects BPA's dedication to empowering communities within the Bui enclave through education.

Football Talent Development Program

BPA, in 2022 partnered with the John Paintsil Football Academy in a Football Talent Development Programme to scout for and nurture football talents within the Bui enclave. The Authority organized the 2nd edition of the program in 2023 which saw the display of enormous football talent from the resettlement and host communities. Five talented players were shortlisted to undergo further training and development at the John Paintsil Football Academy in Accra. The shortlisted talents are currently in camp.



Figure 54: BPA CEO in a ceremonial kick-off to usher in the 2nd edition of the Games

Donations

In June, 2023, BPA made a donation of assorted medical devices and other consumables to support and augment the delivery of health care at the Jama Hospital. The facility, which is managed by New Leaf Hospital caters for the primary health care needs of BPA staff and persons within the Bui enclave. The donation included ultrasound diagnostic system machine, thermometers, side bed desks, disinfectants, bleach etc.

BPA also donated various essential relief items to the residents of the communities affected by the Akosombo Dam spillage.



Figure 55: Assorted Medical Items and Consumables donated to the Jama Hospital



Figure 56: A NADMO representative receives relief items from DCEO Ing. Emmanuel Tandoh on behalf of victims of the Akosombo spillage disaster



FINANCIAL STATEMENTS

31st December 2023

GENERAL INFORMATION

Board of Directors

| | |
|---------------------------------|-------------|
| Hon. Kwasi Ameyaw-Cheremeh | Chairman |
| Hon. Samuel Kofi Ahiave Dzamesi | Member- CEO |
| Dr. Mrs. Rebecca Acquaaah-Arhin | Member |
| Nana Ama Tima Boakye | Member |
| Kwame Appia Kyei | Member |
| Hon. Paul Twum Barimah | Member |
| Hon. Salifu Saeed | Member |

Registered Office

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

Auditor

Donaldy Associates
Chartered Accountants
3rd Floor, House of
Excellence Annex
Harper Road, Adum
Kumasi

Solicitor

Kwabena Asare Atuah ESQ
Henewa Chambers
H/No. D 47/2
Dominase Sunyani
Bono Region

Bankers

Zenith Bank Ghana Limited
Ecobank Ghana Limited
Agriculture Development
Bank
Ghana Commercial Bank
Fidelity Bank
Prudential Bank
First Atlantic Bank

CORPORATE GOVERNANCE OVERVIEW

Bui Power Authority is committed to the principles and implementation of good corporate governance in accordance with the principles and practices in the Corporate Governance manual for Governing Boards/Councils of the Ghana Public Service.

The objectives of the Authority's corporate governance are:

- i. To recognize the valuable contribution that it makes to long-term business prosperity;
- ii. To promote the interest of stakeholders by enhancing performance and accountability;
- iii. To promote and maintain public trust and confidence; and
- iv. To adopt standard accounting practices to ensure sound internal control to facilitate the reliability of the financial statements.

These objectives have been articulated in a number of corporate documents, including the Bui Power Authority Act, 2007 (Act 740), board charter, rules of procedures for boards, a code of conduct for directors, and rules of business ethics for staff.

The Board of directors

The board is responsible for setting the Authority's strategic direction, leading and controlling the institution, and monitoring the activities of management. As of 31 December 2023, the board of directors of Bui Power Authority consisted of six (6) Non-Executive Directors and one (1) Executive Director in compliance with section 2 of the Bui Power Authority Act, 2007 (Act 740). The board members, except the Chief Executive Officer, are independent of management and free from any constraints which could materially interfere with the exercise of their independent judgement. The board members have wide experience and in-depth knowledge in management, industry, technology, and financial markets which enables them to make informed decisions and valuable contributions to the Authority's progress. The Chief Executive Officer is a separate individual from the Chairman who implements the strategies and policies adopted by the board. The board met five times (5) times during the year, which meet the minimum required meetings of the Corporate Governance manual for Governing Boards/Councils of the Ghana Public Services and section 4 of the Bui Power Authority, 2007 (Act 740).

Schedule of board meetings held in 2023 Attendance at the meetings is as follows:

| Member | Board Meeting |
|---------------------------------|---------------|
| Hon. Kwasi Ameyaw - Cheremeh | 5/5 |
| Hon. Samuel Kofi Ahiave Dzamesi | 5/5 |
| Dr. Mrs. Rebecca Acquaaah-Arhin | 5/5 |
| Nana Ama Tima Boakye | 5/5 |
| Kwame Appia Kyei | 5/5 |
| Hon. Paul Twum Barimah | 5/5 |
| Hon. Salifu Saeed | 5/5 |

The board has the overall responsibility of the Authority, including approving and overseeing the implementation of the strategic objectives, risk, strategy, corporate governance, and corporate values.

The board is responsible for appointing and providing oversight of senior management and ensures a well-structured and rigorous selection process in line with the fit and proper directive in place.

The Board and its committees

The board is accountable for the long-term success of the Authority and it is responsible for ensuring leadership, approving strategy, and ensuring that the Authority is suitably resourced to achieve its strategic aspirations. In doing so, the board considers its responsibilities, and the impact of its decisions on its stakeholders including, employees, customers, suppliers, the environment, and the communities the Authority operates in.

The board also delegates certain responsibilities to its committees to ensure its independent oversight. In addition, the board also delegates authority for the operational management of the Authority to the chief executive officer and management in respect of matters which are necessary for the day-to-day running of the Authority.

The board remains very diverse with a distinctive mixture of backgrounds, experience, and skills. Risk and governance, government and stakeholder relationships, strategy and budget, financial performance oversight, business development, and people were some of the key activities the board focused its time on during the year as it provided guidance to management in steering the Authority.

Board roles and key responsibilities

Chairman

The chairman is responsible for leading the board and its overall effectiveness and governance, leading in evaluating and monitoring compliance with the Authority's policies and governance processes, promoting a high standard of integrity, and ensuring effective communication between the board, management, and other stakeholders.

Chief executive officer

The chief executive officer is responsible for managing all aspects of the Authority's businesses, developing strategies in conjunction with the chairman and the board, and leading its implementation.

Board of directors

The board enquires about the success of the Authority by setting the strategic direction, establishing the risk appetite, and continuously monitoring and improving the board's performance.

Board committees

The board made a conscious decision to delegate a broader range of issues to the board committees, namely finance, audit, technical, resource and environment, and general services committees. The linkages between the committees and the board are critical for the smooth running of the Authority. The board duly received minutes and updates from each of the committee's meetings throughout the reporting period. The Authority has an effective mechanism in place to ensure that there are no gaps or unnecessary duplication between the remit of each committee. The main board also determines the terms of reference for all subcommittees and they report back to the board.

Finance committee

The finance committee is mandated to assist the board in providing strategic direction for the Authority and see to the implementation of the Authority's strategy in relation to finance and procurement-related matters. It also reviews the financial, operational, and business performance of the Authority and makes recommendations to the board on ways to improve the performance of the Authority.

The Committee assesses the financial performance of the Authority, advice on investment, monitor and manages the impact on the Authority's liquidity of significant income and expenditure items, recommend changes to the financial policies and controls, review the Authority's annual budget and makes recommendations for the board's approval, financial forecasts, and annual or interim financial statements and monitor operational financial performance against business plan among others. The Finance committee is made up of members who are non-executive directors.

Audit committee

The committee is made up of two (2) non-executive directors and three (3) external members appointed in line with the Public Financial Management Act, 2016 (Act 921). The audit committee is mandated to assist the board to discharge its responsibilities of safeguarding the Authority's assets, maintaining adequate accounting records, developing and maintaining effective systems of internal control, providing oversight of the independence of the financial reporting process and objectivity of the external auditor, internal financial process and monitor the Authority's compliance with applicable regulations and legislation. The Committee provides a report at each meeting to the board.

Resource & environment committee

The resource & environment committee has oversight responsibilities on behalf of the board to advise on environmental issues and usage of the acquired land. The roles of this committee include but are not limited to the following: to propose ways in which the Authority can foster an increased awareness of environmental issues within the Bui enclave, advise on environmental-related policies and activities of the Authority on behalf of the Board to ensure that the Authority is in compliance with the appropriate laws and legislation to share and adopt best practice on environmental issues. The resource & environment committee is made up of members who are non-executive directors.

Technical committee

The technical committee is responsible for advising on operating, maintenance, and project activities. The committee assists the Board in fulfilling its obligations and responsibilities by engaging in discussions related to the technical aspects of the operations of the Authority to aid the board to have informed technical knowledge. The committee also oversees on behalf of the Board the setting and delivery of the technology and operations strategies and ensures these strategies support the Authority's business strategy. The technical committee is made up of members who are non-executive directors and provides a report at each meeting of the board.

General Services Committee

The role of this committee includes but is not limited to the following: oversee and review the implementation of the Authority's workforce strategy to ensure it aligns with the vision, mission, and values of the Authority; review and recommend to the board for approval any significant changes to the workforce strategy; advise on the Authority's corporate social responsibility strategies; provide guidance on the implementation of legal, human resources and corporate affairs policies. The General Services committee is made up of two (2) members who are non-executive directors and provides a report at each meeting of the board on their deliberations.

Code of conduct

As part of the Authority corporate governance practice, the board has imposed upon themselves a code of conduct which defines the personal conduct of members, relationship with the organization and its staff members, especially management, attendance and active participation at meetings by members, adherence of the oath of secrecy, oath of office and unauthorized disclosure of information.

Recruitment, induction and training of new directors

Individuals selected to be members of the board have an appropriate diversity of skills and come from professional backgrounds necessary to provide the needed direction for the Authority. All new directors to the board are provided with a letter of appointment stating clearly the terms which shall govern their appointment after all the necessary regulatory approvals have been received with respect to the changes. The term of the directors is governed by the provision of the law establishing the Authority. New board members participate in a comprehensive induction program covering the Authority's financial, strategic, operational, and risk management overviews.

Board qualifications and composition

In accordance with the Corporate Governance manual for Governing Boards/Councils of the Ghana Public Services, all board members are qualified for the position and remain qualified through training for their positions. They have a clear understanding of their role in corporate governance and are able to exercise sound and objective judgement about the affairs of the Authority. They also possess, individually and collectively, appropriate experience, competencies, and personal qualities, including professionalism and integrity.

Remuneration structure

The directors receive fixed fees or allowances determined by the board in accordance with the prevailing guidelines issued by the Minister of Finance for serving on the board and its sub-committees.

Board performance evaluation

The board hereby certifies that it has complied with the directives on board performance evaluation as stated in the Corporate Governance manual for Governing Boards/Councils of the Ghana Public Services.

Business strategy

In the year under review, the board approved and monitored the overall business strategy of the Authority, taking into account the long-term financial interest of the Authority, its exposure to risk, and its ability to manage risk effectively. This was in line with the Corporate Governance manual for Governing Boards/Councils of the Ghana Public Services.

Risk management and internal controls

The board has put an effective internal control system in accordance with the Public Financial Management Act, 2016 (Act 921) and has risk management in place. The key management personnel holding these roles have sufficient authority, independence, resources and access to the board. Internal controls have been designed to ensure that each key risk has a policy, process, or other measures, as well as a control to ensure that such policy, process, or other measure is being applied and works as intended.

Key management oversight

The oversight responsibilities of the board include among others working with management to determine the organization's mission and long-term strategy and policies including the risk tolerance/appetite; promoting sustainable and cost-efficient activities of the organization; establishing and promoting the objectives, business, and integrity of the organization; establishing internal control over financial reporting, and assessing the organization's risks and strategies for risk mitigation; monitoring the performance of management in achieving set objectives of the organization and requesting appropriate reports from management.

The board has established a management structure that promotes accountability and transparency and oversees the implementation of appropriate systems for managing risks – both financial and non-financial to which the Authority is exposed.

The Authority has engaged skilled and competent staff and provides training and development opportunities to sustain the delivery of short and long-term business objectives and the risk management framework that protects the reputation of the Authority.

Corporate culture and values

The Authority has established a corporate culture and values that promote and reinforces norms for responsible and ethical behaviour in terms of the Authority's risk awareness, risk-taking, and risk management. This is achieved by the Authority through its board members' setting and adhering to corporate values for itself. Key management and employees also create expectations that business should be conducted in a legal and ethical manner at all times. The corporate values and professional standards set together with supporting policies and appropriate sanctions for unacceptable behaviour are communicated to all employees.

Separation of powers

There is clearly in place a division of responsibilities between the positions of the board chair and the chief executive officer in accordance with the Corporate Governance manual for Governing Boards/Councils of the Ghana Public Services.

Conflict of interest

The Authority's directors have a statutory duty not to place themselves in a position that gives rise to a real or substantial possibility of conflict of interest or duty about any matter which is, or is likely to be brought before the board. At no time during the year did any director hold a material interest in any contract of significance with the Authority. The board reviews actual or potential conflicts of interest annually.

Compliance declaration

The board declares that the Authority has complied with the corporate governance directive for the corporate governance manual for Governing Boards/Councils of the Ghana Public Services.



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

The directors present their report together with the audited financial statements of the Authority for the year ended 31 December 2023.

Director's responsibility statement

The directors are responsible for the preparation of financial statements that give a true and fair view of Bui Power Authority, comprising the statement of financial position at 31 December 2023, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Bui Power Authority Act, 2007 (Act 740) as amended by Bui Power Authority Act 2020 (Act 1046).

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the ability of the Authority to continue as a going concern and has no reason to believe that the business will not be a going concern in the year ahead.

Results of operations

The results of the operations for the year ended 31 December, 2023 are as set out in the statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, the Statement of Cash Flows and the Notes to the Financial Statements.

The operations for the year resulted in a surplus of US\$80.64 million as against US\$79.22 million for 2022. Total assets as at 31 December, 2023 was US\$1.64 billion as against US\$1.52 billion in 2022.

Nature of business

The main activities of the Authority are to plan, execute and manage the Bui Hydroelectric Power Project which comprises the generation of electrical power, the construction of a transmission system and the supply of electrical power. There was no change in the nature of business of the Authority during the year.

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

Directors in office

The directors in office at the date of signing these financial statements are:

| | |
|---------------------------------|-------------|
| Hon. Kwasi Ameyaw–Cheremeh | Chairman |
| Hon. Samuel Kofi Ahiave Dzamesi | Member- CEO |
| Dr. Mrs. Rebecca Acquah-Arhin | Member |
| Nana Ama Tima Boakye | Member |
| Kwame Appia Kyei | Member |
| Hon. Paul Twum Barimah | Member |
| Hon. Salifu Saeed | Member |

Going concern

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

Events after the reporting date

The board confirms that no matter has arisen since 31 December, 2023 which materially affects the financial statements as presented.

Approval of the financial statements

The financial statements were approved by the board of directors on 10th May, 2024 and signed on their behalf by:



Hon. Kwasi Ameyaw-Cheremeh
Board Chairman



Hon. Samuel Kofi Ahiave Dzamesi
Chief Executive Officer

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUI POWER AUTHORITY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Our Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Bui Power Authority as at 31 December 2023, and of its financial performance and cash flows for the year ended in accordance with International Financial Reporting Standards (IFRS) and with the International Accounting Standard (IAS) 29 directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Bui Power Authority Act, 2007 (Act 740) as amended by Bui Power Authority Act, 2020 (Act 1046).

What we have audited

We have audited the financial statements of Bui Power Authority for the year ended 31 December, 2023. The financial statements comprise:

- the statement of financial position as at 31 December 2023;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards of 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Authority in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards (the Code) issued by the International Ethics Standards Board for Accountants that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the Authority's financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter | How the matter was addressed in the audit |
|---|--|
| <p>Impairment of trade receivables</p> <p>Gross trade receivables as at 31 December 2023 amount to US\$732.11 million of which an impairment loss allowance of US\$7.30 million has been recognized.</p> <p>Management applied a simplified approach (provision matrix) to determine the impairment loss allowance which is based on expected credit loss (ECL).</p> <p>Management exercises significant judgements and makes assumptions in the impairment exercise.</p> | <p>We evaluated the design and tested the operating effectiveness of controls around the revenue and receivables.</p> <p>We tested the ageing analysis of trade receivables to assess the appropriate classification.</p> <p>We agreed on inputs in the ECL calculation to historical data.</p> <p>We assessed the appropriateness and adequacy of assumptions and judgements made by management and the related disclosures made in the financial statements.</p> |

Other Information

The directors are responsible for the other information. The other information comprises General Information, Chairman's Statement, Directors' Report, and the Corporate Governance Overview. The other information does not include the financial statements and our auditor's 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 obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) and in the manner required by

the Bui Power Authority Act, 2007 (Act 740) and Bui Power Authority Act, 2020 (Act 1046) 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.

In preparing the financial statements, the directors are 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 governing council either intends to recommend to liquidate the Authority or to cease operations or have no realistic alternative but to do so.

The directors are responsible for overseeing the Authority's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority'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 Authority to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action is taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, 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 Bui Power Authority Act, 2007 (Act 740) as amended by Bui Power Authority Act, 2020 (Act 1046) 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 purpose of our audit;
- ii. In our opinion proper books of account have been kept by the Authority, so far as appears from our examination of those books; and
- iii. The Authority's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is Dr. Robert Donaldy (ICAG/P/1113).



Donaldy Associates (ICAG/F/2024/100)
Chartered Accountants
House of Excellence Annex, Adum
Kumasi, Ghana
13th May, 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

| | | 2023 | 2022 |
|--|------|----------------|----------------|
| | Note | US\$'000 | US\$'000 |
| Revenue | 5 | 157,105 | 158,802 |
| Cost of generation | 6 | (34,680) | (34,738) |
| Gross profit | | 122,425 | 124,064 |
| Other income | 7 | 2,228 | 3,343 |
| Operating expenses | 8 | (1,527) | (1,877) |
| Administrative expenses | 9 | (32,118) | (34,506) |
| Operating profit | | 91,008 | 91,024 |
| Finance costs | 10 | (10,364) | (11,806) |
| Profit before tax | | 80,644 | 79,218 |
| Tax expense | 11 | - | - |
| Profit after tax | | 80,644 | 79,218 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | 80,644 | 79,218 |

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2023

| | | 2023 | 2022 |
|--------------------------------------|-------|-------------------------|-------------------------|
| | Note | US\$'000 | US\$'000 |
| Non-current assets | | | |
| Property, plant and equipment | 12 | 865,997 | 869,449 |
| Intangible assets | 13 | 553 | - |
| Investment in associate | 14 | 6 | 6 |
| Trade receivables | 16 | <u>607,632</u> | <u>506,020</u> |
| Total non-current assets | | <u>1,474,188</u> | <u>1,375,475</u> |
| Current assets | | | |
| Inventories | 15 | 23,989 | 15,085 |
| Trade and other receivables | 16 | 138,066 | 120,023 |
| Escrow account | 17 | 1 | 1 |
| Cash and cash equivalents | 18 | <u>3,040</u> | <u>6,046</u> |
| Total current assets | | <u>165,096</u> | <u>141,155</u> |
| Total Assets | | <u>1,639,284</u> | <u>1,516,630</u> |
| Equity | | | |
| Ghana government investment fund | 19 | 76,514 | 76,514 |
| Retained earnings | | <u>624,238</u> | <u>543,594</u> |
| Total equity | | <u>700,752</u> | <u>620,108</u> |
| Non-current liabilities | | | |
| Loans and borrowings | 20(d) | 840,977 | 805,122 |
| Trade payables | 21 | 29,945 | 33,411 |
| Bui land compensation provision | 22 | 10,000 | 10,000 |
| Deferred income | 23 | 469 | 499 |
| Deferred grant/donor partner | 24 | <u>68</u> | <u>72</u> |
| Total non-current liabilities | | <u>881,459</u> | <u>849,104</u> |
| Current Liabilities | | | |
| Loans and borrowings | 20(d) | 35,908 | 31,341 |
| Trade and other payables | 25 | 12,118 | 10,091 |
| Employee benefit obligations | 26 | <u>9,047</u> | <u>5,986</u> |
| Total current liabilities | | <u>57,073</u> | <u>47,418</u> |
| Total liabilities | | <u>938,532</u> | <u>896,522</u> |
| Total equity and liabilities | | <u>1,639,284</u> | <u>1,516,630</u> |

The financial statements were approved by the Board on 10th May, 2024 and were signed on their behalf by:

A handwritten signature in blue ink, featuring a stylized star-like symbol inside a circle followed by the name 'Ameyaw' in a cursive script.

Hon. Kwasi Ameyaw-Cheremeh
Board Chairman

A handwritten signature in blue ink, written in a highly stylized cursive script.

Hon. Samuel Kofi Ahiave Dzamesi
Chief Executive Officer

The annexed notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

| Year ended 31 December 2023 | Ghana Government Investment fund | Retained Earnings | Total |
|-----------------------------|-------------------------------------|-------------------|----------------|
| | US\$'000 | US\$'000 | US\$'000 |
| Balance at 1 January 2023 | 76,514 | 543,594 | 620,108 |
| Profit for the year | - | <u>80,644</u> | <u>80,644</u> |
| | | | |
| Balance at 31 December 2023 | <u>76,514</u> | <u>624,238</u> | <u>700,752</u> |
| | | | |
| Year ended 31 December 2022 | | | |
| Balance at 1 January 2022 | 76,514 | 464,376 | 540,890 |
| Profit for the year | - | <u>79,218</u> | <u>79,218</u> |
| | | | |
| Balance at 31 December 2022 | <u>76,514</u> | <u>543,594</u> | <u>620,108</u> |
| | | | |

The annexed notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

| | Note | 2023 | 2022 |
|---|------|-----------|-----------|
| | | US\$'000 | US\$'000 |
| Operating activities | | | |
| Profit before tax | | 80,644 | 79,218 |
| Adjustments for: | | | |
| Depreciation of property, plant & equipment | | 25,284 | 24,350 |
| Amortization of intangible assets | | 97 | - |
| Profit on disposal of fixed assets | | (50) | - |
| Interest income | | (121) | (118) |
| Interest expense | | 10,364 | 11,806 |
| Operating profit before working capital changes | | 116,218 | 115,256 |
| Changes in inventories | | 8,904 | 216 |
| Changes in escrow account | | - | 6,451 |
| Changes in trade and other receivables | | (119,655) | (107,672) |
| Changes in trade and other payables | | (1,439) | (23,454) |
| Changes in deferred income | | (30) | 72 |
| Changes in deferred Grant/ Donor Partner | | (4) | (4) |
| Changes in employee benefit obligation | | 3,061 | 5,257 |
| Cash used in operations | | (10,753) | (3,878) |
| Interest received | | 121 | 118 |
| Interest paid | | (10,364) | (11,806) |
| Net cash used in operating activities | | (20,996) | (15,566) |
| Investing activities: | | | |
| Purchase of property, plant, and equipment | | (21,831) | (13,335) |
| Proceeds from disposal of fixed assets | | 50 | - |
| Purchase of intangible assets | | (650) | - |
| Net cash used in investing activities | | (22,431) | (13,335) |
| Financing activities | | | |
| Receipt of government loans | | 40,421 | 31,119 |
| Net cash generated from financing activities | | 40,421 | 31,119 |
| Net (decrease)/Increase in cash and cash equivalents | | (3,006) | 2,218 |
| Cash and cash equivalents as at 1 January | | 6,046 | 3,828 |
| Cash and cash equivalents as at 31 December | | 3,040 | 6,046 |

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

1. Corporate Information

Bui Power Authority was established by an Act of Parliament under 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 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

2.1 Statement of compliance

The financial statements of Bui Power Authority have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in the manner required by the Bui Power Authority Act, 2007 (Act 740) as amended.

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, the actual outcome could differ from those estimates. Significant estimates and assumptions are included in Note 4.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except when otherwise stated.

2.3 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 to the nearest thousand unless otherwise indicated.

2.4 Use of estimates and judgements

In preparing these financial statements, management has made judgements, 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 ongoing basis. Revisions to estimates are recognised prospectively.

3. Significant accounting policies

The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Revenue

Revenue from the sale of electricity is recognised when electricity is supplied to off-takers. To determine whether to recognise revenue, Bui Power Authority follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised when the performance obligation with the off-takers has been met and the transaction price can be reliably measured at a rate approved by the Public Utility Regulatory Commission (PURC) as per the power purchase agreement.

Power Supply Income: Revenue is recognised upon delivery of electricity to the off-taker and it is stated at the fair value of the consideration received/receivable. Bui Power Authority recognises electricity supply income from the amount of revenue arising from the agreement between the Authority and the off-takers.

3.2 Inventories

Inventories are measured at the lower of cost and net realizable value using the weighted average cost principle. Cost comprises expenditure incurred in the normal course of business. Net Realisable Value (NRV) is the estimated selling price in the ordinary course of the business less estimated selling expenses. Provision is made for obsolete, slow moving and defective stocks as and when determined.

3.3 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period 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 the construction of the dam and other civil works are capitalized. Other borrowing costs are expensed in the period in which they occur.

3.4 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and bank balances that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered cash and cash equivalents. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on

hand and bank balances as defined above, net of outstanding bank overdrafts where applicable.

Escrow account

Amounts held in the Bui Power Authority's account with China Export and Import Bank (CEXIM) are not considered to be part of the Authority's cash and cash equivalent balance. Rather, they are considered separately due to their materiality and the nature of the restriction.

3.5 Provisions

General

A provision is recognized when the Authority has a present obligation (legal or constructive) as a result of a past event and 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. Provisions are determined by discounting expected future cash flows at pre-tax rates that reflect current risks specific to the liability.

3.6 Taxation

Current income tax

The Authority asserts that as a government agency established by an Act of Parliament, it is exempt from the payment of corporate taxes and deferred taxes.

Other taxes

Revenues, expenses and assets are recognised net of the amount of Value Added Tax (VAT) except where the VAT incurred on the purchase of goods and services is not recoverable from the tax authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

The net amount of VAT recoverable from, or payable to, the Ghana Revenue Authority is included as part of accounts receivable or payable in the statement of financial position.

3.7 Foreign currency

The financial statements are presented in United States Dollars which is also the functional currency of the Authority. Unless otherwise indicated all amounts are presented to the nearest thousand.

Transactions and balances

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising in settlement or translation of monetary items are recognised in profit or loss.

3.8 Intangible assets

Software

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and

accumulated impairment losses. Amortisation is recognized in the profit or loss on a straight line basis over estimated useful life of the software from the date it is available for use. The estimated useful life for software is 5 years.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

3.9 Property, plant and equipment

(i) Recognition and measurement

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

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

(ii) Subsequent costs

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

Spare parts, stand-by and servicing equipment held by the Authority generally are classified as inventories. However, if major spare parts and stand-by equipment are expected to be used for more than one period or can be used only in connection with an item of property, plant and equipment, then they are classified as property, plant and equipment.

The Authority derecognises the carrying amount of a part of an item of property, plant and equipment if that part has been replaced and the Authority has included the cost of the replacement in the carrying amount of the item.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight -line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives for the current and comparative periods are as follows:

| | |
|---------------------------------|----------------|
| Dams, powerhouse & civil works | 25 - 100 years |
| Generating plant and machinery | 15 - 40 years |
| Transmission 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 |
| Miscellaneous equipment | 3-20 years |
| Buildings | 15 - 50 years |

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds from disposal with the carrying amounts of property, plant and equipment and are recognised in profit or loss.

(iv) Capital work in progress

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

Impairment of non-financial assets

Property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable Cash Generating Units (CGUs). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGUs). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The Authority evaluates impairment losses for potential reversals when events or circumstances may indicate such consideration is appropriate. The increased carrying amount of an asset shall not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the asset in prior years.

3.10 Employee benefits obligation

(a) Short-Term Benefits

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

(b) Defined Contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligations for contributions to defined contribution schemes are recognized as an expense in profit or loss in periods during which services are rendered by employees.

Tier 1 and Tier 2 Contributions

Under a national pension scheme, the Authority contributes 13% of employee's basic salary for employee pensions whereas the employee contributes 5.5% of basic salary. The Authority's obligation is limited to the relevant contributions, which have been recognized in the financial statements.

The national pension scheme is made up of two mandatory tiers. The first tier which receives 13.5% of the total contribution is managed by the Social Security and National Insurance Trust (SSNIT) whereas the second tier which receives 5% of total contribution is managed by Enterprise trustee. The pension liabilities and obligations for these contributions rest with SSNIT and Enterprise trustee.

Tier 3 – Provident Fund

The Authority has a voluntary Tier 3 provident fund scheme for staff to which the Authority contributes 10% basic salaries of staff whereas the employee contributes 5% of basic salary. Obligations under the plan are limited to the relevant contributions, which are charged to profit or loss as and when they fall due.

(c) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liabilities of the Authority arising from the defined benefit obligations and related current service costs are determined on an actuarial basis using the projected unit of credit method. The Authority uses this method to determine the present value of defined benefit obligations, related current service costs and where applicable, past service costs. Actuarial gains or losses, which arise mainly from changes in actuarial assumptions and differences between actuarial assumptions and what actually occurred are recognized immediately in other comprehensive income.

The Authority determines the net interest expense on the net defined benefits liability for the period by applying the discount rate used to measure the defined obligation at the beginning of the annual period to the then – defined benefit liability during the period as a result of contributions and benefits payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

3.11 Financial Instruments

A financial instrument 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.

Financial instruments classified as held-to-maturity investments, loans and receivables, or other financial liabilities are measured at fair value upon initial recognition and subsequently measured at their amortised cost using the effective interest method.

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

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is 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 profit or loss unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Authority.

Derecognition of financial liabilities

A financial liability is derecognised 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 amounts is recognised in profit or loss.

Derecognition 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 derecognised 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:

- (a) 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.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Authority's financial statements requires management to make judgements, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1 Estimates and assumptions

In the process of applying the Authority's accounting policies, management has made various judgements. Those which management has assessed to have the most significant effect on the amounts recognised in the financial statements have been discussed in the individual notes of the related financial statements line items.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also described in the individual notes of the related financial statements line items below. The Authority based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Authority. Such changes are reflected in the assumptions when they occur.

4.2 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.

Useful lives 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.

5.0 Leases

The Authority assesses at contract inception whether a contract is, or contains, lease. That is if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Authority acting as a lessor

At inception or on modification of a contract that contains a lease component, the Authority allocate the consideration in the contract to each lease component on the basis of their stand-alone prices. When the Authority act as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Authority make overall assessment of whether the lease transfers substantial all of the risk and rewards incidental to ownership of the underlying assets. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Authority consider certain indicators such as whether the lease are for the major part of the economic life of the asset.

The Authority recognize lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

5. Revenue

| | Revenue from sale | Power generated |
|--|-------------------|------------------|
| | of electricity | Kilowatt hour |
| 2023 | US\$'000 | in thousands |
| Revenue from Sales of Electricity | 155,217 | 1,515,788 |
| Transmission Assets Investment Recovery Charge | <u>1,888</u> | <u>-</u> |
| | 157,105 | 1,515,788 |
| 2022 | | |
| Revenue from Sales of Electricity | 158,427 | 1,547,117 |
| Transmission Assets Investment Recovery Charge | <u>375</u> | <u>-</u> |
| | 158,802 | 1,547,117 |

The Authority sells electricity generated by its hydroelectric plant to the Electricity Company of Ghana (ECG). The Authority's reactive power is sold to Ghana Grid Company Limited (GRIDCO). Per the power purchase agreement between the Ministry of Energy (on behalf of Bui Power Authority), the Electricity Company of Ghana and Ghana Grid Company Limited, all forms of power are sold using prices as defined by the Public Utility Regulatory Commission (PURC). The transmission assets recovery charge relates to the recovery of Bui Power Authority's transmission asset investment costs incurred. The recovery charge is based on approved tariff of electricity transmitted by Ghana Grid Company Limited.

6. Cost of Generation

| | 2023 | 2022 |
|---|---------------|---------------|
| | US\$'000 | US\$'000 |
| Direct Labour Costs | 4,715 | 5,608 |
| Direct Consumables Expenses | 2,866 | 3,388 |
| Direct Operational and Maintenance Expenses | 3,511 | 2,659 |
| Depreciation Charge (COS) | <u>23,588</u> | <u>23,083</u> |
| | <u>34,680</u> | <u>34,738</u> |

These costs are directly attributable to the generation of hydroelectric power.

7. Other Income

| | 2023 | 2022 |
|----------------------------------|--------------|--------------|
| | US\$'000 | US\$'000 |
| Rent Income | 967 | 966 |
| Foreign Exchange Differences | 530 | 2,044 |
| BPA Children's Garden/Nursery | 26 | 27 |
| Interest on Accounts | 121 | 118 |
| Miscellaneous Income | 530 | 184 |
| Gain on disposal of fixed assets | 50 | - |
| Grant Note 24 | <u>4</u> | <u>4</u> |
| | <u>2,228</u> | <u>3,343</u> |

8. Operating Expenses

| | 2023 | 2022 |
|--------------------------------------|--------------|--------------|
| | US\$'000 | US\$'000 |
| Repairs & Maintenance-General | 282 | 265 |
| Corporate Meetings | 40 | 23 |
| Casual Labour | 19 | 18 |
| Printing & Stationery | 78 | 99 |
| IT Equipment Spare & Consumables | 289 | 529 |
| Vehicle Maintenance | 174 | 184 |
| IT Support & Maintenance | 17 | 70 |
| General Materials | 383 | 354 |
| Building Maintenance Materials | 26 | 99 |
| Freight, Penalty, Demurrage & Others | - | 1 |
| Regulatory & Supervisory Cost | 109 | 197 |
| Project Affected People | 2 | 2 |
| Auto Equipment Spare | <u>108</u> | <u>36</u> |
| | <u>1,527</u> | <u>1,877</u> |

9. Administrative Expenses

| | | 2022 |
|---|---------------|---------------|
| Note | US\$'000 | US\$'000 |
| Audit Fees | 28 | 27 |
| Bank Charges | 45 | 75 |
| Board Expenses | 171 | 189 |
| Communications | 30 | 29 |
| Depreciation & Amortization – Indirect 9b | 2,001 | 1,870 |
| Environmental Expenses | - | 1 |
| Cleaning & Sanitation | 69 | 84 |
| Courier & Postal Services | 1 | 1 |
| Fuel | 597 | 653 |
| Impairment Provision | 1,159 | 1,061 |
| Insurance | 2,217 | 1,551 |
| Licenses & Permits | 33 | 32 |
| Office Expenses | 48 | 24 |
| Other Consumables | 708 | 642 |
| Personnel Expenses – Indirect 9a | 15,745 | 15,616 |
| Public Relation & Marketing | 51 | 44 |
| Professional Fees | 1,056 | 2,206 |
| Rent & Rates | 1 | 1 |
| Training & Development | 355 | 382 |
| Travel & Transportation | 373 | 318 |
| Foreign Exchange Difference | 5,083 | 7,160 |
| Utilities | 101 | 67 |
| Security | 147 | 201 |
| Legal fees | 1 | - |
| Subscription | 97 | 121 |
| Recruitment Expenses | 1 | 9 |
| Programs & Special Events | 112 | 80 |
| Corporate Social Responsibility (CSR) | 683 | 910 |
| Seminars, Workshops & Conferences | 1,163 | 1,051 |
| Compensation Expense | 42 | 101 |
| | 32,118 | 34,506 |

9a. Personnel Expenses

| | 2023 | 2022 |
|---|---------------|---------------|
| | US\$'000 | US\$'000 |
| Included in Cost of Generation: | | |
| Salaries and wages | 4,715 | <u>5,608</u> |
| | 4,715 | <u>5,608</u> |
| Included in Administrative Expenses: | | |
| Salaries and wages | 4,517 | 4,112 |
| Allowances | 4,543 | 4,460 |
| Long-term Employee Benefit | 4,893 | 5,589 |
| SSNIT and Provident Fund Contribution | 901 | 841 |
| Bonus | 805 | 493 |
| Other staff costs | 86 | <u>121</u> |
| | 15,745 | <u>15,616</u> |
| Total Personnel Expenses | 20,460 | <u>21,224</u> |

9b. Depreciation and Amortisation

| | 2023 | 2022 |
|--|---------------|---------------|
| | US\$'000 | US\$'000 |
| Included in Cost of Generation | | |
| Depreciation Charge | 23,588 | 23,083 |
| Included in Administrative Expenses | | |
| Depreciation Charge | 1,904 | <u>1,870</u> |
| Total depreciation charged for the year | 25,492 | <u>24,953</u> |
| Amortization Charge | 97 | - |
| Total Depreciation and Amortization | 25,589 | <u>24,953</u> |

Depreciation charged to cost of sales is attributable to items of property, plant and equipment that are used in the direct operations of the Bui Hydroelectric Power Dam.

10. Finance Costs

| | 2023 | 2022 |
|------------------------|---------------|---------------|
| | US\$'000 | US\$'000 |
| | | |
| Interest on Borrowings | <u>10,364</u> | <u>11,806</u> |

11. Taxation

The Authority as a Government Agency established by an Act of Parliament is exempt from the payment of corporate taxes. Hence, neither income tax expense nor deferred taxes have been computed and recognised in the current year and previous years.

12a. Property, Plant and Equipment - 2023

| | Dams, power house & civil works | Transmission networks | Land, buildings, roads, civil works | Generation, plant and machinery | Motor vehicles | IT & comm. equipment | Residential equipment, furniture & fittings | Capital work in progress projects | Total |
|---------------------------|---------------------------------|-----------------------|-------------------------------------|---------------------------------|----------------|----------------------|---|-----------------------------------|-----------|
| Cost | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| As at 1 January 2023 | 340,205 | 133,364 | 294,341 | 201,535 | 5,663 | 7,889 | 9,554 | 44,755 | 1,037,306 |
| Additions | - | - | - | - | 980 | 50 | 34 | 21,065 | 22,129 |
| Transfers | - | - | 418 | 9,609 | - | - | 68 | (10,095) | - |
| Disposal | - | - | - | - | (297) | - | - | - | (297) |
| As at 31 December 2023 | 340,205 | 133,364 | 294,759 | 211,144 | 6,346 | 7,939 | 9,656 | 55,725 | 1,059,138 |
| Accumulated Depreciation | | | | | | | | | |
| As at 1 January 2023 | 34,128 | 44,956 | 26,584 | 47,892 | 3,811 | 4,662 | 5,824 | - | 167,857 |
| Charge for the Year | 3,949 | 5,519 | 3,943 | 8,475 | 730 | 1,701 | 1,177 | - | 25,494 |
| Disposal | - | - | - | - | (210) | - | - | - | (210) |
| As at 31 December 2023 | 38,077 | 50,475 | 30,527 | 56,367 | 4,331 | 6,363 | 7,001 | - | 193,141 |
| Carrying Amount- 31/12/23 | 302,128 | 82,889 | 264,232 | 154,777 | 2,015 | 1,576 | 2,655 | 55,725 | 865,997 |
| Carrying Amount- 31/12/22 | 306,077 | 88,408 | 267,757 | 153,643 | 1,852 | 3,227 | 3,730 | 44,755 | 869,449 |

12b. Property, Plant and Equipment- 2022

| | Dams, power house & civil works | Transmission networks | Land, buildings, roads, civil works | Generation, plant and machinery | Motor vehicles | IT & comm. equipment | Residential equipment, furniture & fittings | Capital work in progress projects | Total |
|---------------------------|---------------------------------|-----------------------|-------------------------------------|---------------------------------|----------------|----------------------|---|-----------------------------------|-----------|
| Cost | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| As at 1 January 2022 | 340,205 | 133,364 | 294,341 | 200,038 | 5,728 | 5,997 | 7,867 | 36,431 | 1,023,971 |
| Additions | - | - | - | 1,497 | 538 | 1,892 | 404 | 9,607 | 13,938 |
| Transfers | - | - | - | - | - | - | 1,283 | (1,283) | - |
| Disposal | - | - | - | - | (603) | - | - | - | (603) |
| As at 31 December 2022 | 340,205 | 133,364 | 294,341 | 201,535 | 5,663 | 7,889 | 9,554 | 44,755 | 1,037,306 |
| Accumulated Depreciation | | | | | | | | | |
| As at 1 January 2022 | 30,179 | 39,437 | 22,653 | 39,893 | 3,746 | 2,977 | 4,622 | - | 143,507 |
| Charge for the Year | 3,949 | 5,519 | 3,931 | 7,999 | 668 | 1,685 | 1,202 | - | 24,953 |
| Disposal | - | - | - | - | (603) | - | - | - | (603) |
| As at 31 December 2022 | 34,128 | 44,956 | 26,584 | 47,892 | 3,811 | 4,662 | 5,824 | - | 167,857 |
| Carrying Amount- 31/12/22 | 306,077 | 88,408 | 267,757 | 153,643 | 1,852 | 3,227 | 3,730 | 44,755 | 869,449 |

13. Intangible Assets

| | 2023 | 2022 |
|--------------------------------|------------|----------|
| | US\$'000 | US\$'000 |
| Cost | | |
| As at 1 January | 466 | 466 |
| Additions | 650 | - |
| As at 31 December | 1,116 | 466 |
| Amortisation | | |
| As at 1 January | 466 | 446 |
| Charge for the year | 97 | - |
| As at 31 December | 563 | 466 |
| Total Intangible Assets | 553 | - |

Intangibles represents software that helps collect data in real time to regulate equipment, conditions, and inter-organizational communication.

14. Investment in Associate

| | 2023 | 2022 |
|-----------------------------|----------|----------|
| | US\$'000 | US\$'000 |
| Nuclear Power Ghana Limited | 6 | 6 |
| | 6 | 6 |

The investment in Nuclear Power Ghana Limited represents shares held by the Authority conferring the right to exercise 33% of casting votes at general meetings. Nuclear Power Ghana Limited is a company incorporated in Ghana to construct, own, operate, maintain, and de-commission nuclear power plant for the purpose of providing base-load electricity for economic and social development.

15. Inventories

| | 2023 | 2022 |
|-----------------------|---------------|---------------|
| | US\$'000 | US\$'000 |
| Spare Parts and Tools | 22,809 | 13,746 |
| Stationery | 158 | 193 |
| Safety Materials | 226 | 280 |
| Other Inventories | 796 | 866 |
| | 23,989 | 15,085 |

There were no write-offs of inventories during the year (2022: nil).

16. Trade and Other Receivables

| | 2023 | 2022 |
|-------------------------|----------------|----------------|
| | US\$'000 | US\$'000 |
| Trade Receivables (Net) | 724,805 | 609,831 |
| Other Receivables | 19,450 | 15,181 |
| Prepayments | 1,443 | 1,031 |
| | <u>745,698</u> | <u>626,043</u> |

| | | 2023 | 2022 |
|-------------------------|----|----------------|----------------|
| | | US\$'000 | US\$'000 |
| Non-current receivables | 16 | 607,632 | 506,020 |
| Current receivables | 16 | 138,066 | 120,023 |
| | | <u>745,698</u> | <u>626,043</u> |

Allowance for impairment is recognised against trade receivables based on estimated irrecoverable amounts by reference to the past default experience of the counterparty and an analysis of the counterparty's current financial position.

17. Escrow Account

| | 2023 | 2022 |
|----------------------|----------|----------|
| | US\$'000 | US\$'000 |
| CEXIM Escrow Account | 1 | 1 |
| | <u>1</u> | <u>1</u> |

This represents an account held with the China Export-Import Bank (CEXIM) specifically for the repayment of loan facilities and the administration of funds from loan drawn downs.

18. Cash and Cash Equivalents

| | 2023 | 2022 |
|---------------|--------------|--------------|
| | US\$'000 | US\$'000 |
| Cash Balance | 1 | - |
| Bank Balances | 3,039 | 6,046 |
| | <u>3,040</u> | <u>6,046</u> |

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

19. Ghana Government Investment Fund

| | 2023 | 2022 |
|-------------------------------------|---------------|---------------|
| | US\$'000 | US\$'000 |
| Investment from Government of Ghana | <u>76,514</u> | <u>76,514</u> |

This represents Government of Ghana contribution towards the construction of the Bui Hydro-electric Dam.

20. Loans and Borrowings

| | Note | 2023 | 2022 |
|------------------------------------|------|----------------|----------------|
| | | US\$'000 | US\$'000 |
| Government On-lending Facilities | 20a | <u>394,444</u> | 390,899 |
| Buyers' Credit Facilities | 20b | <u>98,478</u> | 91,659 |
| Agency Account-Government of Ghana | 20c | <u>383,963</u> | <u>353,905</u> |
| | | <u>876,885</u> | <u>836,463</u> |

20a. Government of Ghana On-lending Facilities

| | 2023 | 2022 |
|-----------------------------|----------------|----------------|
| | US\$'000 | US\$'000 |
| Concessional Loans | <u>315,861</u> | 312,316 |
| Preferential Buyer's Credit | <u>78,583</u> | <u>78,583</u> |
| | <u>394,444</u> | <u>390,899</u> |

Concessional loans and preferential buyer's credit facility were entered into in years 2007 and 2012 respectively by the Government of Ghana and the Chinese Government for the construction and operation of the Bui Hydroelectric Power Project. An on-lending agreement exists between the Ministry of Finance and the Bui Power Authority.

20b. Buyers' Credit Facilities

| | 2023 | 2022 |
|---------------------------------|---------------|---------------|
| | US\$'000 | US\$'000 |
| CEXIM Buyers' Credit Facilities | <u>98,478</u> | <u>91,659</u> |

Buyer's credit facilities were granted by the China Export-Import Bank in 2007 and 2012. The facilities were granted in the United States Dollars and approval limits were US\$293,506,062 and US\$76,206,939 in 2007 and 2012 respectively.

20c. Agency Accounts- Government of Ghana

| | 2023 | 2022 |
|------------------------------------|----------------|----------------|
| | US\$'000 | US\$'000 |
| Government of Ghana Agency Account | <u>383,963</u> | <u>353,905</u> |

This represents amounts contributed by Ghana Cocobod as part of a cocoa sales agreement intended to assist in loan repayments through the sale of cocoa beans to Genertec International Corporation, a Chinese produce buying company.

20d. Loans and Borrowings

| | 2023 | 2022 |
|---------------------|----------------|----------------|
| | US\$'000 | US\$'000 |
| Non-Current Portion | <u>840,977</u> | 805,122 |
| Current Portion | <u>35,908</u> | <u>31,341</u> |
| | <u>876,885</u> | <u>836,463</u> |

Current interest-bearing loans and borrowings consists of short-term loan facilities contracted from China Export-Import bank. Interest is payable on demand.

20e. Loans and Borrowings - Interest and Maturity Analysis

| Loans and Borrowings | Interest Rate p.a. | Maturity | 2023 | 2022 |
|---|--------------------|------------|----------------|----------------|
| | | | US\$'000 | US\$'000 |
| Buyers Credit Facility-2007 | 5.94475% | 21/11/2025 | <u>77,525</u> | 72,353 |
| Buyers Credit Facility-2012 | LIBOR+4% | 21/11/2025 | <u>20,953</u> | <u>19,306</u> |
| | | | <u>98,478</u> | <u>91,659</u> |
| Concessional Loan | 2.75% | 15/07/2037 | <u>315,861</u> | 312,316 |
| Preferential Buyers' Credit | 2.75% | 15/07/2037 | <u>78,583</u> | <u>78,583</u> |
| | - | | <u>394,444</u> | <u>390,899</u> |
| Government of Ghana Agency Account | | - | <u>383,963</u> | <u>353,905</u> |
| Total Non-Current Loans and Borrowings | | | <u>876,885</u> | <u>836,463</u> |
| Current Interest-Bearing Loans and Borrowings | - | | | |
| Interest payable | | On-demand | <u>7,231</u> | <u>1,489</u> |
| | | | <u>7,231</u> | <u>1,489</u> |

Interest payable is the interest due on Buyers Credit facilities. The 2007 Buyers Credit attracts interest

at 5.94475%. The 2012 Buyers Credit facility also attracts an interest rate of LIBOR+4%.

21. Trade Payables

| | 2023 | 2022 |
|-----------------|---------------|---------------|
| | US\$'000 | US\$'000 |
| Trade Creditors | <u>29,945</u> | <u>33,411</u> |
| | | |

This represents the balance outstanding to Meinerger Technology Limited for the construction of 40MW Solar Farm at Bui Generation Station. The amount is payable in 6 years ending May 2029.

22. Bui Land Compensation Provision

| | 2023 | 2022 |
|-------------------|---------------|---------------|
| | US\$'000 | US\$'000 |
| Land Compensation | <u>10,000</u> | <u>10,000</u> |
| | | |

This represents a provision made regarding compensations payable to owners of the site land used for the construction of the Bui Generation Station.

23. Deferred Income

| | 2023 | 2022 |
|----------------|------------|------------|
| | US\$'000 | US\$'000 |
| BPA Floor Area | <u>469</u> | <u>499</u> |
| | | |

This represents unearned income from tenants for renting out the BPA floor area.

24. Deferred Grant/Donor Partner

| | 2023 | 2022 |
|---------------------------------|------------|------------|
| | US\$'000 | US\$'000 |
| Balance at 1 January | 72 | 76 |
| Transfer to Other Income Note 7 | <u>(4)</u> | <u>(4)</u> |
| Balance at 31 December | <u>68</u> | <u>72</u> |

This represents generating equipment received from UNDP for generating power at Tsatsadu Generation Station. The deferred grant is recognised in the profit or loss as other income over the useful life of the asset.

25. Trade and Other Payables

| | 2023 | 2022 |
|-------------------------|---------------|---------------|
| | US\$'000 | US\$'000 |
| Trade Payables | 9,534 | 9,112 |
| Accrued Expenses | 2,043 | 268 |
| Payroll Liabilities | 463 | 583 |
| Other Payables | 74 | 95 |
| Withholding Tax Payable | 4 | 33 |
| | <u>12,118</u> | <u>10,091</u> |

26. Employee Benefit Obligation

| | 2023 | 2022 |
|------------------------|--------------|--------------|
| | US\$'000 | US\$'000 |
| Balance at 1 January | 5,986 | 730 |
| Current Service Costs | 4,893 | 6,260 |
| Exchange Difference | (1,817) | (100) |
| Payments | (15) | (904) |
| Balance at 31 December | <u>9,047</u> | <u>5,986</u> |

Employee benefit obligation relates to the award of end-of-service benefits to management and all staff of the Authority.

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

| | 2023 | 2022 |
|---|--------------|--------------|
| | US\$'000 | US\$'000 |
| Net benefit expense recognized in profit or loss | | |
| Current Service Costs | 4,893 | 6,260 |
| Exchange Difference | (1,817) | (100) |
| | <u>3,076</u> | <u>6,160</u> |

27. Financial Risk Management

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

The Authority's risk management is the responsibility of the Board and it 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 risks to which the Authority is exposed are described below.

Market risk

The Authority is exposed to market risk using financial instruments and specifically to interest rate risk and currency risk which results from operating and investing activities.

Interest rate risk

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 borrowing 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:

| | Increase/ decrease in basis points | Effect on profit before tax |
|-------------|---------------------------------------|--------------------------------|
| | US\$'000 | US\$'000 |
| 2023 | +100 | +8,769 |
| | -100 | -8,769 |
| 2022 | +100 | +8,365 |
| | -100 | -8,365 |

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment, showing 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).

| | Changes in US\$ Rates | Effect on profit before tax |
|-------------|--------------------------|--------------------------------|
| | | US\$'000 |
| 2023 | +44% | +34,621 |
| | -44% | -34,621 |
| 2022 | +35% | +29,025 |
| | -35% | -29,025 |
| | | |
| | | |

Credit risk analysis

Trade accounts receivable

Credit risk is the risk that the counterparty fails to discharge an obligation to the Authority. The Authority's main exposure to credit risk is to the Electricity Company of Ghana, the Authority's major customer. The Authority has no significant concentration of credit risk since the Government of Ghana has planned to avail loans for settling the outstanding receivables of ECG.

| | 31 December | 31 December |
|--------------------------------|-------------|-------------|
| | 2023 | 2022 |
| | US\$'000 | US\$'000 |
| Expected Credit Loss Rate | 1% | 1% |
| Gross Carrying Amount | 732,108 | 615,975 |
| Life Time Expected Credit Loss | 7,304 | 6,145 |

| | 31 December | 31 December |
|---|--------------|--------------|
| | 2023 | 2022 |
| | US\$'000 | US\$'000 |
| IFRS 9 Expected Credit Loss as at 1 January | 6,145 | 5,084 |
| Charge for the Year | 1,159 | 1,061 |
| | <u>7,304</u> | <u>6,145</u> |

27. Financial risk management objectives and policies (Continued)

Liquidity risk analysis

The Authority's objective is to maintain a balance between continuity of funding and flexibility using of loans from the Chinese government and other payables.

The table below summarises the maturity profile of the Authority's financial liabilities based on contractual undiscounted payments (including interest payments):

| Year ended 31 December 2023 | On-demand | Less than 3 months | 3 to 12 months | 1 to 5 years | >5 years | Total |
|---------------------------------------|-----------|--------------------|----------------|--------------|----------------|----------------|
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Interest-Bearing Loans and Borrowings | - | - | 35,908 | - | 840,977 | 876,885 |
| Trade Payables | - | - | - | - | 29,945 | 29,945 |
| Trade and Other Payables | - | - | 12,113 | - | - | 12,113 |
| | - | - | <u>48,021</u> | - | <u>870,922</u> | <u>918,943</u> |

| Year ended 31 December 2022 | On-demand | Less than 3 months | 3 to 12 months | 1 to 5 years | >5 years | Total |
|---------------------------------------|-----------|--------------------|----------------|--------------|----------|----------|
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Interest-Bearing Loans and Borrowings | - | - | 31,341 | - | 805,122 | 836,463 |
| Trade Payables | - | - | - | - | 33,411 | 33,411 |
| Trade and Other Payables | - | - | 10,091 | - | - | 10,091 |
| | - | - | 41,432 | - | 838,533 | 879,965 |

28. Related Party Disclosures

Bui Power Authority was established by an Act of Parliament, (Bui Power Authority Act, 2007 (Act 740)), as amended by (Bui Power Authority Act, 2020 (Act 1046)) and it is solely a government-controlled entity.

Related party transactions

The following pertains to transactions carried out with related parties for the years 2023 and 2022 respectively.

- i) The government of Ghana invested US\$76,514,075 into the setup and operations of the Bui Power Authority at its inception.
- ii) A Cocoa Sales Agreement was undertaken to assist in loan repayment through the sale of cocoa beans to Genertec International Corporation, a Chinese produce buying company. This agreement is partnered with the Ghana COCOBOD. Amounts contributed so far is detailed below:

| | 2023 | 2022 |
|------------------------------------|----------|----------|
| | US\$'000 | US\$'000 |
| Government of Ghana Agency Account | 383,963 | 353,905 |

The agency account relates to proceeds from cocoa sales for the repayment of Buyer's credit loan, as well as funds received from the Ministry of Finance in support of operations.

iii) Nuclear Power Ghana Limited

The Authority is an associate of Nuclear Power Ghana (NPG) Limited. Total financial and operational support to NPG as at the close of the year was US\$725,267 (2022: US\$641,725) and it is included in the trade and other receivables.

iv) Key management personnel

Key management personnel are defined as those having authority and responsibility for planning, directing and controlling the activities of the Authority and comprise the directors and senior management short-term and post-employment benefits.

| | 2023 | 2022 |
|-------------------------|--------------|--------------|
| | US\$'000 | US\$'000 |
| Short-term benefit | 3,190 | 2,792 |
| Post-Employment Benefit | 1,405 | 1,381 |
| | <u>4,595</u> | <u>4,173</u> |

29. 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.

30. Going Concern

The financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis presumes that cash flows arising from the normal course of business will be available to finance future operations of the Authority and that the realization of assets and settlement of liabilities will occur in the ordinary course of business.

31. Subsequent Events

There were no events after the reporting date that require disclosure in these financial statements.

32. Decommissioning Liability

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

33. Capital Commitments

The Authority has committed US\$5,666,667 to First Sky Limited towards the construction of 50MW Solar PV farm and ancillary works at Yendi which commenced in 2023 and it is expected to be completed in 2024.

34. Contingent Liabilities

Contingent liabilities, in respect of possible claim and lawsuit at the reporting date amounted to US\$1,077,327 (2022: US\$51,561). Judgement in respect of these cases have not been determined as at 31 December 2023 and no provision has been made against these claims.

GLOSSARIES

1. BGS – Bui Generating Station
2. BPA – Bui Power Authority
3. CSR– Corporate Social Responsibility
4. ECG – Electricity Company Ghana
5. FREP – Forest Resource Enhancement Programme
6. GRIDCo – Ghana Grid Company Limited
7. ICT – Information, Communication, Technology
8. IGF – Internally Generated Fund
9. KPI – Key Performance Indicators
10. MPOC – Multi Purpose Office Complex
11. NITS – National Interconnected Transmission System
12. PAPs – Project Affected Persons (people who had to be resettled due to the construction of the Bui dam)
13. SIGA – State interest Governing Authority
14. TGS – Tsatsadu Generating Station
15. The Authority – Bui Power Authority
16. YTD – Year to Date





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